

AGENDA
THE CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. STEVE WEBER, CHAIR
MONDAY, SEPTEMBER 15, 2025
IMMEDIATELY FOLLOWING THE CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS – 2 EAST MAIN STREET

1. Call to Order

2. Roll Call

3. Administrative

4. Omnibus Vote

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

5. Economic Development

- a. Recommendation to approve an **Ordinance** Amending Title 10, "Vehicles and Traffic", Chapter 10.11, "Rules of the Road," Section 10.11.2300, "Toy vehicles" thru Section 10.11.2380, "Speed limit."
- b. Recommendation to approve a **Resolution** establishing a policy for honorary street sign designations.
- c. Recommendation to approve an **Ordinance** Extending the Term and Approving the First Street TIF District Amendment No. 3.

6. Finance

- *a. Budget Revisions - August 2025

7. City Administration

- a. Council Initiatives Discussion

8. Public Comment

9. Additional Items from Mayor, Council or Staff

10. Executive Session

- Pending, Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)
- Personnel – 5 ILCS 120/2(c)(1)

11. Adjournment***ADA Compliance***

Any individual with a disability requesting a reasonable accommodation in order to participate in a public meeting should contact the ADA Coordinator, Jennifer McMahon, at least 48 hours in advance of the scheduled meeting. The ADA Coordinator can be reached in person at 2 East Main Street, St. Charles, IL, via telephone at (630) 377 4446 or 800 526 0844 (TTY), or via e-mail at jmcmahon@stcharlesil.gov. Every effort will be made to allow for meeting participation. Notices of this meeting were posted consistent with the requirements of 5 ILCS 120/1 et seq. (Open Meetings Act).

**AGENDA ITEM EXECUTIVE SUMMARY**Agenda Item number: **5a****Title:**

An Ordinance Amending Title 10, “Vehicles and Traffic”, Chapter 10.11, “Rules of the Road,” Section 10.11.2300, “Toy vehicles” thru Section 10.11.2380, “Speed limit”

Presenter:

Derek Conley

Meeting: Government Operations Committee

Date: September 15, 2025

Proposed Cost: \$ NA

Budgeted Amount: \$

Not Budgeted: ☐**Executive Summary** (if not budgeted please explain):

Recently, municipalities across Chicagoland, including St. Charles, have been reviewing and updating their bicycle policies in response to the growing use of powered bicycles and related complaints. With this proposed ordinance, St. Charles is clearly defining the appropriate use of traditional bicycles, powered bicycles, and other micromobility devices. The goal of the ordinance is to increase cyclist and pedestrian safety while remaining a bike-friendly community. There are three key points regarding the proposed ordinance:

1. The ordinance largely reflects existing state law.
2. The ordinance follows the guidance established by Ride Illinois, which provides specific recommendations for municipal biking ordinances (<https://rideillinois.org/safety/municipal-guidance/>).
3. The ordinance regulates the use of bicycles and micromobility devices in public spaces. However, when these devices are used on highways, additional rules under the Motor Vehicle Code apply.

The core principles of the proposal ordinance are the following:

- Establishes key definitions for bicycles and micromobility devices including non-motorized bikes, low-speed electric bicycle (e-bikes), e-motos, high-speed electric scooters, low-speed electric scooters, low-speed gas bicycles, mopeds, motor assisted bicycles, and motor assisted scooters.
- Traditional or non-motorized bikes are permissible on public sidewalks with the except to the Downtown Overlay District.
- Low-speed electric bicycles are not permitted on sidewalks, however, are permitted on bike lanes and sidepaths as recommended from Ride Illinois.
- E-motos which are capable of going over 20 mph without pedaling and often confused with E-Bikes are only permitted on roads – not sidewalks, bike lanes or sidepaths as recommended from Ride Illinois.
- Mopeds which are capable of going over 20 mph without pedaling are only permitted on roads – not sidewalks, bike lanes or sidepaths per state law.
- Low-speed electric scooters which are only capable of going 10 mph are permitted on sidewalks, bike lanes and sidepaths but not permitted on roads as recommended from Ride Illinois.
- High-speed electric scooters which are capable of going over 10 mph are not permitted on sidewalks, bicycle lanes, or sidepaths and are permitted on roads as recommended by Ride Illinois.

Exhibit A shows a chart that outlines where different devices are and are not allowed.

Attachments (please list):

Exhibit A: Allowable Device Chart

Exhibit B: Proposal Ordinance

Recommendation/Suggested Action (briefly explain):

Recommendation to approve an Ordinance Amending Title 10, “Vehicles and Traffic”, Chapter 10.11, “Rules of the Road,” Section 10.11.2300, “Toy vehicles” thru Section 10.11.2380, “Speed limit”

EXHIBIT A - Allowable Device Chart

	Sidewalks	Bike Lanes	Side Paths	Roads
Non - Motorized Bicycles	Y	Y	Y	Y
Class 1 E-Bicycles	N	Y	Y	Y
Class 2 E-Bicycles	N	Y	Y	Y
Class 3 E-Bicycles	N	Y	Y	Y
E Motos	N	N	N	Y
Moped	N	N	N	Y
Low-Speed Gas Bicycles	N	Y	Y	Y
Low-Speed Electric Scooter	Y	Y	Y	N
High-Speed Electric Scooters	N	N	N	Y

Sidewalk



Sidepath Example



Source: Parkways to Greenways

Bike Lane Examples

Conventional Bike Lanes



Source: Planetizen

Buffered Bike Lanes



Source: City of Elmhurst, IL

Protected Bike Lanes



Source: Wbez

City of St. Charles, Illinois
Ordinance No. 2025-M-_____

An Ordinance Amending Title 10, “Vehicles and Traffic”, Chapter 10.11, “Rules of the Road,” Section 10.11.2300, “Toy vehicles” thru Section 10.11.2380, “Speed limit”

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ST. CHARLES, KANE AND DUPAGE COUNTIES, ILLINOIS, AS FOLLOWS:

That Title 10, “Vehicles and Traffic”, Chapter 10.11, “Rules of the Road,” Section 10.11.2300, “Toy vehicles” thru Section 10.11.2380, “Speed limit” of the St. Charles Municipal Code is hereby deleted in its entirety, as attached hereto as “Exhibit A,” and in lieu of replaced by new Section 10.11.2300 – “Bicycle Obedience.”, Section 10.11.2310 – “Bicycle Riding Regulations.”, 10.11.2320 – “Electric Bicycle Definitions” , 10.11.2330 Electric Bicycle Rules and Regulations, 10.11.2340 – “Violation of Bicycle Riding Regulations or Electric Bicycle Rules and Regulations”, and 10.11.2350 Other Non-Bicycle Road Regulation Rules and Regulations” as attached hereto as Exhibit “B”.

That after the adoption and approval hereof this Ordinance shall be (i) printed or published in book or pamphlet form, published by the authority of the Council, or (ii) within thirty (30) days after the adoption and approval hereof, be published in a newspaper published in and with a general circulation within the City of St. Charles.

PRESENTED to the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this _____ day of _____ 2025.

PASSED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois this _____ day of _____ 2025.

APPROVED by the Mayor of the City of St. Charles, Kane and DuPage Counties, Illinois this _____ day of _____ 2025.

Clint Hull, Mayor

Attest:

City Clerk/Recording Secretary

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain:

Exhibit A – Deleted Code

~~10.11.2305 Riding on running boards.~~

~~10.11.2310 Obedience to traffic control devices.~~

~~10.11.2320 Riding bicycles on roadways.~~

~~10.11.2325 No person shall operate a bicycle that is not equipped with a bell or other device capable of giving a signal.~~

~~10.11.2330 License Required.~~

~~10.11.2335 License Application Fee.~~

~~10.11.2340 License Issuance.~~

~~10.11.2343 License Plate issuance and attachment Removal prohibited.~~

~~10.11.2345 License Inspection prior to issuance.~~

~~10.11.2350 Transfer of ownership.~~

~~10.11.2355 Rental agencies.~~

~~10.11.2360 Dealers Report of sale to police.~~

~~10.11.2365 Emerging from alley or driveway.~~

~~10.11.2370 Riding in business district.~~

~~10.11.2372 Roller skating.~~

~~10.11.2375 Bicycle parking~~

~~10.11.2380 Speed limit.~~

EXHIBIT B – Replacement Code

I. General Provisions and Definitions (10.11.2300)

A. Application of Rules.

It is unlawful for any person to do any act forbidden or fail to perform any act required by this Code.

The parent of any child and the guardian of any ward shall not authorize or knowingly permit any such child or ward to violate any of the provisions of this Code.

B. Adoption of State Law

The City hereby adopts by reference the provisions of the Illinois Compiled Statutes and the Illinois Vehicle Code (625 ILCS 5/ *et seq.*), including, but not limited to, laws relating to bicycle operation, pedestrian rights-of-way, traffic control devices, and motor vehicle regulations, as amended from time to time, except as otherwise provided by these ordinances. These provisions shall be in full force and effect within the jurisdictional boundaries of the City and shall be enforced as if fully set forth herein.

Selected provisions of the Illinois Vehicle Code are restated in this Code for emphasis or clarification only. In the event of a conflict, the provisions of this Code shall control and be enforced within the jurisdictional boundaries of the City.

C. Definitions.

The following words, terms and phrases, when used in this Section, shall have the meanings ascribed to them in this Subsection, except where the context clearly indicates a different meaning:

1. BICYCLE: Every device having 2 or more wheels propelled solely by human power upon which any person may ride, except scooters and similar devices.
2. BIKE LANE: A designated portion of the highway reserved for bicycles, marked by pavement striping or physical separation from vehicle lanes
3. ELECTRIC MOTOCYCLE (E-Moto): A 2- or 3-wheeled motor vehicle that is powered by an electric motor greater than 750 watts and is capable of achieving a speed greater than 20 miles per hour without pedaling. E-Motos are also known as “Out-of-Class Electric Vehicles.”
4. HIGH-SPEED ELECTRIC SCOOTER: A device weighing less than 100 pounds, with 2 or 3 wheels, handlebars, and a floorboard that can be stood upon while riding, that is powered by an electric motor and human power, and whose maximum speed, with or without human propulsion, is 10 miles per hour or more. “High Speed Electric Scooter” does not include a Moped, E-Moto, or Motor Driven Cycle.

5. HIGHWAY: The entire width between the boundary lines of every way publicly maintained when any part thereof is open to the use of the public for purposes of vehicular travel or located on public school property.
6. LOW-SPEED ELECTRIC BICYCLES: A Bicycle equipped with fully operable pedals and an electric motor of less than 750 watts that meets the requirements of the following classes:
 - a. “Class 1 low-speed electric bicycle” means a Low-Speed Electric Bicycle equipped with a motor that provides assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches a speed of 20 miles per hour.
 - b. “Class 2 low-speed electric bicycle” means a Low-Speed Electric Bicycle equipped with a motor that may be used exclusively to propel the bicycle and that is not capable of providing assistance when the bicycle reaches a speed of 20 miles per hour.
 - c. “Class 3 low-speed electric bicycle” means a Low-Speed Electric Bicycle equipped with a motor that provides assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches a speed of 28 miles per hour.

A “Low-Speed Electric Bicycle” is not a Moped or a Motor Driven Cycle.

7. LOW-SPEED ELECTRIC SCOOTER: A device weighing less than 100 pounds, with 2 or 3 wheels, handlebars, and a floorboard that can be stood upon while riding, that is solely powered by an electric motor and human power, and whose maximum speed, with or without human propulsion, of 10 miles per hour or less. “Low Speed Electric Scooter” does not include a Moped or Motor Driven Cycle.
8. LOW-SPEED GAS BICYCLE: A 2-wheeled or 3-wheeled device equipped with fully operable pedals and a gasoline motor of less than one horsepower of 15 cubic centimeter displacement that is operated at speeds of less than 20 miles per hour.
9. MOPED: A moped is a motor-driven cycle, with or without optional power derived from manually operated pedals, whose speed attainable in one mile is at least 20 mph and is equipped with a motor that produces 2 brake horsepower or less. If an internal combustion engine is used, the displacement shall not exceed 50 cubic centimeter displacement and the power drive system shall not require the operator to shift gears.
10. MOTOR ASSISTED BICYCLE: A device capable of being propelled by both human and any non-electric motor, upon which any person may ride, having 2 tandem wheels.

11. **MOTOR ASSISTED SCOOTER:** A device weighing less than 100 pounds, with 2 or 3 wheels, handlebars, and a floorboard that can be stood upon while riding, that is powered by a motor, including but not limited to gas powered motor and/or human power.
12. **MOTORIZED WHEELCHAIR:** Any self-propelled vehicle, including a 3-wheeled vehicle, designed for and used by a person with disabilities, that is incapable of a speed in excess of 8 miles per hour on level ground.
13. **NON-MOTORIZED BICYCLE:** A solely human-powered device with 2 or more wheels not less than 12 inches in diameter, operable pedals, and designated seats for the transportation of one or more persons.
14. **SIDEPATH:** A path or trail completely separated from vehicular lanes and include an 8 to 10 foot paved space for both bicyclists and pedestrians.
15. **SIDEWALK:** A sidewalk is a paved, improved, or otherwise prepared surface intended for pedestrian use, typically located within the public right-of-way and running parallel to a roadway.
16. **VEHICLE:** Every device in, upon or by which any person or property is or may be transported or drawn upon a street, except a Bicycle, High Speed Electric Scooter, Low-Speed Electric Bicycle, Low Speed Electric Scooter, Low-Speed Gas Bicycle, Motorized Wheelchair, and/or Non-Motorized Bicycle. For purposes of this Code, these excluded devices may be treated as Vehicles only when explicitly stated in this Code.

For the purposes of this Code, the terms E-Moto, High-Speed Electric Scooter, Low-Speed Electric Bicycle, Low-Speed Electric Scooter, Low-Speed Gas Bicycle, Moped, Motor Assisted Bicycle, and Motor Assisted Scooter shall be collectively referred to as “Powered Bicycles.”

For the purposes of this Code, the terms Powered Bicycles and Non-Motorized Bicycles shall be collectively referred to as “Pedal Vehicles.” The term “Pedal Vehicles” does not include or constitute a “Vehicle” as defined in this Code.

D. Interpretation of Device Types.

If a device meets the definition of more than one category under this Code, the more restrictive classification shall apply. Where ambiguity exists, enforcement officers shall apply the classification that results in a greater restriction on operation, unless otherwise directed by this Code.

II. Pedal Vehicle Operation and Equipment Regulations (10.11.2310)

- A. General Traffic Law Applicability:** A person propelling a Pedal Vehicle upon the highway shall have all rights and duties of drivers under the Illinois Vehicle Code

(625 ILCS 5/11 *et seq.*), as adopted by reference, except as otherwise provided by this Code.

B. Riding Regulations

1. Seating and Passengers: A person propelling a Pedal Vehicle shall not ride other than upon or astride a permanent and regular seat attached thereto. No Pedal Vehicle shall be used to carry more persons at one time than the number for which it is designed and equipped, except that an adult rider may carry a child securely attached to his person in a backpack or sling, or in a child carrier seat with a seat belt or trailer that is properly designed and equipped for such purpose.
2. Clinging to Vehicles. No person riding upon any Pedal Vehicle shall attach the same or himself, by clinging or otherwise, to any other Pedal Vehicle, Motorized Wheelchair, and/or Vehicle.
3. Position of Pedal Vehicles on roadways.
 - a. Any person operating a Pedal Vehicle upon a roadway at less than the normal speed of traffic at the time and place and under the conditions then existing shall ride as close as practicable and safe to the right-hand curb or edge of the roadway except under the following situations:
 - i. When overtaking and passing any other Pedal Vehicle, Motorized Wheelchair, and/or Vehicle proceeding in the same direction; or
 - ii. When preparing for a left turn at an intersection or into a private road or driveway; or
 - iii. When reasonably necessary to avoid conditions including, but not limited to, fixed or moving objects, parked or moving Vehicles, pedestrians, animals, surface hazards, or substandard width lanes that make it unsafe to continue along the right-hand curb or edge. For purposes of this subsection, a “substandard width lane” means a lane that is too narrow for a Pedal Vehicle and a Vehicle to travel safely side by side within the lane; or
 - iv. When approaching a place where a right turn is authorized.
4. Left Turns.
 - a. A person riding a Non-Motorized Bicycle or Powered Bicycle intending to turn left shall follow the course of action described in 625 ILCS 5/11-801.
5. Riding in a Group: Persons operating Pedal Vehicles upon a roadway shall not ride more than 2 abreast, except on paths or parts of roadways set aside for their exclusive use. Persons riding 2 abreast shall not impede the normal and

reasonable movement of traffic and, on a laned roadway, shall ride within a single lane subject to the provisions of this Code.

6. Carrying Articles and Device Use: No person operating a Pedal Vehicle shall carry any package, bundle or article which prevents the use of both hands in the control and operation of the Pedal Vehicle. The use of handheld cell phones, or similar devices, while operating a Pedal Vehicle, is prohibited. A person operating a Pedal Vehicle shall keep at least one hand on the handlebars at all times.
7. Turn and Stop Signals: Except as provided in this section, a person riding a Pedal Vehicle shall comply with the Illinois Motor Vehicle Code as follows: A signal of intention to turn right or left when required shall be given during not less than the last 100 feet traveled by Pedal Vehicle before turning and shall be given while the Pedal Vehicle is stopped waiting to turn. A signal by hand and arm need not be given continuously if the hand is needed in the control or operation of the Pedal Vehicle. No person may stop or suddenly decrease the speed of a Pedal Vehicle without giving an appropriate signal to any Vehicle or Pedal Vehicle to the rear.
8. Safe operation:
 - a. No person shall operate a Pedal Vehicle at a speed greater than is reasonable and prudent under the conditions then existing.
 - b. No person shall operate a Pedal Vehicle at a speed or in a reckless manner such that the safety of others is endangered.
 - c. No person shall ride a Pedal Vehicle on a public roadway or sidewalk in a reckless manner, such as performing any stunts.
 - d. No person shall ride a Pedal Vehicle on a public roadway or sidewalk while using any closed ear headphones which would impede awareness of auditory warning signals.
 - e. No Pedal Vehicle shall be operated if its mechanical condition shall impair the safe operation of the Pedal Vehicle.
 - f. Audible signals, including verbal warnings, must be used whenever necessary to alert pedestrians, other bicyclists, or motorists of an approaching Pedal Vehicle. Such signals should be given at a minimum distance of 100 feet from the individual or Vehicle being alerted.

C. Equipment Requirements

1. Lamps and reflectors: Every Pedal Vehicle when in use at nighttime shall be equipped with a lamp on the front which shall emit a white light visible from a distance of at least 500 feet to the front and with a red reflector on the rear

which shall be visible from all distances from 100 feet to 600 feet to the rear when directly in front of lawful lower beams of headlamps on a motor vehicle, except that a lamp emitting a steady or flashing red light visible from a distance of 500 feet to the rear may be used in addition to or instead of the red reflector.

2. Brakes: Every Pedal Vehicle shall be equipped with a brake which will adequately control movement of and stop and hold such Pedal Vehicle.
3. Bell: No person shall operate a Pedal Vehicle that is not equipped with a bell or other device capable of giving a signal.

D. Pedal Vehicle Inspection: A uniformed police officer or other specifically authorized safety officer may at any time upon reasonable cause to believe that a Pedal Vehicle is unsafe or not equipped as required by law, or that its equipment is not in proper adjustment or repair, require the person riding the Pedal Vehicle to stop and submit the Pedal Vehicle to an inspection and such test with reference thereto as may be appropriate.

E. Pedal Vehicle Parking

1. The following provisions shall govern the parking of Pedal Vehicles:
 - a. A person may park a Pedal Vehicle on a sidewalk unless prohibited or restricted by an official traffic-control device.
 - b. A Pedal Vehicle parked on a sidewalk shall not impede the normal and reasonable movement of pedestrian or other traffic and must be positioned to maintain a minimum of 36 inches of unobstructed sidewalk width for others to pass.
 - c. A Pedal Vehicle may be parked on the roadway at an angle to the curb or edge of the roadway at any location where parking is allowed.
 - d. A person shall not park a Pedal Vehicle on a roadway in such a manner as to obstruct the movement of a legally parked Vehicle.
 - e. In all other respects, Pedal Vehicles parked anywhere on a highway shall conform with the provisions of the Illinois Vehicle Code regulating the parking of Vehicles.
2. Abandoned Pedal Vehicles.
 - a. Safely secured, operational condition Pedal Vehicles shall be allowed to remain on property dedicated to or owned by the City for up to ten days.
 - b. In the event a Pedal Vehicle remains on property dedicated to or owned by the City in excess of ten days, it shall be considered abandoned and may be removed by the City. The Pedal Vehicle shall be taken to the St.

Charles Police Department as lost or abandoned property and disposed of pursuant to state statute.

F. Interference with Parked Pedal Vehicles.

It is unlawful at any time in the City to place any Pedal Vehicle along buildings in such a manner as to interfere with the ingress or egress thereof or to interfere with pedestrians, or along roadways where they may interfere with traffic or with persons entering or getting out of from Vehicles. No person shall move or in any manner interfere with any Pedal Vehicle which is properly parked, nor shall any person interfere or in any manner hinder any person from properly parking a Pedal Vehicle, except that members of the Police and Fire Departments may move, or in proper cases prevent the parking of a Pedal Vehicle when, in the judgment of the policeman or fireman, the action is necessary in order properly to safeguard persons or property.

G. Pedal Vehicle Racing

- a. Pedal Vehicle racing on a highway shall not be unlawful when a racing event has been approved by State or local authorities on any highway under their respective jurisdictions. Approval of Pedal Vehicle highway racing events shall be granted only under conditions which assure reasonable safety for all race participants, spectators and other highways users, and which prevent unreasonable interference with traffic flow which would seriously inconvenience other highway users.
- b. By agreement with the approving authority, participants in an approved Pedal Vehicle highway racing event may be exempted from compliance with any traffic laws otherwise applicable thereto, provided that traffic control is adequate to assure the safety of all highway users.

III. Regulations for Specific Devices (10.11.2320)

A. High-Speed Electric Scooters.

1. A person may not operate a High-Speed Electric Scooter unless the person is 18 years of age or older.
2. A person may operate a High-Speed Electric Scooter upon a highway of the City authorized for use by Bicycles, unless that highway has a posted speed limit in excess of 35 miles per hour. However, a person may not operate a High-Speed Electric Scooter upon any public sidewalk within the City limits at any time.
3. A High-Speed Electric Scooter may be parked in the same manner and at the same locations as a Bicycle may be parked.

4. A person may not use a High-Speed Electric Scooter to carry more than one person at a time.
5. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to High-Speed Electric Scooters.

B. Low-Speed Electric Bicycles.

1. Each Low-Speed Electric Bicycle operating in the City shall comply with equipment and manufacturing requirements adopted by the United States Consumer Product Safety Commission under 16 CFR 1512.
2. A person may operate a Class 3 Low-Speed Electric Bicycle only if the person is at least 16 years of age. A person who is less than 16 years of age may ride as a passenger on a Class 3 Low-Speed Electric Bicycle that is designed to accommodate passengers.
3. There are no age restrictions for the operation of Class 1 and Class 2 Low-Speed Electric Bicycles.
4. A person may operate a Class 1, Class 2, or Class 3 Low-Speed Electric Bicycle upon any highway of the City authorized for use by Bicycles, bicycle lanes, side paths, shared-use paths, or multi-use trails.
5. A person may not operate a Class 1, Class 2, or Class 3 Low-Speed Electric Bicycle upon any public sidewalk within the City limits at any time.
6. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to Low-Speed Electric Bicycles.

C. Low-Speed Electric Scooters.

1. A person may not operate a Low-Speed Electric Scooter unless the person is 18 years of age or older.
2. A person may not operate a Low-Speed Electric Scooter upon any highway of the City. However, a person may operate a Low-Speed Electric Scooter upon any public sidewalk, bike lane, side path, shared-use path, or multi-use trail within the City limits at any time.
3. A Low-Speed Electric Scooter may be parked in the same manner and at the same locations as a Bicycle may be parked.
4. A person may not use a Low-Speed Electric Scooter to carry more than one person at a time.
5. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to Low-Speed Electric Scooters.

D. Low-Speed Gas Bicycles.

1. A person may operate a Low-Speed Gas Bicycle only if the person is at least 16 years of age. A person who is less than 16 years of age may ride as a passenger on a Low-Speed Gas Bicycle that is designed to accommodate passengers.
2. A person may operate a Low-Speed Gas Bicycle upon a highway of the City authorized for the use by Bicycles, bicycle lanes, side paths, shared-use paths, or multi-use trails. However, a person may not operate a Low-Speed Gas Bicycle upon any public sidewalk within the City limits at any time.
3. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to Low-Speed Gas Bicycles.

E. Mopeds.

1. A person may operate a Moped only if the person is at least 16 years of age and has a valid driver's license.
2. A person may operate a Moped upon any highway of the City. However, a person may not operate a Moped upon any public sidewalk, bicycle lane, side path, shared-use path, or multi-use trail within the City limits at any time.
3. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to Mopeds.

F. E-Motos.

1. A person may operate an E-Moto only if the person is at least 16 years of age and has a valid driver's license.
2. A person may operate an E-Moto upon any highway of the City. However, a person may not operate an E-Moto upon any public sidewalk, bicycle lane, side path, shared-use path, or multi-use trail within the City limits at any time.
3. Except as otherwise provided in this Section, the provisions of this Code that apply to Powered Bicycles also apply to E-Motos.

IV. Location Restrictions (10.11.2330)

A. Non-Motorized Bicycles

1. Unless otherwise posted, a person may operate a Non-Motorized Bicycle on a sidewalk, with exception of within Downtown Overlay District.
 - a. A person propelling a Non-Motorized Bicycle upon and along a sidewalk, or across a roadway upon and along a crosswalk, shall yield the right of

way to any pedestrian and shall give audible signal before overtaking and passing such pedestrian.

- b. A person propelling a Non-Motorized Bicycle upon and along a sidewalk, or across a roadway upon and along a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances.
- c. A person shall not ride a Non-Motorized Bicycle upon and along a sidewalk, or across a roadway upon and along a crosswalk, where such use of Non-Motorized Bicycles is prohibited by official traffic-control devices.

B. No person shall operate a Powered Bicycle upon any public sidewalk within the City limits at any time.

V. Exemptions. (10.11.2340)

The following shall be exempt from the prohibitions contained in the previous sections:

- A. Any police vehicle, fire vehicle, municipal vehicle, special district vehicle, county vehicle, forest preserve vehicle, United States postal vehicle, driven by an employee in the course of his/her duties.
- B. Motorized wheelchairs.
- C. Electric personal assistance mobility devices, as defined in 625 ILCS 5/1-117.7 of the Illinois Vehicle Code.
- D. Any vehicle authorized by the municipality to participate in a municipality-authorized parade, while participating in said parades.

VI. Other Non-Bicycle Road Regulations (10.11.2350)

- A. Toy vehicles. It is unlawful for any person upon skates, a coaster, sled, skateboard or other toy vehicles to go upon any roadway other than at a crosswalk in the City.
- B. Roller skating.
 - 1. Definition of Roller Skates: Roller skates shall be defined as any device worn on the foot with wheels and which is propelled by human power. This definition includes devices commonly known as or referred to as in-line skates.
 - 2. No person shall use roller skates, including in-line skates, on any public property, except sidewalks, crosswalks, and riverwalks. Whenever any person is skating upon a sidewalk, crosswalk, or riverwalk, such person shall yield the right-of-way to any pedestrian and shall give an audible signal before

overtaking and passing such pedestrian.

3. The Director of Public Works, or his designee, shall place and maintain signs prohibiting the use of roller skates, including in-line skates, as specified in subsection B above.

VII. Penalties. (10.11.2360)

A. For any person deemed to violate any provisions of this Chapter:

1. Any person violating any provisions of this title may be issued a citation resulting in fines not less than twenty-five dollars (\$25.00) nor more than two hundred and fifty dollars (\$250.00).

Tiered Fine Schedule:

- A. First Offense: twenty-five dollars (\$25.00) fine.
 - B. Second Offense: fifty dollars (\$50.00) fine.
 - C. Third Offense: one hundred dollars (\$100.00) fine.
 - D. Third offense & any subsequent offenses: Must appear violation/administrative adjudication. Minimum fine one hundred dollars (\$100.00)/Maximum fine two hundred fifty dollars (\$250.00) and/or a combination of community service hours.
2. For violators seventeen (17) or under, the parents/guardians of the offender shall be notified. In addition, a warning or a citation, or notice to appear may be issued, if appropriate.

	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number:
	Title:	Recommendation to Establish an Honorary Street Sign Policy	
	Presenter:	Brianna Bacigalupo, Management Analyst	
Meeting: Government Operations Committee		Date: September 15, 2025	
Proposed Cost: NA		Budgeted Amount: \$	Not Budgeted: ☒
Executive Summary <i>(if not budgeted please explain):</i> The adoption of an honorary street sign policy will enable the City to posthumously recognize former residents of St. Charles who have made significant, lasting contributions to the City. Similar programs have been successfully implemented in other Chicagoland municipalities. In response, staff have developed a policy outlining eligibility criteria, specific guidelines, and a process for considering requests. Some of the key policy features include: • Honorees must be deceased, have lived in St. Charles for most of their life, and have made clearly defined contributions to the City through cultural, humanitarian, historic, or military efforts. Applicants may refer to the St. Charles History Museum as a resource. • Requests must be sponsored by a City Council member. Applications must be submitted to City Administration and will be forwarded to City Council for final consideration. • Upon approval, honorary signs will be placed beneath the existing street signs and will not change the legal name of a street. • Each sign will be displayed for 20 years, after which they will be removed and returned to the applicant.			
Attachments <i>(please list):</i> Resolution Establishing a Policy for Honorary Street Sign Designations Honorary Street Sign Policy Honorary Street Sign Application Sample Resolution for Authorizing Installation of an Honorary Street Sign			
Recommendation/Suggested Action <i>(briefly explain):</i> Motion to approve a resolution establishing a policy for honorary street sign designations.			

City of St. Charles, Illinois
Resolution No. 2025-_____

A Resolution Establishing a Policy for Honorary Street Sign Designations

Presented & Passed by the
City Council on _____

WHEREAS, requests are occasionally made to the Mayor and City Council to recognize individuals who have made significant contributions to the City; and

WHEREAS, honorary street names have been applied successfully in other communities in Illinois and elsewhere; and

WHEREAS, the concept of establishing honorary street names serves the stated purpose of recognizing individuals from the City; and

WHEREAS, the City has developed specific criteria and parameters required for an honorary street designation to be made.

THEREFORE, BE IT RESOLVED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, that the Mayor and City Clerk be and the same are hereby approves the following:

SECTION 1: The City of St. Charles Honorary Street Sign Designation Policy, in substantially the form attached hereto and incorporated herein as Exhibit “A”.

SECTION 2: The Honorary Street Sign Application attached to this Resolution as Exhibit “B”.

Presented to the City Council of the City of St. Charles, Illinois on this _____ day of _____, 2025.

Passed by the City Council of the City of St. Charles, Illinois on this _____ day of _____, 2025.

Approved by the Mayor of the City of St. Charles, Illinois on this _____ day of _____, 2025.

Clint Hull, Mayor

ATTEST: _____

City Clerk

COUNCIL VOTE:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____



Honorary Street Sign Policy

Section 1: Background

Honorary street signs provide an opportunity to posthumously recognize former St. Charles residents who have made significant contributions to the City of St. Charles. Honorary signs do not change the legal name of a street. Requests will be made using the Honorary Street Sign application. Honorary street signs will be installed beneath the actual street sign.

Section 2: Guidelines

- Designations will be limited to a one (1) block long section of the street and limited to one (1) sign at the specified location.
- An honorary name will not be used which will duplicate or be confused with the name of an existing City street.
- Honorary signs will have a brown background with white lettering.
- Honorary signs will be limited to non-arterial streets.
- An honorary designation and street sign will remain in effect for 20 years after installation.
- At the end of the 20-year period, the City will remove the honorary sign and will make it available to the applicant.
- The City reserves the right to remove any honorary street sign at any time for just cause at its sole discretion.

Section 3: Criteria

The City Council shall consider the following criteria when considering approval of an Honorary Street Sign:

- The individual must be deceased.
- The individual must have resided in the City of St. Charles for most of their lifetime, during which time the individual shall have preferably resided, or have been located on or adjacent to the City street specified for dedication in the application.
- The individual must have made significant and clearly defined contributions through cultural, humanitarian, historic, or military achievement. Applicants are encouraged to utilize the St. Charles History Museum as a resource for research and suggestions.

Section 4: Application and Approval Process

- Applicants must submit a complete honorary street sign application to the City Administration Office.
- Applications must be sponsored by a City Council member.
- The City Council will review the application and, if approved, will adopt a resolution authorizing the installation of the honorary street sign.
- City staff will notify the applicant of the City Council's decision, and, if approved, will inform the applicant of the installation date for the sign.



Honorary Street Sign Application

Applicant Name:

Address:

Email Address:

Phone Number:

Date Submitted:

Name of Honoree:

Street Name and Location of Requested Honorary Signage (please include the intersecting street):

Please provide a detailed explanation of the honoree's impact on the community, including any specific contributions, service, or benefit the proposed honoree has made to the City of St. Charles:

Sponsoring City Council Member Signature:

Date:

Submit Applications to:
City Administration
2 E. Main St.
St. Charles, IL 60174
cao@stcharlesil.gov

Upon receipt of application, information will be reviewed and forwarded to the City Council for consideration.

City of St. Charles, Illinois
Resolution No. ____

A Resolution Authorizing the Installation of an Honorary Street Sign for
(Honoree's Name)

Presented & Passed by the
City Council on _____

WHEREAS, Resolution __ - __ sets forth a policy for receiving, reviewing, and acting on applications for honorary street signs; and,

WHEREAS, the City of St. Charles received an application requesting that an honorary street sign be designated for (Honoree's Name), (Reason why street is being designated); and,

WHEREAS, Staff has determined that this honorary street sign application meets the criteria established in the Honorary Street Sign Policy; and,

WHEREAS, Staff has determined that the application provided was properly completed and all required materials have been submitted.

BE IT RESOLVED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, that the Mayor and City Clerk be and the same are hereby directs the Public Works Department to install an honorary street sign on (name of street to be designated and nearest intersection).

Presented to the City Council of the City of St. Charles, Illinois on this ____ day of ____.

Passed by the City Council of the City of St. Charles, Illinois on this ____ day of ____.

Approved by the Mayor of the City of St. Charles, Illinois on this ____ day of ____.

Clint Hull, Mayor

ATTEST: _____
City Clerk

COUNCIL VOTE:

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 5c
	Title:	Consideration to Approve the First Street TIF District Amendment No. 3	
	Presenter:	Derek Conley	
Meeting: Government Operations Committee		Date: September 15, 2025	
Proposed Cost: \$ NA		Budgeted Amount: \$	Not Budgeted: ☐
Executive Summary <i>(if not budgeted please explain):</i> The City of St. Charles has consulted with SB Friedman to prepare an amendment to the First Street TIF District to extend the life of the TIF for an additional twelve years. In 2024, the City presented information regarding the extension to all impacted taxing bodies and received all required letters of support. In January 2025, the Illinois General Assembly formally approved and codified the TIF extension under 65 ILCS 5/11-74.4-3.5(c) (281). After publishing hearing notices and notifying residents residing within and near the First Street TIF District, a Joint Review Board meeting was convened on July 29, and members unanimously adopted a resolution recommending approval of Amendment No. 3. The City conducted a Public Hearing on September 2, and now the City Council may consider adoption of the amendment. Staff has created project page on the First Street TIF extension with more information: First Street TIF Amendment - City Of St. Charles, IL. The First Street TIF Amendment No. 3 document is available on the project website or available for public viewing in the City Clerk's Office.			
Attachments <i>(please list):</i> Ordinance Extending the Term and Approving the First Street TIF District Amendment No. 3 First Street Tax Increment Financing Amendment No. 3			
Recommendation/Suggested Action <i>(briefly explain):</i> Recommendation to approve an Ordinance Extending the Term and Approving the First Street TIF District Amendment No. 3			

CITY OF ST. CHARLES, ILLINOIS
ORDINANCE NO. _____

**AN ORDINANCE EXTENDING THE TERM AND APPROVING THE THIRD
AMENDMENT TO THE REDEVELOPMENT PLAN AND PROJECT FOR THE FIRST
STREET REDEVELOPMENT PROJECT AREA**

**Presented & Passed by the
City Council on _____**

WHEREAS, the City of St. Charles, Kane and DuPage Counties, Illinois (the "City"), is a home rule municipality pursuant to Article VII, Section 6 of the Illinois Constitution of 1970, and as such may exercise any power and function pertaining to its government and affairs; and

WHEREAS, the City is authorized under the provisions of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "**Act**") to establish redevelopment project areas and adopt tax increment allocation financing for such areas and has designated certain redevelopment project areas in accordance with the Act; and

WHEREAS, the Mayor and City Council ("**Corporate Authorities**") previously caused a study to be conducted to determine the conditions in that part of the City legally described in Exhibit A attached hereto and made a part hereof and generally described as the First Street Redevelopment Project Area (the "**Redevelopment Project Area**"), the boundaries of which are generally described on Exhibit B and depicted on Exhibit C; and

WHEREAS, it is desirable and in the best interest of the citizens of the City of St. Charles, Kane and DuPage Counties, Illinois (the "City"), for the City to extend the term of tax increment allocation financing pursuant to and in accordance with the provisions of Section 3.5(c)(281) of the Act; and

WHEREAS, on March 18, 2002, the City approved Ordinance Numbers 2002-M-13; 2002-M-14 and 2002-M-15, approving the First Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project (the "**Redevelopment Plan and Project**"); designating the Redevelopment Project Area as a redevelopment project under the Act; and, adopting tax increment allocation financing for the Redevelopment Project Area (collectively, as amended, the "**TIF Ordinances**");

WHEREAS, the original Redevelopment Plan and Project was amended on January 17, 2006 (the "**First Amendment**") and February 17, 2015 ("**Second Amendment**") by ordinances duly adopted by the Corporate Authorities; and

WHEREAS, in accordance with Public Act 103-1058b (65 ILCS 5/11-74.4-3.5(c)), the Illinois General Assembly authorized the extension of the completion date for the

Redevelopment Plan and Project to December 31 of the year in which the payment to the municipal treasurer is to be made in accordance with the Act with respect to ad valorem taxes levied in the 35th calendar year in which the ordinance approving the redevelopment project was adopted, which period is through December 31, 2037; and

WHEREAS, the firm of SB Friedman Development Advisors, LLC, has prepared Amendment No. 3 to the Eligibility Report and Redevelopment Plan and Project for the First Street Redevelopment Project Area (the “**Third Amendment**”), which study and findings have been presented to the Corporate Authorities and are now on file in the official files and records of the City; and

WHEREAS, a copy of the Third Amendment has been on file and available for public inspection at the City Hall since June 5, 2025; and

WHEREAS, pursuant to Section 11-74.4-5 of the Act and Ordinance 2025-M-22 adopted by the Corporate Authorities on July 7, 2025 the Corporate Authorities convened a meeting of the Joint Review Board for the amended Redevelopment Plan and Project on July 29, 2025; and,

WHEREAS, at its meeting on July 29, 2025, the Joint Review Board: (i) reviewed the public record, planning documents, and proposed ordinance approving the Third Amendment to the Redevelopment Plan and Project; and, (ii) approved a resolution recommending to the Corporate Authorities the approval of the Third Amendment to Redevelopment Plan and Project within the Redevelopment Project Area (the “**JRB Resolution**”); and

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the Corporate Authorities held a public hearing relative to the Redevelopment Plan and Redevelopment Project Area on September 2, 2025 (the “**Public Hearing**”), at which hearing the Corporate Authorities: (i) revised the Third Amendment to Redevelopment Plan and the JRB Resolution; (ii) heard testimony and received written information concerning the Third Amendment; and, (iii) reviewed other information, documentation, and studies so as to be generally informed about the conditions of the amended Redevelopment Plan and the Redevelopment Project Area; and

WHEREAS, the Corporate Authorities have reviewed the proposed Third Amendment and the existing comprehensive planning process for development of the City as a whole and have determined that that the Third Amendment conforms to the existing comprehensive planning process of the City; and

WHEREAS, all notices required pursuant to the Act were provided in accordance with law; and

WHEREAS, the Corporate Authorities find that it is reasonable, necessary, and in the best interest of the City that the Redevelopment Plan be amended and extended an additional twelve (12) years beyond its original completion date of December 31, 2025 to December 31, 2037, and that the financial components of the Redevelopment Plan and Project be updated accordingly.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, as follows:

Section 1. INCORPORATION OF RECITALS. The foregoing recitals to this Ordinance are adopted as findings of the Corporate Authorities of the City of St. Charles, and are incorporated by this reference.

Section 2. ADOPTION OF THIRD AMENDMENT TO REDEVELOPMENT PROJECT. The Corporate Authorities hereby adopt and approve the Third Amendment to Eligibility Report and Redevelopment Plan and Project for the First Street Redevelopment Project Area. A copy of the Third Amendment is attached as Exhibit D.

Section 3. AMENDMENT TO TIF ORDINANCES. The TIF Ordinances are amended as follows:

a. Section 1(e) of Ordinance No. 2002-M-13 is hereby amended, in its entirety to read as follows:

“As set forth in the Plan it is anticipated that construction activities of the Project will be completed within thirty-five (35) years after the Area is designated and that all obligations incurred to finance redevelopment project costs, if any, as defined in the Plan shall be retired within thirty-five (35) years after the Area is designated.”

b. Section 2(e) of Ordinance Number 2006-M-6 is hereby amended in its entirety to read as follows:

“As set forth in the Plan it is anticipated that construction activities of the Project will be completed within thirty-five (35) years after the Area is designated and that all obligations incurred to finance redevelopment project costs, if any, as defined in the Plan shall be retired within thirty-five (35) years after the Area is designated.”

c. Section 2(f) of Ordinance Number 2015-M-4 is hereby amended in its entirety to read as follows:

“The estimated date for final completion of the Second Amended Redevelopment Project Plan and Project Plan and Project is December 31, 2037 and it is anticipated that all obligations incurred to finance redevelopment costs, if any, as defined in the Plan and Project shall be retired by such date.”

Section 3. AFFIRMATION OF PROJECT AREA DESIGNATION. The Corporate Authorities hereby affirm the Redevelopment Project Area remains designated as a redevelopment project area pursuant to Section 11-74.4-4 of the Act, and will continue to be known as the First Street Redevelopment Project Area.

Section 4. AFFIRMATION OF TAX INCREMENT FINANCING. The Corporate Authorities hereby affirm that tax increment financing remains adopted and effective to pay for redevelopment project costs, as defined in the Act and as set forth in the Redevelopment Plan and Project, within the Redevelopment Project Area.

Section 5. AUTHORIZATION FOR TRANSMITTALS AND OTHER ACTION. The Corporate Authorities hereby authorize and direct the City Manager to take any and all statutorily required steps in connection with the approval of the Third Amendment to the Redevelopment Plan and Project, including without limitation, the transmission of a certified copy of this Ordinance to the County Clerk of Kane County, Illinois.

Section 6. INVALIDITY OF ANY SECTION. That if any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 7. SUPERSEDER AND EFFECTIVE DATE. That all ordinances, resolutions, motions, or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

PRESENTED to the City Council of the City of St. Charles, Illinois, this 6th day of October, 2025.

PASSED by the City Council of the City of St. Charles, Illinois, this 6th day of October, 2025.

APPROVED by the Mayor of the City of St. Charles, Illinois, this 6th day of October, 2025.

Clint Hull, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain:

EXHIBIT A

Legal Description

First Street TIF District

BEGINNING AT THE SOUTHEAST CORNER OF BLOCK 48 IN THE ORIGINAL TOWN OF ST. CHARLES, RECORDED MAY 8, 1837, IN BOOK 19, PAGE 2; THENCE NORTHEASTERLY, 324 FEET ALONG THE NORTHERLY LINE OF ILLINOIS ROUTE 64 (MAIN STREET) TO THE SOUTHEAST CORNER OF BLOCK 45 IN SAID SUBDIVISION; THENCE SOUTHEASTERLY, 80 FEET TO THE NORTHEAST CORNER OF BLOCK 44 IN SAID SUBDIVISION; THENCE NORTHEASTERLY, ALONG THE SOUTHERLY LINE OF ILLINOIS ROUTE 64 (MAIN STREET) TO THE WESTERLY LINE OF 1ST STREET, ACCORDING TO THE PLAT RECORDED JANUARY 25, 1844, IN BOOK 4, PAGE 342; THENCE SOUTHEASTERLY, 59.15 FEET ALONG SAID RIGHT-OF-WAY TO AN ANGLE POINT IN SAID LINE; THENCE SOUTHEASTERLY, 37.52 FEET ALONG SAID RIGHT-OF-WAY TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 13 IN THE AMENDED PHASE II FIRST STREET REDEVELOPMENT SUBDIVISION, RECORDED JULY 8, 2008, AS DOCUMENT NO. 2008K056095; THENCE SOUTH 78 DEGREES 29 MINUTES 30 SECONDS WEST, 12.31 FEET ALONG SAID EXTENSION TO THE NORTHEAST CORNER OF SAID LOT 13; THENCE SOUTH 11 DEGREES 54 MINUTES 23 SECONDS EAST, 441.52 FEET ALONG THE EAST LINE OF LOTS 13 AND 3 IN SAID SUBDIVISION TO A CURVE IN SAID LINE; THENCE SOUTHWESTERLY, 44.24 FEET ALONG SAID CURVE HAVING A RADIUS OF 28.00 FEET, THE CHORD OF SAID CURVE BEARS SOUTH 33 DEGREES 21 MINUTES 37 SECONDS WEST, 39.78 FEET TO THE SOUTHERLY LINE OF SAID LOT 3; THENCE SOUTH 78 DEGREES 37 MINUTES 37 SECONDS WEST ALONG SAID SOUTHERLY LINE TO THE NORTHERLY EXTENSION OF THE WESTERLY LINE OF LOT 6 IN PHASE I OF FIRST STREET REDEVELOPMENT SUBDIVISION, RECORDED MARCH 29, 2007, AS DOCUMENT NO. 2007K035551; THENCE SOUTH 11 DEGREES 13 MINUTES 55 SECONDS EAST, ALONG SAID EXTENSION AND SAID WESTERLY LINE TO A JOG IN SAID WESTERLY LINE; THENCE NORTH 78 DEGREES 20 MINUTES 40 SECONDS EAST, 41.90 FEET ALONG SAID JOG; THENCE SOUTH 11 DEGREES 39 MINUTES 20 SECONDS EAST, 197.00 FEET ALONG SAID WESTERLY LINE TO THE SOUTHWEST CORNER OF SAID LOT 6; THENCE NORTH 78 DEGREES 35 MINUTES 36 SECONDS EAST, 84.96 FEET ALONG THE SOUTH LINE OF SAID LOT 6 TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 11 DEGREES 30 MINUTES 41 SECONDS EAST, 25.00 FEET ALONG AN EAST LINE OF LOT 5 IN SAID SUBDIVISION TO THE NORTHEAST CORNER OF LOT 14 THEREOF; THENCE SOUTH 78 DEGREES 35 MINUTES 36 SECONDS WEST, 66.48 FEET ALONG THE NORTH LINE OF SAID LOT 14 TO THE NORTHWEST CORNER

THEREOF; THENCE SOUTH 11 DEGREES 17 MINUTES 02 SECONDS EAST, 231.95 FEET ALONG THE WEST LINE OF LOTS 14 AND 7 IN SAID SUBDIVISION TO THE SOUTHWEST CORNER OF SAID LOT 7; THENCE NORTH 78 DEGREES 42 MINUTES 53 SECONDS EAST ALONG THE SOUTH LINE OF SAID LOT 7 AND THE EASTERLY EXTENSION THEREOF TO THE WESTERLY LINE OF BROWNSTONE, RECORDED JANUARY 2, 2001, AS DOCUMENT NO. 2001K000149; THENCE SOUTHEASTERLY, ALONG SAID WESTERLY LINE TO THE SOUTHWEST CORNER THEREOF; THENCE NORTHEASTERLY, 128.91 FEET ALONG THE NORTHERLY LINE OF PRAIRIE STREET; THENCE CONTINUING NORTHEASTERLY ALONG THE NORTHERLY LINE OF PRAIRIE STREET, BEING A CURVE TO THE RIGHT HAVING A RADIUS OF 340.0 FEET, TO THE INTERSECTION WITH THE NORTHWESTERLY EXTENSION OF THE WESTERLY LINE OF PARCEL 10 IN SAID BROWNSTONE; THENCE SOUTHEASTERLY, ALONG SAID EXTENSION AND SAID WESTERLY LINE, TO THE SOUTH CORNER OF SAID PARCEL 10; THENCE SOUTHWESTERLY, ALONG THE SOUTHWESTERLY EXTENSION OF THE EASTERLY LINE OF SAID PARCEL 10, TO THE SOUTHWESTERLY LINE OF ILLINOIS ROUTE 31 (GENEVA ROAD); THENCE NORTHWESTERLY, ALONG SAID RIGHT-OF-WAY LINE TO AN ANGLE POINT IN SAID LINE AS DESCRIBED IN WARRANTY DEED RECORDED AS DOCUMENT NO. 97K057468; THENCE NORTHWESTERLY ALONG SAID RIGHT-OF-WAY LINE TO THE NORTHEAST CORNER OF BLOCK 43 IN THE ORIGINAL TOWN OF ST. CHARLES; THENCE SOUTHWESTERLY, 132 FEET ALONG THE SOUTHERLY LINE OF WALNUT STREET, TO THE NORTHEAST CORNER OF LOT 2 IN SAID BLOCK 43; THENCE NORTHWESTERLY, 192 FEET ALONG THE SOUTHEASTERLY EXTENSION OF THE EASTERLY LINE OF LOT 6 AND THE EASTERLY LINE OF LOT 6 IN BLOCK 44 OF SAID SUBDIVISION, TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE SOUTHWESTERLY, 192 FEET ALONG THE NORTH LINE OF LOTS 6 AND 5 AND THE WESTERLY EXTENSION THEREOF, TO THE SOUTHEAST CORNER OF LOT 4 IN BLOCK 49 IN SAID SUBDIVISION; THENCE NORTHWESTERLY, 212 FEET ALONG THE EASTERLY LINE OF SAID LOT 4 AND THE NORTHERLY EXTENSION THEREOF, TO THE POINT OF BEGINNING.

EXHIBIT B

General Street Location

The Redevelopment Project Area is generally bounded by South 3rd Street on the west, South 2nd Street on the east, Walnut Street on the south and Main Street on the north, and is within the City of St. Charles, Kane and DuPage Counties, Illinois.

EXHIBIT C
First Street Redevelopment TIF No. 4 District Boundary Map

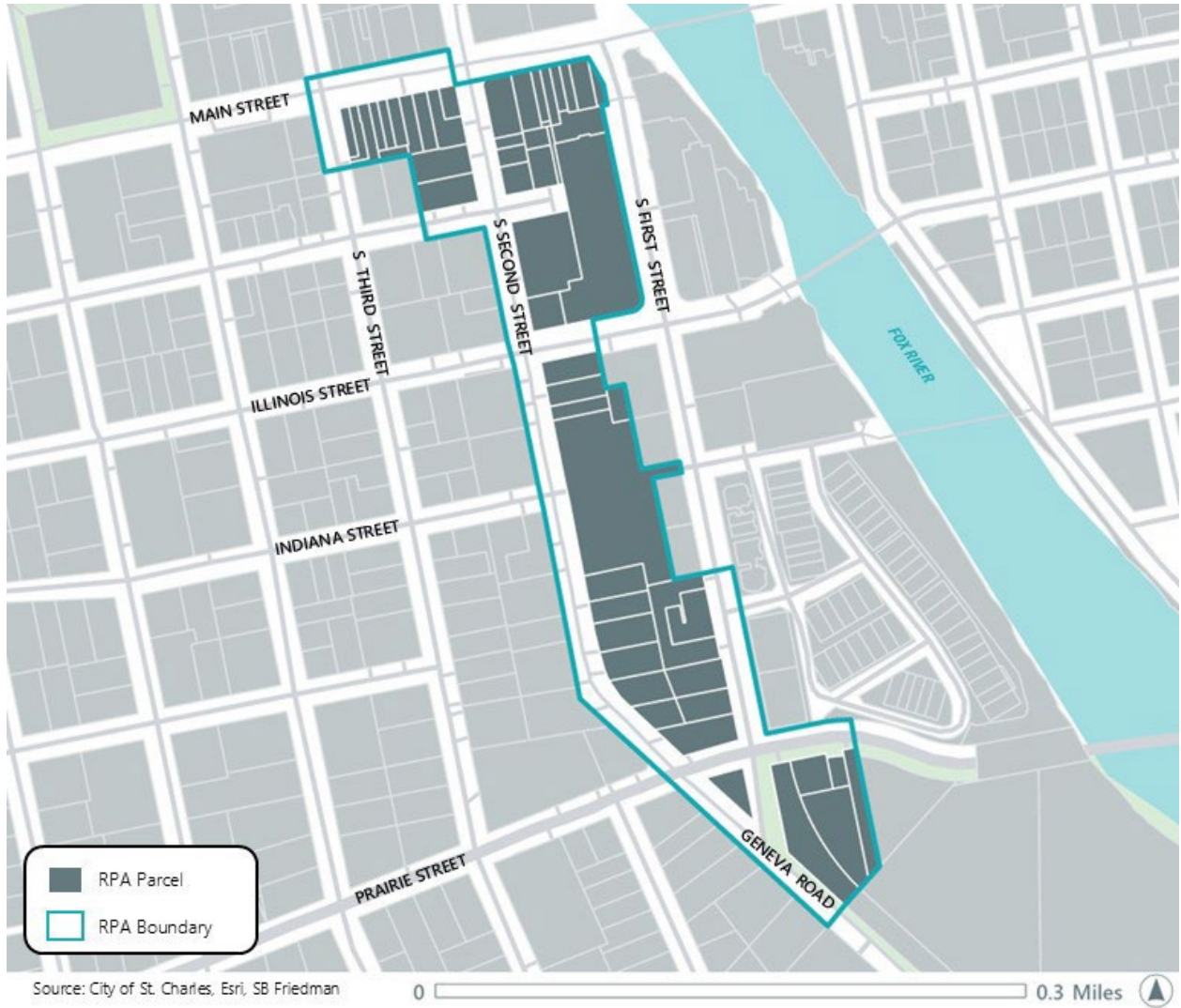


EXHIBIT C
THIRD AMENDMENT TO REDEVELOPMENT PLAN AND PROJECT

CITY OF ST. CHARLES, IL

First Street Redevelopment Project Area

Tax Increment Financing District

Eligibility Report and Redevelopment Plan and Project
Amendment No. 3

MAY 16, 2025



CITY OF ST. CHARLES, IL
First Street Redevelopment Project Area
Tax Increment Financing District
Eligibility Report and Redevelopment Plan and Project
Amendment No. 3

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SB FRIEDMAN DEVELOPMENT ADVISORS, LLC
70 W. Madison St, Suite 3700, Chicago, IL 60602
T: 312.424.4250 F: 312.424.4262 E: info@sbfriedman.com
www.sbfriedman.com

Contact: Caitlin Johnson
T: 312.384.2403 E: cjohnson@sbfriedman.com

1. Executive Summary

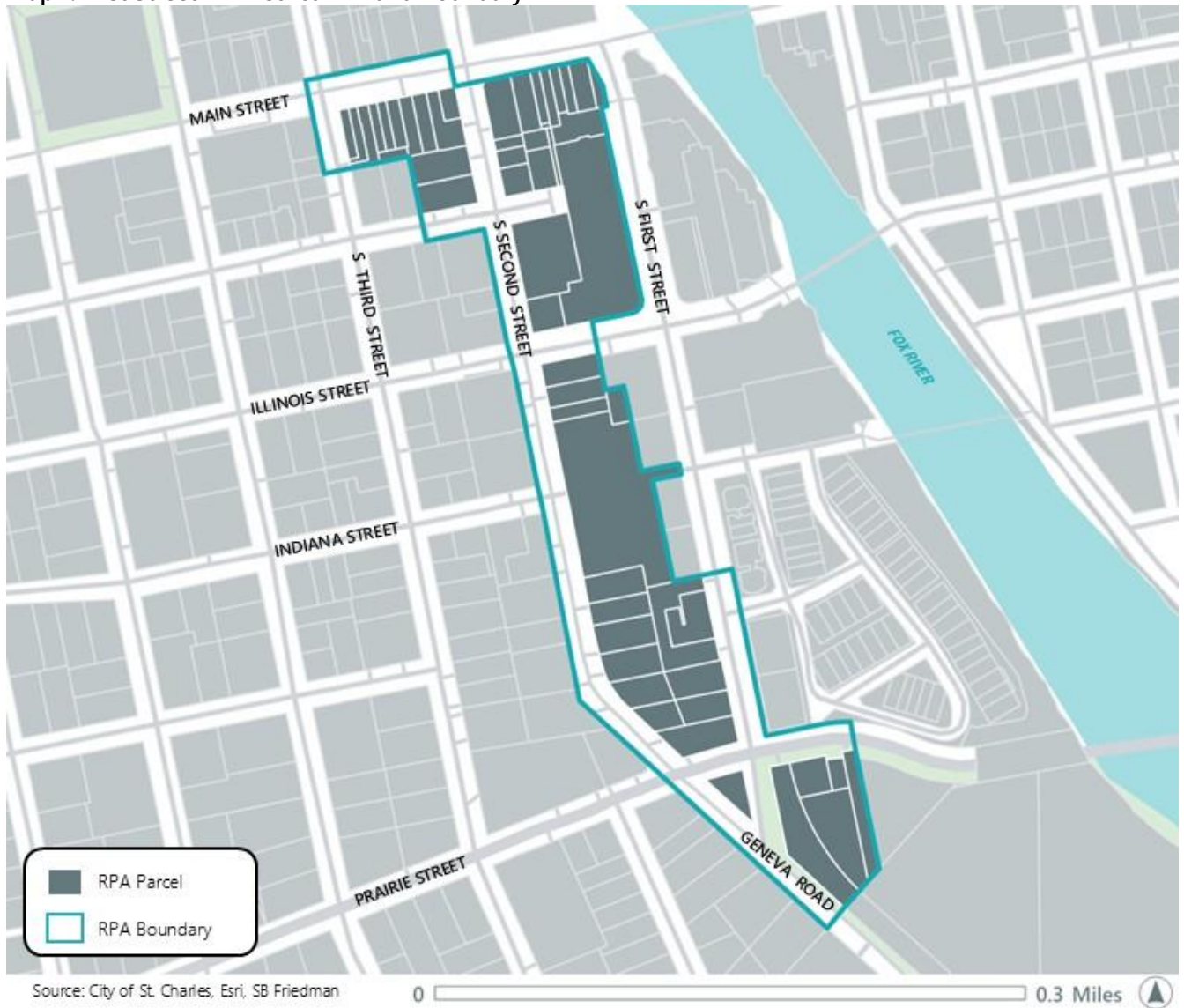
To induce redevelopment, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended as needed (the "Act"), the City of St. Charles, IL (the "City") adopted three ordinances (the "Ordinances") on March 18, 2002 approving the First Street Redevelopment Project Area Tax Increment Financing Redevelopment Plan & Project (the "Original Plan"), designating the First Street Redevelopment Project Area as a redevelopment project area under the Act, and adopting tax increment allocation financing for the First Street Redevelopment Project Area (the "RPA"). The Original Plan is included in **Appendix 1** for reference.

The Original Plan was previously amended on January 17, 2006 ("Amendment No. 1") to revise the Financial Plan including the Estimated Redevelopment Project Costs, and to add certain language in light of recent amendments to the Act. The Original Plan, as amended by amendment No. 1, was further amended on February 17, 2015 ("Amendment No. 2") to revise the RPA boundary and update some of the goals and objectives from the Original Plan and Amendment No. 1. The Original Plan, as amended by Amendment No. 1 and No. 2 is hereby referred to herein as the "Plan". The current RPA boundary as described in the Plan is shown on **Map 1**. Amendment No. 1 and Amendment No. 2 are included in **Appendix 2** and **3**, respectively, for reference.

On January 21, 2025, the City engaged SB Friedman Development Advisors ("SB Friedman") to prepare an amendment document for relevant components of the Plan. The main purposes of this document ("Amendment No. 3") are to support the extension of the RPA for twelve (12) years beyond its original completion date of December 31, 2025 to December 31, 2037 and update components of the financial plan.

SB Friedman has prepared Amendment No. 3 with the understanding that the City would rely: 1) on the previous eligibility findings and conclusions of the Plan; 2) on the redevelopment plan outlined in the Plan; and 3) on the fact that the Plan contains the necessary eligibility information to be compliant with the Act.

Map 1. First Street TIF District RPA and Boundary



2. Modifications to the Plan

The following amendments are made to the Plan. All other sections of the Plan not mentioned in Section 2 remain unchanged.

Section 1: Executive Summary

No changes.

Section 2. Introduction

No changes.

Section 3. Eligibility Analysis

No changes.

Section 4. Redevelopment Project and Plan

No changes.

Section 5. Financial Plan

Delete all of the text in this section and replace with the following:

ELIGIBLE COSTS

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act. The City may also reimburse private entities for certain costs incurred in the development and/or redevelopment process. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, and implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(1).
2. The costs of marketing sites within the redevelopment project area to prospective businesses, developers and investors.

3. Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground-level or below-ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land as more fully set forth in 65 ILCS 5/11-74.4-3(q)(2).
4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(3); and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.
5. Costs of the construction of public works or improvements, subject to the limitations in Section 11-74.4-3(q)(4) of the Act.
6. Costs of job training and retraining projects, including the costs of “welfare to work” programs implemented by businesses located within the redevelopment project area, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(5).
7. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto.
8. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district’s capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of this Redevelopment Plan.
9. An elementary, secondary or unit school district’s increased per pupil tuition costs attributable to net new pupils added to the district living in assisted housing units will be reimbursed, as further defined in the Act.
10. A library district’s increased per patron costs attributable to net new persons eligible to obtain a library card living in assisted housing units, as further defined in the Act.
11. Relocation costs to the extent that the municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 11-74.4-3(n)(7) of the Act.
12. Payment in lieu of taxes, as defined in the Act.
13. Costs of job training, retraining, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(10).

14. Interest costs incurred by a developer, as more fully set forth in 65 ILCS 5/11-74.4-3(q)(11), related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. Such costs are to be paid directly from the special tax allocation fund established, pursuant to the Act;
 - b. Such payments in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by the developer with regard to the development project during that year;
 - c. If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - d. The total of such interest payments paid, pursuant to the Act, may not exceed thirty percent (30%) of the total of: (i) cost paid or incurred by the developer for the redevelopment project; and (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the municipality, pursuant to the Act;

Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

If a Special Service Area is established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

ESTIMATED REDEVELOPMENT PROJECT COSTS

The total eligible redevelopment project costs define an upper expenditure limit that may be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. The totals of line items are not intended to place a limit on the described expenditures. Adjustments to the estimated line-item costs are expected and may be made administratively by the City without amendment to this Redevelopment Plan, either increasing or decreasing line item costs because of changed redevelopment costs and needs. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The estimated eligible costs of this Redevelopment Plan are shown in **Table 2**.

Additional funding in the form of state and federal grants, private developer contributions, and other outside sources may be pursued by the City as a means of financing improvements and facilities within the RPA.

Table 2. Estimated TIF-Eligible Redevelopment Project Costs

Eligible Expense [1]	Estimated Project Costs
Administration and Professional Service Costs	\$1,000,000
Site Marketing Costs	\$400,000
Property Assembly and Site Preparation Costs	\$16,800,000
Costs of Building Rehabilitation	\$600,000
Costs of Construction of Public Works or Improvements	\$18,000,000
Costs of Job Training or Retraining (Businesses)	\$400,000
Financing Costs	\$400,000
Taxing District Capital Costs	\$1,000,000
Relocation Costs	\$200,000
Payments in Lieu of Taxes	\$200,000
Costs of Job Training (Community College)	\$200,000
Interest Costs (Developer or Property Owner)	\$200,000
School District Increased Costs	\$200,000
Library District Increased Costs	\$200,000
Transfers to contiguous TIF Districts	\$200,000
TOTAL REDEVELOPMENT PROJECT COSTS [2] [3] [4]	\$40,000,000

[1] Described in more detail in Eligible Costs Section.

[2] Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest, costs of issuance, and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

[3] The amount of the Total Redevelopment Project Costs that can be incurred in the RPA may be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but may not be reduced by the amount of redevelopment project costs incurred in the RPA that are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

[4] All costs are in 2025 dollars and may be increased by 5% after adjusting for annual inflation reflected in the Consumer Price Index (CPI), published by the U.S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

PHASING, SCHEDULING OF THE REDEVELOPMENT, AND ESTIMATED DATES OF COMPLETION

Each private project within the RPA receiving TIF benefits shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs are estimated to be retired, no later than December 31 of the year in which the payment to the City provided in the Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year following the year in which the ordinance approving this RPA is adopted. This Redevelopment Plan is estimated to be completed, and all obligations issued to finance redevelopment costs shall be retired no later than December 31, 2038.

SOURCES OF FUNDS TO PAY COSTS

Funds necessary to pay for redevelopment project costs and/or municipal obligations, which may be issued or incurred to pay for such costs, are to be derived principally from tax increment revenues and/or proceeds from

municipal obligations, which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the City may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may incur redevelopment project costs that are paid from the funds of the City other than incremental taxes, and the City then may be reimbursed for such costs from incremental taxes.

The tax increment revenue, which will be used to fund tax increment obligations and eligible redevelopment project costs, shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current EAV of each taxable lot, block, tract or parcel of real property in the RPA over and above the certified initial EAV of each such property.

Other sources of funds, which may be used to pay for development costs and associated obligations issued or incurred, include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer may deem appropriate.

The RPA may be or become contiguous to or be separated only by a public right-of-way from, other redevelopment areas created under the Act (65 ILCS 5/11 74.4 4 et. seq.). The City may utilize net incremental property tax revenues received from the RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the RPA made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible redevelopment project costs within the RPA, shall not at any time exceed the Total Redevelopment Project Costs described in **Table 2** of this Redevelopment Plan.

ISSUANCE OF OBLIGATIONS

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the timeframe described under "Phasing, Scheduling of the Redevelopment, and Estimated Dates of Completion" above. Also, the final maturity date of any such obligations that are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves and bond sinking funds.

MOST RECENT EQUALIZED ASSESSED VALUE OF PROPERTIES IN THE RPA

The purpose of identifying the most recent EAV of the RPA is to provide an estimate of the initial EAV for the purpose of annually calculating the incremental EAV and incremental property taxes of the RPA. The base EAV of all taxable parcels in the RPA as reported in the Illinois Comptroller's 2024 Annual TIF Report is \$3,165,789. This total EAV amount by property index number ("PIN") at the time of designation is summarized in **Appendix 3**.

ANTICIPATED EQUALIZED ASSESSED VALUE

By tax year 2037 (collection year 2038), the total taxable EAV for the RPA is anticipated to be approximately \$24.0 million.

Section 6. Required Findings and Tests

No changes.

Section 7. Provisions for Amending Action Plan

No changes.

Section 8. Affirmative Action Plan

No changes.

Appendix 1: Boundary and Legal Description

No changes.

Appendix 2. Eligibility Factors By Block Tables

No changes.

Appendix 3. Summary of EAV by PIN

No changes.

Appendix 1: Original Plan

First Street Redevelopment Project Area
Tax Increment Financing District
Eligibility Study, Redevelopment Plan and Project

City of St. Charles

Adopted on March 18, 2002

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1. Executive Summary

In June 2001, *S. B. Friedman & Company* was engaged by the City of St. Charles (the “City”) to conduct a Tax Increment Financing Eligibility Study and prepare a Redevelopment Plan and Project (the “Redevelopment Plan”). This report details the eligibility factors found within the First Street Redevelopment Project Area (the “RPA”) Tax Increment Financing (“TIF”) District in support of its designation as a “conservation area” within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”). This report also contains the Redevelopment Plan and Project for the First Street RPA.

The First Street RPA is located wholly within St. Charles Township, in downtown St. Charles and contains approximately 22 acres of land. It consists of sixty-two (62) tax parcels with thirty-nine (39) buildings (not including ancillary structures such as garages). One (1) of the sixty-two (62) parcels is vacant and ten (10) are improved as parking lots or rights-of-way.

Determination of Eligibility

This report concludes that the RPA is eligible for TIF designation as a “conservation area” because 50% or more of the structures in the area have an age of 35 years or more and because the following four (4) eligibility factors for improved land have been found to be present to a major extent:

- Deterioration;
- Deleterious Land Use or Layout;
- Obsolescence; and
- Lack of Growth in EAV;

The factors are defined under the Act at 65 ILCS 5/11-74.4-3 (a) and (b). Additionally, three other eligibility factors are present to a minor extent and demonstrate that the RPA is in a state of gradual decline through disinvestment. Left unchecked, these conditions could accelerate the decline of the area and, combined with those factors that have been documented to be present to a major extent, could lead to more widespread and intensive disinvestment. These factors are:

- Excessive Land Coverage;
- Inadequate Utilities; and
- Lack of Community Planning.

Redevelopment Plan Goal, Objectives, and Strategies

The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the RPA as a conservation area; to provide the direction and mechanisms necessary to stimulate the redevelopment of vacant and underutilized parcels; and to establish the RPA as a cohesive and vibrant mixed-use corridor that provides a comprehensive range of commercial and retail uses to the surrounding residential community, while accommodating residential and institutional uses where appropriate. Redevelopment of the RPA will strengthen the economic base and improve the image of the City as a whole. The City’s “Priority Survey” of St. Charles residents over the last several years has consistently shown that one of the most important priorities for the City of St. Charles

should be to maintain an attractive and vital downtown.

Rehabilitation and redevelopment of the RPA are to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

Objectives. Twelve (12) broad objectives support the overall goal of area-wide revitalization of the RPA. These include:

1. Foster the development of the First Street corridor as an auto- and pedestrian-friendly retail corridor that enhances the overall quality of life of City residents and serves as an appropriate gateway to the downtown district of the City of St. Charles;
2. Provide resources for streetscaping and landscaping to visually link diverse land uses and create a cohesive and integrated identity for a mixed-use First Street corridor that is attractive to pedestrian traffic;
3. Reinforce a downtown identity through such improvements as gateway features, signage, and other public and private improvements;
4. Facilitate the development of new public facilities, parks, and open space in appropriate locations throughout the RPA as needed and in accordance with the Redevelopment Plan, including the creation of a continuous pedestrian loop along the Fox River between Main Street and Prairie Street and the development of pedestrian connections between First Street and the Fox River;
5. Facilitate the provision of adequate on- and off-street parking for visitors, employees, and customers of the RPA;
6. Facilitate the assembly, preparation, and marketing of vacant and underutilized sites for rehabilitation and/or new retail, commercial, institutional, and residential development, and provide for corrective actions to address environmental problems to permit development and redevelopment, as needed or appropriate;
7. Foster the improvement and/or creation of the public infrastructure where needed, including sidewalks, streets, curbs, gutters, underground water and sanitary systems, and stormwater detention of adequate capacity to facilitate the rehabilitation of properties within the RPA as well as the construction of new retail, commercial, residential, and mixed-use development where appropriate;
8. Support the goals and objectives of other overlapping plans, including the *Downtown St. Charles Strategy Plan, 2000* (prepared for the City of St. Charles by the Downtown Professionals Network), and the First Street Business District. Coordinate available federal, state, and local resources to further the goals of this redevelopment plan;

9. Promote a comprehensive development plan that includes a detailed parking and traffic plan that will address potential access/curb-cut consolidation, on-street parking, and the creation of pedestrian links to the Fox River;
10. Strengthen the economic well-being of the RPA and the City of St. Charles by providing resources for rehabilitated and new commercial, residential, and mixed-use development in the RPA, as appropriate;
11. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the RPA; and
12. Support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses.

Strategies. Redevelopment and rehabilitation of specific sites within the RPA will be supported in order to stimulate private investment and enhance the RPA. Development of vacant and underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites. These objectives will be implemented through four (4) specific and integrated strategies. These include:

1. **Implement Public Improvements.** A series of public improvements throughout the RPA may be designed and implemented to help define and create an identity for the area and sub-areas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial, residential, and institutional development.

Public improvements may include the construction of public parking facilities, streetscaping, new or improved street and sidewalk lighting, new or improved sidewalks and streets, new or improved underground infrastructure, stormwater detention of adequate capacity, the creation of parks, trails, and open space, and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. **Facilitate Property Assembly, Demolition, and Site Preparation.** Sites may be acquired and assembled by the City to attract future private investment and development. The consolidated ownership of these sites will make them easier to market to potential developers and will streamline the redevelopment process. In addition, financial assistance may be provided to private developers seeking to acquire land and assemble sites to undertake projects supportive of this Redevelopment Plan.

To meet the goals, policies or objectives of this Redevelopment Plan, the City may acquire and assemble other property throughout the RPA. Land assemblage by the City may be done by purchase, exchange, donation, lease, or eminent domain, and may be for the purposes of

(a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written development agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

3. **Encourage Private Sector Activities and Support Rehabilitation and New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan.
4. **Assist Existing Businesses and Property Owners.** The City may provide assistance to support existing businesses and property owners in the RPA. This may include financial and other assistance for building rehabilitation, facade improvements, leasehold improvements, and new construction of private facilities such as plazas and other pedestrian amenities.

Required Findings

The required conditions for the adoption of a Redevelopment Plan and Project are found to be present within the study area.

First, the City is required to evaluate whether or not the study area has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

New investment that occurred in the study area in the past five years mostly consists of renovations to three buildings: 24 S. Second Street, 111-113 W. Main Street, and 200 S. Second Street. A significant amount of the renovation that has occurred has been undertaken with public assistance through the City's facade treatment program. Taken as a whole, the study area has not been subject to widespread growth and development through investment by private enterprise.

The study area is located entirely within St. Charles Township. From 1995 through 2000 (the last year for which data is available), the growth of equalized assessed valuation ("EAV," which is the value of property from which property taxes are based) in the study area has increased at a rate less than that of the City as a whole. The compound annual growth rate of EAV for the study area was **26%** less than that of the City as a whole between 1995 and 2000.

As another method to examine the scope of new investment in the study area, *S. B. Friedman & Company* examined building permit data provided by the City of St. Charles Building Department. Specifically, we examined building permit data for the period from 1996 through 2000 which revealed that 25 permits were issued within the study area totaling approximately \$916,341, with

no permits issued for new construction, and three permits issued for demolition. However, over 77% of the total value of these permits was due to the remodeling of only three of the 36 buildings in the study area. Excluding these three buildings the total value of permits issued over the five-year period was only \$208,886. On average over our five-year study period, privately initiated permits amounted to approximately \$183,268 per year of total private investment, or less than 2% of the total St. Charles Township Assessor's estimate of market value of all property within the study area. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the study area.

The impact on surrounding properties of the property investment on which building permits were issued has been isolated and minimal. These investments and existing property improvements have not stimulated widespread new private investment in the study area as a whole. Public investment through the City's facade improvement program (a 50% matching program) totaled approximately \$200,000 (or about 20% the total value of building permits issued). Several buildings in the RPA have remained vacant for over a year.

Second, the City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the study area.

Without the support of public resources, the redevelopment objectives for the study area most likely would not be realized. The area-wide improvements and development assistance resources needed to redevelop and revitalize the study area as a mixed-use commercial district are extensive and costly, and the private market on its own, has shown little ability to absorb all of these costs. Public resources to assist with site preparation, environmental remediation, and public infrastructure improvements are needed to leverage private investment and facilitate area-wide redevelopment consistent with the City's Comprehensive Plan. TIF funds can be used to fund site assembly and preparation, environmental remediation, infrastructure improvements, and building rehabilitation. Accordingly, but for the designation of a TIF district, these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur.

Third, the study area includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed improvements.

Finally, the proposed land uses described in this Redevelopment Plan are consistent with the Comprehensive Plan of the City of St. Charles and the *Downtown St. Charles Strategy Plan*. The redevelopment opportunities identified in earlier area planning initiatives will be supported substantially and their implementation facilitated through the creation of the Redevelopment Plan.

2. Introduction

The Study Area

This document serves as the eligibility study (“Eligibility Study”) and Redevelopment Plan and Project for the First Street Redevelopment Project Area. The RPA is located in the southwest quadrant of the City of St. Charles (the “City”), in Kane County (the “County”). In June 2001, *S. B. Friedman & Company* was engaged by the City to conduct a study of certain properties in this area to determine whether the area containing these properties would qualify for status as a “blighted area” and/or “conservation area” under the Act.

The community context of the RPA is detailed on Map 1.

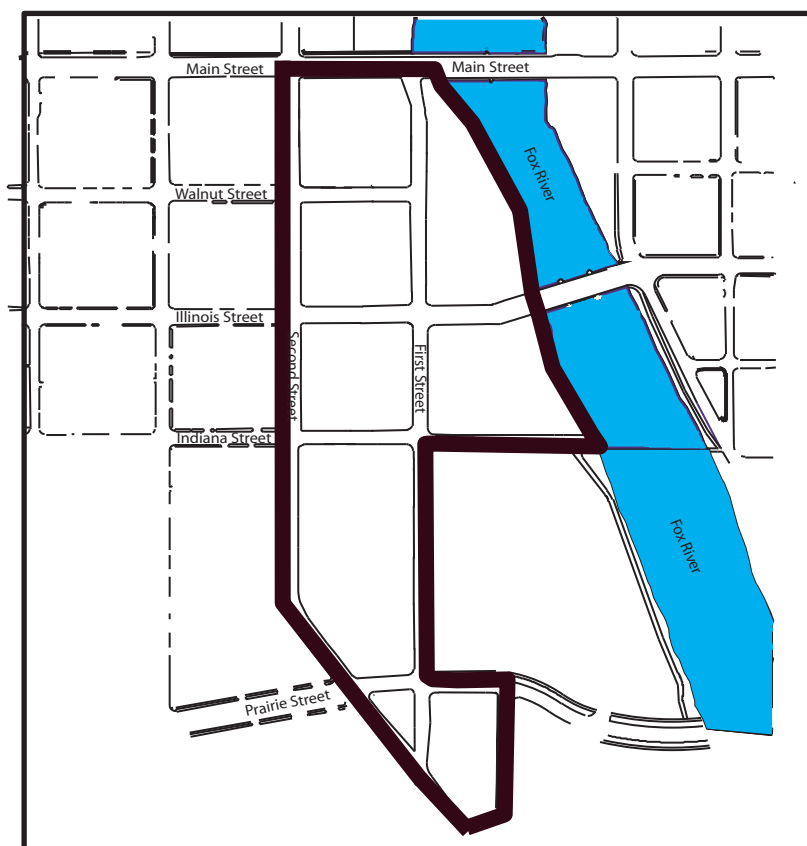
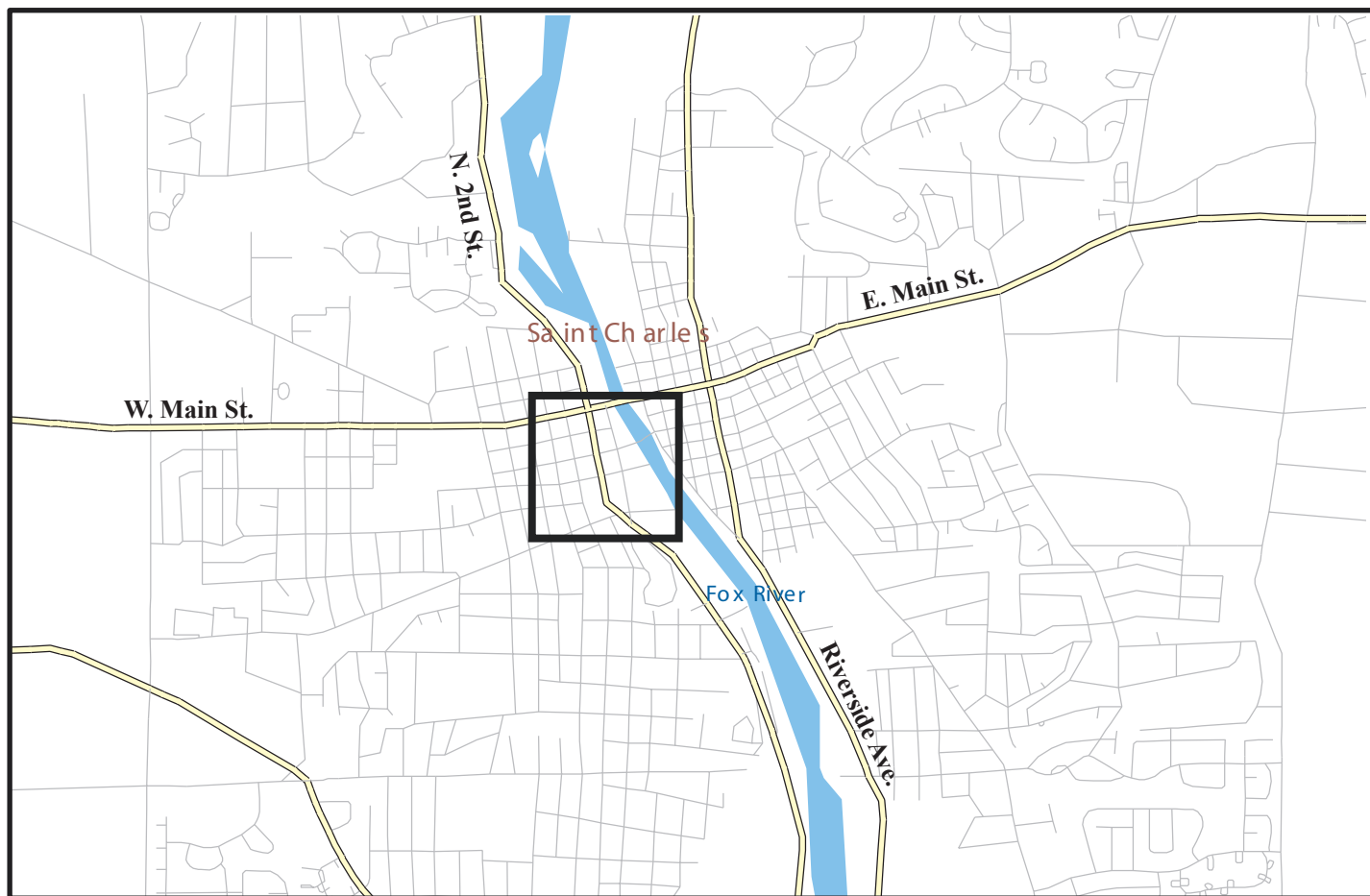
The RPA consists of 62 tax parcels with approximately 39 buildings and contains approximately 22 acres of land. Of the 62 tax parcels, one is vacant. The RPA is generally bounded by Main Street (Route 64) on the north, Second Street (Route 31) on the west, and the Fox River on the east, approximately as far south as Prairie Street (except that the area east of First Street, between Indiana Street and Prairie Street has been excluded).

Map 2 details the boundaries of the RPA including only those contiguous parcels of real property that are expected to benefit substantially from the Redevelopment Plan improvements discussed herein. The boundaries encompass a mixed-use area containing commercial, residential, and public/institutional uses. As a whole, the area suffers from a poor configuration of existing land uses and layouts that has resulted in the under-utilization of property, deteriorated buildings and associated infrastructure, and a lack of growth and investment. Similar observations prompted the identification of First Street as the largest development corridor with the most opportunity for change in the *Downtown St. Charles Strategy Plan, 2000*. Without a comprehensive approach to address these issues, the RPA could continue its decline, thereby discouraging future development opportunities. The redevelopment plan addresses these issues by providing resources for improvements to the area’s infrastructure and public facilities and for the assemblage and marketing of vacant land and under-utilized sites. These area-wide improvements will benefit all of the property within the RPA.

Appendix 1 contains the legal description of the RPA.

The Eligibility Study covers events and conditions that exist and that were determined to support the designation of the RPA as a “conservation area” under the Act at the completion of our research on August 31, 2001 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments.

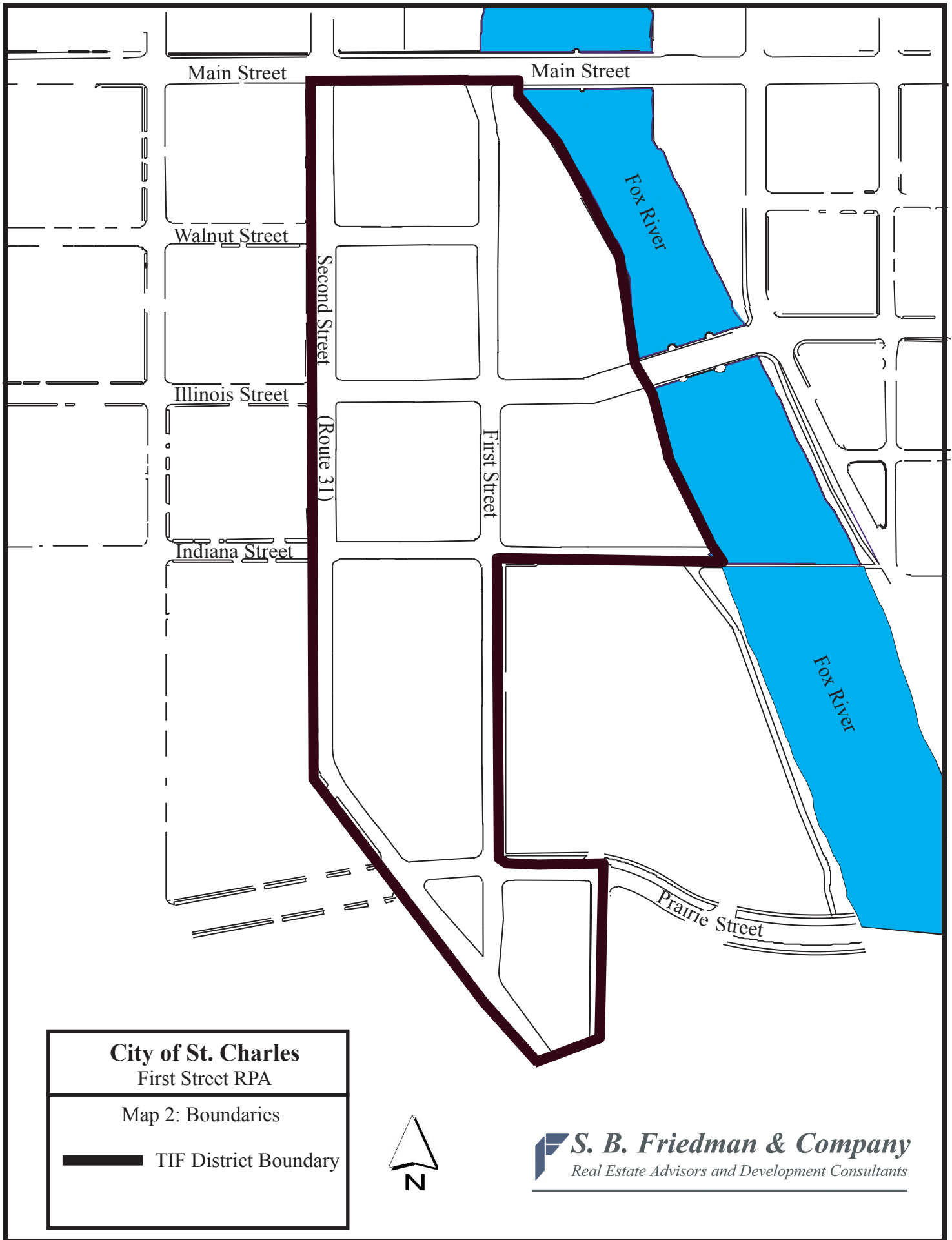
This Eligibility Study and Redevelopment Plan summarizes the analysis and findings of the consultant’s work, which, unless otherwise noted, is solely the responsibility of *S. B. Friedman & Company*. The City is entitled to rely on the findings and conclusions of the Redevelopment Plan in designating the RPA as a redevelopment project area under the Act. *S. B. Friedman & Company* has prepared this Redevelopment Plan with the understanding that the City would rely (1) on the



City of St. Charles
First Street RPA

Map 1: Community Context

■ TIF District Boundary



City of St. Charles
First Street RPA

Map 2: Boundaries

 TIF District Boundary



 **S. B. Friedman & Company**
Real Estate Advisors and Development Consultants

findings and conclusions of the Redevelopment Plan in proceeding with the designation of the RPA and the adoption and implementation of the Redevelopment Plan, and (2) on the fact that *S. B. Friedman & Company* has obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the RPA, so that the Redevelopment Plan will comply with the Act and so that the RPA can be designated as a redevelopment project area in compliance with the Act.

Existing Land Use

Based upon *S. B. Friedman & Company's* research, four (4) predominant land uses have been identified within the RPA:

- Commercial;
- Residential;
- Vacant Land; and
- Industrial.

Existing predominant land use patterns in the RPA are shown in Map 3. This map represents predominant land use in the area. The predominant land use displayed is not necessarily the only land use present on a given parcel. Some of the parcels within the RPA contain more than one land use.

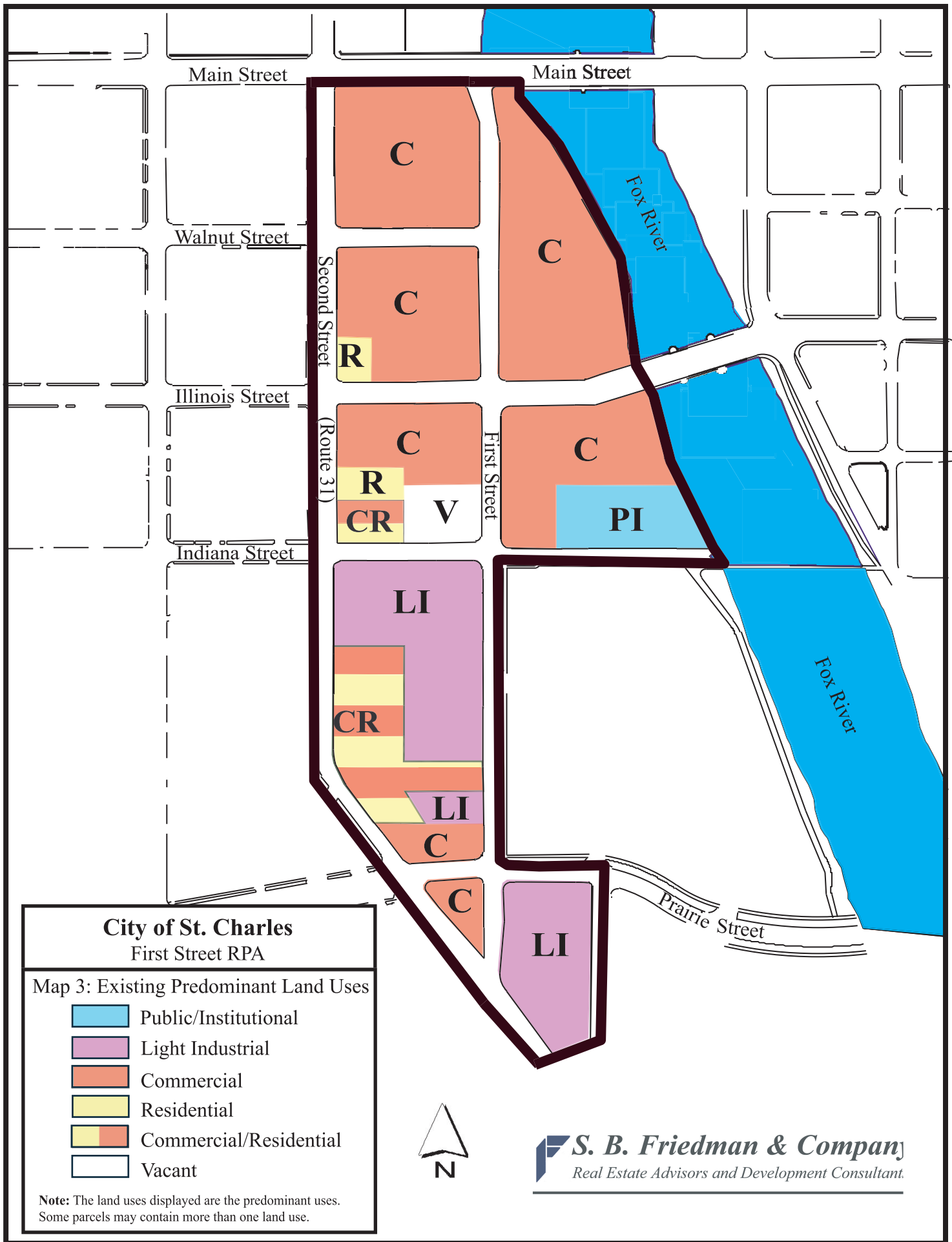
Overall, the RPA consists primarily of a mix of commercial and residential land uses. Commercial uses are concentrated in the north end of the corridor. Residential uses are located mostly along Second Street (Route 31), south of Indiana Street.

Commercial. Commercial and retail uses are found throughout the RPA and do not have adequate parking and provision for loading and service. Commercial uses are interspersed with residential uses south of Indiana Street, and in some cases are part of a single-family residential structure. Obsolescence of several commercial structures has contributed to their long-term vacancy.

Residential. Several single-family residential properties are within the RPA, located mostly along the east side of Second Street, and interspersed with other land uses. Some of these structures also contain commercial uses.

Vacant Land. There is only one parcel of vacant land within the RPA, at the northwest corner of Indiana Street and First Street. The *Downtown St. Charles Strategy Plan, 2000* also identifies the presence of excessive surface lots, and underutilized land in general, throughout the RPA.

Industrial. Several light industrial uses exist within the RPA, located mostly in the southern half of the RPA, especially around the intersection of First Street and Prairie Street. These uses were found to have inadequate buffering from other uses and instances of environmental concern. Most of the property in the RPA south of Indiana Street is zoned as a Limited Manufacturing District (M1), a designation encompassing uses which are often incompatible within the context of the surrounding downtown.



3. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Based upon the conditions found within the RPA at the completion of *S. B. Friedman & Company's* research, it has been determined that the RPA meets the eligibility requirements of the Act as a blighted area. The following outlines the provisions of the Act to establish eligibility.

Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment: declaring an area as a “blighted area” and/or a “conservation area.”

“Blighted areas” are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals, or welfare of the community, and are substantially impairing the growth of the tax base in the area. “Conservation areas” are those improved areas which are deteriorating and declining and soon may become blighted if the deterioration is not abated.

The statutory provisions of the Act specify how a district can be designated as a “blighted” and/or “conservation area” district based upon an evidentiary finding of certain eligibility factors listed in the Act. These factors are identical for each designation.

According to the Act, “blighted areas” must have a combination of five (5) or more of these eligibility factors acting in concert which threaten the health, safety, morals, or welfare of the proposed district. “Conservation areas” must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors which are detrimental to the public safety, health, morals, or welfare and which could result in such an area becoming a blighted area.

Factors For Improved Property

The thirteen (13) factors are listed at 65 ILCS 5/11-74.4-3 (a) and (b) and are defined in the Act as follows:

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds

protruding through paved surfaces.

Presence of Structures Below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal Use of Individual Structures. The use of structures in violation of the applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Excessive Vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

Lack of Ventilation, Light or Sanitary Facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Inadequate Utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

Excessive Land Coverage and Overcrowding of Structures and Community Facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

Deleterious Land Use or Layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

Environmental Clean-Up. The proposed redevelopment project 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.

Lack of Community Planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five 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 of the last five 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 of the last five calendar years prior to the year in which the redevelopment project area is designated.

As explained, "blighted areas" must have a combination of five (5) or more of these eligibility factors and "conservation areas" must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors.

Factors For Vacant Land

Under the provisions of the "blighted area" section of the Act, if the land is vacant, a combination of two (2) or more of the following six (6) factors also may be identified which combine to impact the sound growth in tax base for the proposed district.

Obsolete Platting of Vacant Land. This is where parcels of limited or narrow size or configurations of parcels of irregular size or shape make it difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or where platting has failed to create rights-of-ways for streets or alleys or has created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or has omitted easements for public utilities.

Diversity of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. This factor applies when the number of owners of parcels of vacant land is sufficient to retard or impede the ability to assemble the land for development.

Tax and Special Assessment Delinquencies. This factor is present when tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property

Tax Code within the last 5 years.

Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

Environmental Clean-Up. 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.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five 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 of the last five 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 of the last five calendar years prior to the year in which the redevelopment project area is designated.

Additionally, under the “blighted area” section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five (5) or more of the 13 “blighted area” eligibility factors were present immediately prior to demolition of the area’s structures.

The vacant “blighted area” section includes six (6) other tests for establishing eligibility, but none of these are relevant to the conditions within the RPA.

Methodology Overview and Determination of Eligibility

Analysis of eligibility factors was done through research involving an extensive exterior survey of all properties within the RPA, as well as a review of building and property records. Property records include building code violation citations, building permit data, and assessor information. Our survey of the area established that there are thirty-nine (39) buildings within the RPA. In addition, to verify the age for the area buildings, field observations were compared to the recorded age of the buildings in property records obtained from the Township Assessor’s office.

The areas located within the RPA are predominantly characterized by commercial structures of varying degrees of deterioration, with some residential and industrial parcels towards the south end of First Street. Our survey of the area established that there are 61 improved parcels and one vacant parcel within the RPA. All properties were examined for qualification factors consistent with either “blighted area” or “conservation area” requirements of the Act. Based upon these criteria, the

properties within the RPA qualify for designation as a TIF Redevelopment Project Area as a “conservation area” as defined by the Act.

To arrive at this designation, *S. B. Friedman & Company* calculated the number of eligibility factors present on a building-by-building or parcel-by-parcel basis and analyzed the distribution of the eligibility factors within the RPA. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings using aerial maps, property files created from field observations, and record searches. This information was then graphically plotted on a tax parcel map of the RPA to establish the distribution of eligibility factors, and to determine which factors were present to a major or minor extent.

Major factors are used to establish eligibility. These factors are present to a meaningful extent on a majority of the parcels and reasonably distributed throughout the RPA. Minor factors are supporting factors present to a meaningful extent on some of the parcels or on a scattered basis. Their presence suggests that the area is at risk of experiencing more extensive deterioration and disinvestment.

While it may be concluded under the Act that the mere presence of the minimum number of the stated factors may be sufficient to make a finding as a blighted area, this evaluation was made on the basis that the conservation area factors must be present to an extent that indicates that public intervention is appropriate or necessary. Secondly, the conservation area factors must be reasonably distributed throughout the RPA so that non-qualifying areas are not arbitrarily included in the RPA simply because of proximity to areas that qualify as a conservation area.

Conservation Area Findings

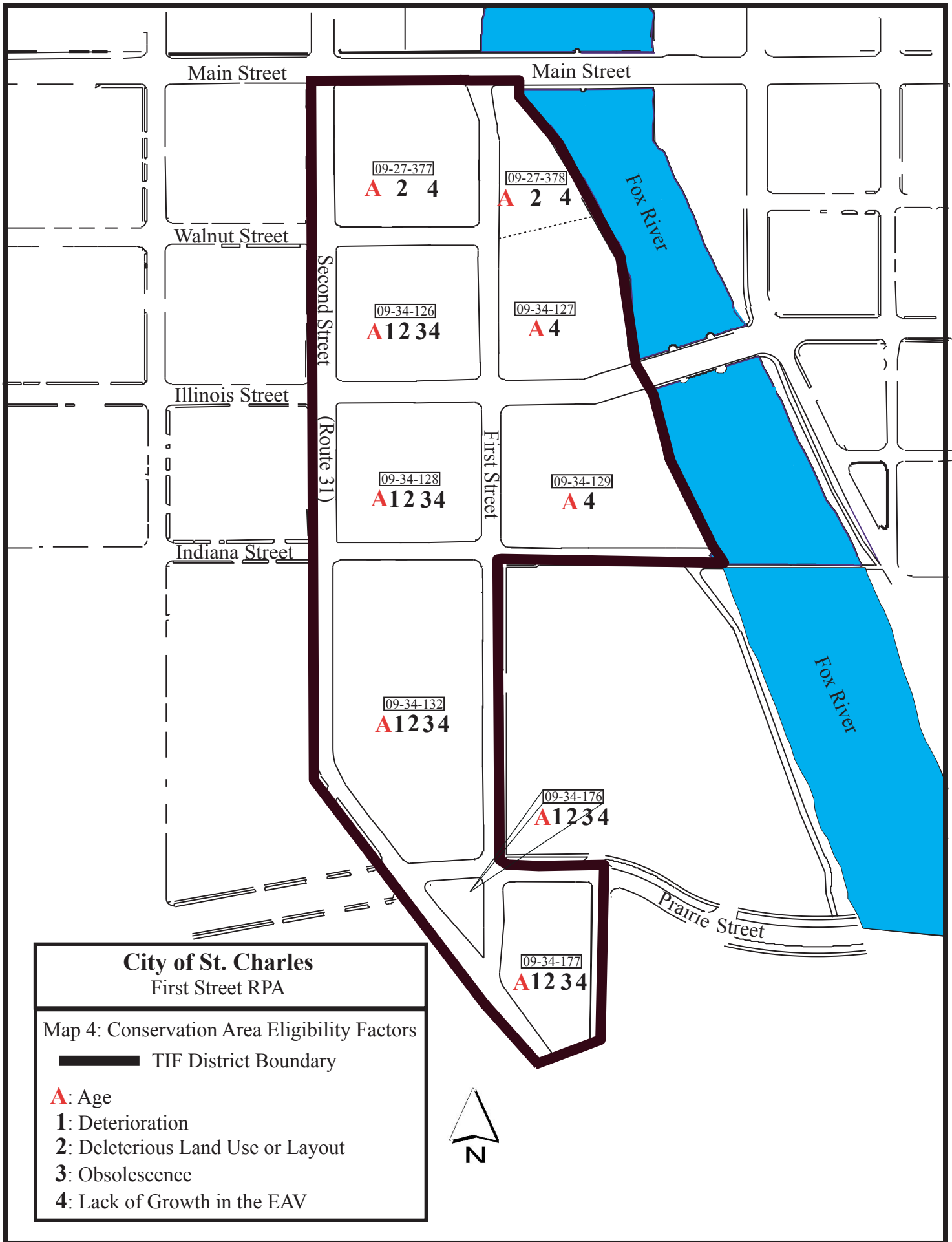
As required by the Act, within a conservation area, at least 50% of the buildings must be 35 years of age and older, and at least three (3) of the thirteen (13) eligibility factors for improved property must be found present to a major extent within the RPA.

Our research has revealed that the following four (4) factors for improved property are present to a major extent:

- Deterioration;
- Deleterious Land Use or Layout;
- Obsolescence; and
- Lack of Growth in EAV.

Based on the presence of these factors, the RPA meets the requirements of a “conservation area” under the Act.

The Eligibility Factors-By-Block Table in Appendix 2 details the eligibility factors by building and by block within the RPA. Map 4 illustrates the distribution of those eligibility factors found to be



present to a major extent by depicting for each block the respective factors were found to be present to a meaningful degree. The following sections summarize our field research as it pertains to each of the identified eligibility factors found within the RPA.

MAJOR FACTORS

1. Deterioration

Twelve (12) of the thirty-nine (39) buildings (**31%**) within the study area demonstrate a significant level of deterioration. Cataloged deterioration included the occurrence of major defects in building components, including collapsed or missing gutters and down spouts, cracked, broken or missing windows, evidence of roof leaks, building foundation problems, and cracked exterior wall surfaces. These are structural conditions not readily correctable through normal maintenance.

In addition, significant deterioration was documented on accessory buildings and ancillary property within the study area. Accessory buildings and ancillary property include garages, surface parking lots, and property enclosed with fencing.

Structural deterioration, coupled with deterioration of ancillary structures and property is indicative of an area that is at risk of becoming blighted without direct intervention.

2. Deleterious Land Use and Layout

Deleterious land use and layout was evaluated on a parcel-by-parcel and an area-wide basis. This factor may be present regardless of whether or not a structure exists on a parcel. Therefore, it was necessary to evaluate deleterious land use and layout in this manner. There are sixty-one (61) improved parcels within the study area. Twenty-four (24) of the improved parcels (**40%**), directly exhibit deleterious land use or layout, however the configuration of parcels and land uses on some blocks was such that the entire block can be considered to suffer from deleterious land use and layout when evaluated on an, “area-wide” basis.

Instances of deleterious land use or layout include shallow lot depths, insufficient vehicular access, non-conforming land uses and incompatible land use relationships. Deleterious land use or layout exists in several forms throughout the study area and its impact and extent are sufficient to adversely affect the growth and development of the entire study area and also to aggravate traffic patterns and pose special hazards for pedestrians who shop or live in the study area.

Three of the four blocks between Main Street and Illinois Street have irregularly shaped parcels, or poorly configured parcels and in several cases, insufficient setbacks from these roads. Both west and south of this intersection are parcels encompassing a range of different and often incompatible land uses.

South of Illinois Street, commercial, light industrial, and residential uses exist side-by-side, and have been developed in an uncoordinated manner. This results in immediate hazards to traffic and pedestrians, the potential obsolescence of some of the properties, and significant obstacles to future development. In several documented instances, the layout of the parcels and the uncoordinated

nature of the development has resulted in the obsolescence of parcels which would be very difficult to develop without intervention.

3. Obsolescence

Obsolescence, either functional, economic, or some combination of both, was documented for twelve (12) of the thirty-nine (39) buildings (31%) within the study area. Some of the commercial/light industrial buildings in the study area were designed for uses that have become outmoded. Reconfiguration and rehabilitation of such structures would result in substantial cost to any future user and therefore would render the structure functionally obsolete. This functional obsolescence directly inhibits the redevelopment of these properties due to the enormous practical disadvantages faced by potential new users.

In addition to functional obsolescence, the economic obsolescence of some area properties is demonstrated by the stagnant, or in some cases declining, assessed valuation (other than routine increases attributable to the effect of inflation upon triennial reassessment values), and observations in the field that certain properties are falling into disuse. Economically obsolete buildings and properties have an adverse effect on nearby properties and detract from the physical, functional, and economic vitality of the surrounding community.

4. Lack of Growth in EAV

The total equalized assessed value (EAV) is a measure of the property value in the study area. The Equalized Assessed Value history of all the included tax parcels in the study area was tabulated for the last six years for which information is currently available. A lack of growth in EAV has been found for the study area in that the rate of growth in property values (as measured by EAV) of the study area has been less than that of the balance of the City of St. Charles for four out of the last five years for which information is available (1995 through 2000). The basis for this finding is summarized in Table 1 below. The lack of growth in EAV within the area is one of the strongest indicators that the area as a whole is beginning to fall into decline.

Table 1: Percent Change in Annual Equalized Assessed Valuation (EAV)

	Percent Change in EAV 1995/1996	Percent Change in EAV 1996/1997	Percent Change in EAV 1997/1998	Percent Change in EAV 1998/1999	Percent Change in EAV 1999/2000
TIF Study Area	3.22%	7.05%	-2.24%	10.54%	6.89%
Balance of the City of St. Charles (Kane County portion)	6.40%	7.19%	4.84%	4.07%	10.14%
Balance of the City of St. Charles (Total)	6.33%	7.26%	4.98%	4.65%	10.66%

MINOR SUPPORTING FACTORS

In addition to the factors that previously have been documented as being present to an extent sufficient to qualify the study area, the presence of three additional factors was documented in the study area. These additional factors reinforce the case that the study area is gradually declining through disinvestment. Left unchecked, these conditions could accelerate the continued decline of the study area, and combined with those factors that have been used to qualify the study area as a “conservation area” or “blighted area,” could lead to more widespread and intensive commercial and residential disinvestment.

A. Excessive Land Coverage

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Ten (10) of the thirty-nine (39) buildings (**25%**) within the study area exhibit problem conditions which warrant the finding of this factor to be present. Examples of problem conditions found in the study area which constitute "excessive land coverage" include a lack of reasonably required off-street parking and inadequate provision for loading and service. This factor was found to exist mainly around the intersection of Main Street and First Street. The buildings at this intersection were built in a different context than the present-day standards of development, and do not have adequate provision for loading and service and or reasonably required off-street parking resulting in the over-intensive use of property and exacerbating the problems of traffic and congestion in the general area. Such problems illustrate the adverse impact that excessive land coverage can have on surrounding areas, not just individual properties. These problems limit the opportunities for continued growth and development and have the overall effect of reducing the competitiveness of area businesses. Additionally, the safety of pedestrians may be threatened in this environment.

B. Inadequate Utilities

A review of the City’s underground infrastructure in an April 1996 study by Black & Veatch found that inadequate underground utilities affect most of the parcels within the study area south of Indiana Street (approximately 20% of the total parcels in the study area). This limits the potential for growth and development, especially in the southern portion of the study area. Future growth and development in the area would almost certainly require substantial infrastructure investment.

C. Lack of Community Planning

Lack of community planning is an area-wide factor, not necessarily attributable to any one parcel. The study area in general was developed prior to the implementation or guidance of a comprehensive community plan or in some cases, development occurred that is no longer consistent with the current plans of the community. This is evidenced by the fact that the study area contains irregular and obsolescent parcel configurations, has incompatible land uses, and has a lack of buffering between land uses. Lack of community planning limits potential redevelopment opportunities within the study area.

4. Redevelopment Project and Plan

Redevelopment Needs of the RPA

The existing land use pattern and physical conditions in the RPA suggest eight (8) redevelopment needs for the area:

- redevelopment of vacant and underutilized parcels;
- site preparation, site assembly, demolition, and environmental remediation;
- streetscape and infrastructure improvements;
- better vehicular and pedestrian circulation patterns;
- capital improvements for public facilities and institutional uses, including parks and open space, that further the objectives set forth in the Redevelopment Project and Plan;
- creation of a public parking structure;
- resources for retail, commercial, and mixed-use development; and
- job training assistance.

The Redevelopment Plan identifies tools for the City to: support the establishment and improvement of the RPA as a cohesive and vibrant mixed-use corridor consistent with the City's Comprehensive Plan and the *Downtown St. Charles Strategy Plan, 2000*; support other improvements that serve the redevelopment interests of the local community and the City; and assist existing businesses to expand and improve their places of business, and/or other mechanisms as set forth in the Redevelopment Plan.

Currently, the RPA is characterized by conflicting land-use patterns, poor vehicular and pedestrian access and a lack of reasonably required parking, signs of structural deterioration, vacant and underdeveloped properties, and an overall lack of growth in property values. These area and building conditions are minimizing the value of commercial and mixed-use properties in the area compared to other commercial and residential districts elsewhere in the City and surrounding municipalities, limiting local area employment opportunities and growth, and contributing to the lack of new investment within the RPA.

The public improvements outlined in the Redevelopment Plan will create an environment conducive to private investment and redevelopment within the RPA. The goals, objectives, and strategies discussed below have been developed to address these needs and to facilitate the sustainable redevelopment of the RPA. To support specific projects and encourage future investment in the RPA, public resources including tax increment financing may be used to facilitate site assembly, site preparation, and demolition for future private sector redevelopment activities; improve RPA infrastructure and new public facilities; create an identity for the area and the community; and support building rehabilitation. The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly and demolition by the private sector to meet the goals, policies, or objectives of this Redevelopment Plan can be assisted using tax increment revenues.

Ultimately, the goals, objectives and strategies are designed to redevelop the RPA as a vibrant mixed-use commercial district and downtown gateway, providing new and enhanced commercial

and public activities that complement and service the residential population while improving the image and visibility of the City as a whole. Furthermore, redevelopment of the RPA affords an opportunity for creation of a pedestrian-friendly shopping district to complement the businesses found on Main Street as outlined in the *Downtown St. Charles Strategy Plan, 2000*.

Goals, Objectives, and Strategies

Goals, objectives, and strategies designed to address the needs of the community form the overall framework of the Redevelopment Plan for the use of anticipated tax increment funds generated within the RPA.

Goal. The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the RPA as a conservation area; to provide the direction and mechanisms necessary to stimulate the redevelopment of vacant and underutilized parcels; and to establish the RPA as a cohesive and vibrant mixed-use corridor that provides a comprehensive range of commercial and retail uses to the surrounding residential community while accommodating residential and institutional uses where appropriate. Redevelopment of the RPA will strengthen the economic base and improve the image of the City as a whole. The City's "Priority Survey" of St. Charles residents over the last several years has consistently shown that one of the most important priorities for the City of St. Charles should be to maintain an attractive and vital downtown.

Rehabilitation and redevelopment of the RPA are to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

These activities are representative of the types of projects contemplated to be undertaken during the life of the RPA. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Further, additional projects may be identified throughout the life of the RPA. To the extent that these projects meet the goals of this Redevelopment Plan and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

Objectives. Twelve (12) broad objectives support the overall goal of area-wide revitalization of the RPA. These include:

1. Foster the development of the First Street corridor as an auto and pedestrian-friendly retail corridor that enhances the overall quality of life of City residents and serves as an appropriate gateway to the downtown district of the City of St. Charles;
2. Provide resources for streetscaping and landscaping to visually link diverse land uses and create a cohesive and integrated identity for a mixed-use First Street corridor that is attractive to pedestrian traffic;

3. Reinforce a downtown identity through such improvements as gateway features, signage, and other public and private improvements;
4. Facilitate the development of new public facilities, parks, and open space in appropriate locations throughout the RPA as needed and in accordance with the Redevelopment Plan, including the creation of a continuous pedestrian loop along the Fox River between Main Street and Prairie Street and the development of pedestrian connections between First Street and the Fox River;
5. Facilitate the provision of adequate on- and off-street parking for visitors, employees, and customers of the RPA;
6. Facilitate the assembly, preparation, and marketing of vacant and underutilized sites for rehabilitation and/or new retail, commercial, institutional, and residential development, and provide for corrective actions to address environmental problems to permit development and redevelopment, as needed or appropriate;
7. Foster the improvement and/or creation of the public infrastructure where needed, including sidewalks, streets, curbs, gutters, underground water and sanitary systems, and stormwater detention of adequate capacity to facilitate the rehabilitation of properties within the RPA as well as the construction of new retail, commercial, residential, and mixed-use development where appropriate;
8. Support the goals and objectives of other overlapping plans, including the *Downtown St. Charles Strategy Plan, 2000* (prepared for the City of St. Charles by the Downtown Professionals Network), and the First Street Business District. Coordinate available federal, state, and local resources to further the goals of this redevelopment plan;
9. Promote a comprehensive development plan that includes a detailed parking and traffic plan that will address potential access/curb-cut consolidation, on-street parking, and the creation of pedestrian links to the Fox River;
10. Strengthen the economic well-being of the RPA and the City of St. Charles by providing resources for rehabilitated and new commercial, residential, and mixed-use development in the RPA, as appropriate;
11. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the RPA; and
12. Support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses.

Strategies. Redevelopment and rehabilitation of specific sites within the RPA will be supported in order to stimulate private investment and enhance the RPA. Development of vacant and underutilized sites is anticipated to have a positive impact on other properties beyond the individual

project sites. These objectives will be implemented through four (4) specific and integrated strategies. These include:

1. **Implement Public Improvements.** A series of public improvements throughout the RPA may be designed and implemented to help define and create an identity for the area and sub-areas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial, residential, and institutional development.

Public improvements may include the construction of public parking facilities, streetscaping, new or improved street and sidewalk lighting, new or improved sidewalks and streets, new or improved underground infrastructure, stormwater detention of adequate capacity, the creation of parks, trails, and open space, and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. **Facilitate Property Assembly, Demolition, and Site Preparation.** Sites may be acquired and assembled by the City to attract future private investment and development. The consolidated ownership of these sites will make them easier to market to potential developers and will streamline the redevelopment process. In addition, financial assistance may be provided to private developers seeking to acquire land and assemble sites to undertake projects supportive of this Redevelopment Plan.

To meet the goals, policies or objectives of this Redevelopment Plan, the City may acquire and assemble other property throughout the RPA. Land assemblage by the City may be done by purchase, exchange, donation, lease, or eminent domain, and may be for the purposes of (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written development agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

3. **Encourage Private Sector Activities and Support Rehabilitation and New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan.
4. **Assist Existing Businesses and Property Owners.** The City may provide assistance to support existing businesses and property owners in the RPA. This may include financial and other assistance for building rehabilitation, facade improvements, leasehold improvements, and new construction of private facilities such as plazas and other pedestrian amenities.

Proposed Future Land Use

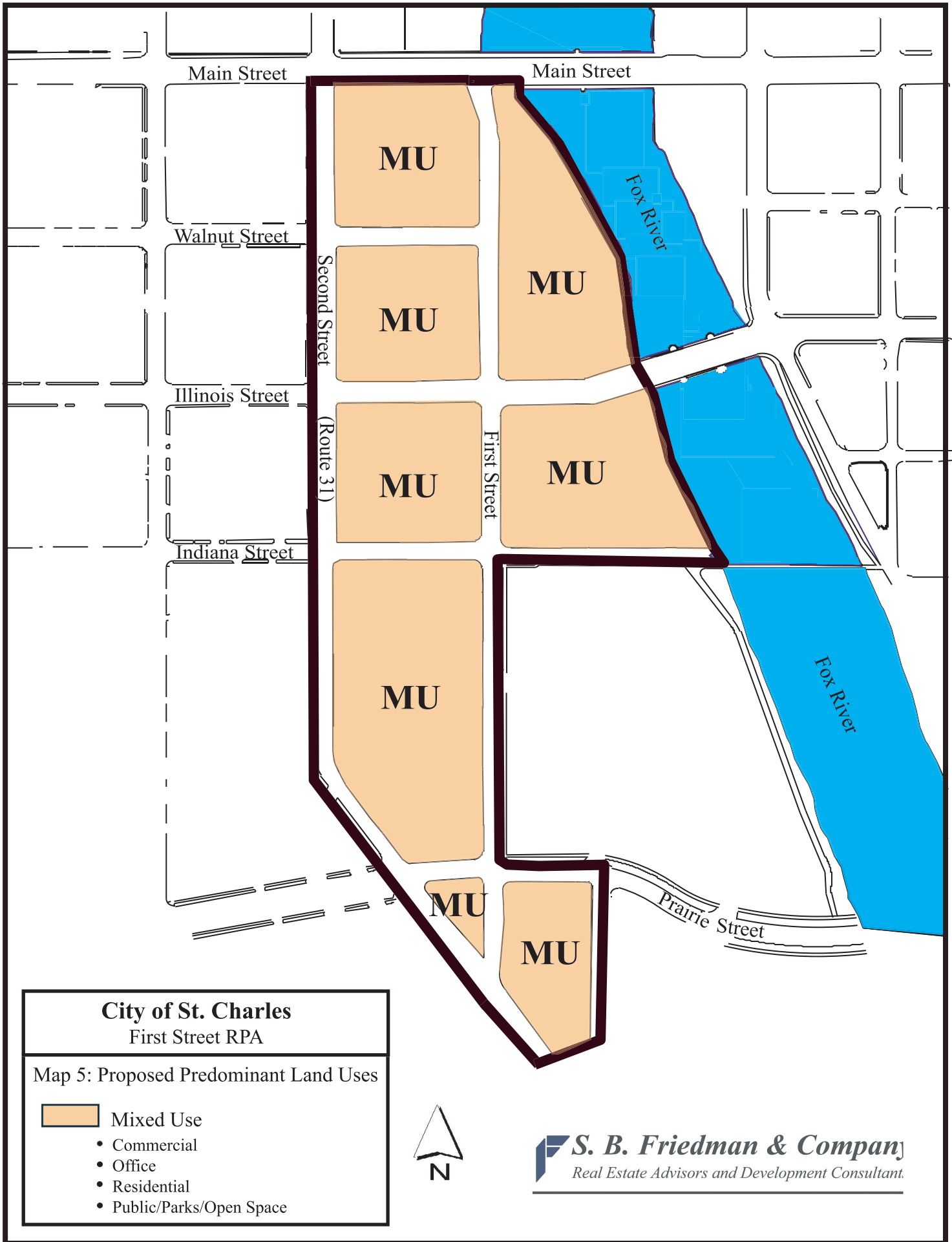
The proposed future land use of the RPA reflects the objectives of the Redevelopment Plan, which works to provide direction for the marketing of vacant and under-utilized sites in the RPA for redevelopment activities, to support the improvement of the RPA as an active mixed-use downtown gateway corridor, and to support other improvements such as public infrastructure and open space that serve the redevelopment interests of the local community and the City. The proposed objectives are compatible with the City's Comprehensive Plan and the *Downtown St. Charles Strategy Plan, 2000* for the future improvement and redevelopment of the First Street corridor prepared by the Downtown Professionals Network.

These proposed predominant land uses are detailed on Map 5. As noted on Map 5, the uses listed are to be predominant future uses for the area indicated, and are not exclusive of any other uses.

Housing Impact and Related Matters

As set forth in the Act, if the redevelopment plan for the redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan.

The project area contains an estimated nine (9) residential units, of which seven (7) are occupied residential units, therefore a Housing Impact Study is not required by the Act. If occupied residential units whose inhabitants are to be removed as a result of this Plan happen to be households of low- or very low-income then, as set forth in the Act, this Plan shall provide, with respect to inhabited housing units that are to be removed for households of low-income and very low-income persons, affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations under that Act, including the eligibility criteria. For the purposes of this Plan, pursuant to the Act, "low-income households," "very low-income households," and "affordable housing" have the meanings set forth in the Illinois Affordable Housing Act. The municipality shall make a good faith effort to ensure that this affordable housing is located in or near the redevelopment project area within the municipality.



5. Financial Plan

Eligible Costs

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this plan pursuant to the Act. The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including, but not limited to, tax increment financing, and by undertaking certain activities and incurring certain costs. Some of the costs listed below are eligible costs under the Act pursuant to an amendment to the Act that became effective November 1, 1999. Such eligible costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan, including but not limited to, staff and professional service costs for architectural engineering, legal, marketing sites within the area to prospective businesses, developers, and investors, financial, planning or other services, related hard and soft costs, and other related expenses; provided however, that no such charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, and clearing and grading of land, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings or fixtures and leasehold improvements;
4. Costs of the construction of public works or improvements consistent with the Act, including the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
5. Costs of job training and retraining projects including the costs of welfare to work programs implemented by businesses located within the redevelopment project area;
6. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto and interest accruing during a construction period;
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project

- necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and project, to the extent the municipality by written agreement accepts and approves such costs;
8. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
 9. 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, or under the Act;
 10. Payment in lieu of taxes;
 11. Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and taxing district(s), which agreement describes the program to be undertaken, including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by the community college district of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public and Community College Act as cited in the Act and by the school districts of cost pursuant to Section 10-22.20a and 10-23.3a of the School Code as cited in the Act.
 12. Interest costs incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. Such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - b. Such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the development project during that year;
 - c. If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (12) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - d. The total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the developer for the

redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act; and

- e. The percentage increases from thirty percent (30%) to seventy-five percent (75%) for the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
 - f. Instead of the interest costs described above in paragraphs 12b. and 12d., a municipality may pay from tax incremental revenues up to 50% of the cost of construction, renovation, and rehabilitation of new housing units (for ownership or rental) to be occupied by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, as more fully described in the Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for this benefit under the Act;
13. Unless explicitly stated in the Act and as provided for in relation to low- and very low-income housing units, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

Estimated Redevelopment Project Costs

The estimated eligible costs of this Redevelopment Plan are shown in Table 2. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan. Additional funding in the form of State and Federal grants, private developers contributions and other outside sources may be pursued by the City as a means of financing improvements and facilities which are of benefit to the general community.

Table 2: Estimated TIF Eligible Costs	
Project/Improvements	Estimated Project Costs*
Professional Services	\$250,000
Property Assembly: including site preparation and environmental remediation	\$5,500,000
Rehabilitation Costs (Commercial and Residential)	\$500,000
Eligible Construction Costs	\$100,000
Relocation	\$100,000
Public Works or Improvements (1)	\$8,000,000

Job Training	\$100,000
Interest Costs	\$100,000
TOTAL REDEVELOPMENT COSTS (2)	\$14,650,000

* Exclusive of capitalized interest, issuance costs, and other financing costs

(1) This category also may include the reimbursement of capital costs of taxing districts including schools resulting from the redevelopment project necessarily incurred in the furtherance of the objectives of the Redevelopment Project Area Plan and Project to the extent the City by written agreement accepts and approves such costs.

(2) All costs are in 2001 dollars and may be increased by the rate of inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

Adjustments to the estimated line item costs in Table 2 are expected and may be made by the City without amendment to the Plan. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

In the event the Act is amended after the date of the approval of this Redevelopment Plan by the City Board to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/1-74.4-3(q)(11)), this Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Redevelopment Plan. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 2, or otherwise adjust the line items in Table 2 without amendment to this Redevelopment Plan. In no instance, however, shall such additions or adjustments result in any increase in the total redevelopment project costs without a further amendment to this Redevelopment Plan.

Phasing and Scheduling of the Redevelopment

Certain projects within the RPA shall be governed by the terms of written redevelopment agreements entered into between a designated developer and the City. Other projects will consist of City reimbursements of the specified eligible redevelopment costs of applicants who qualify under various programs developed by the City and approved by the City Board.

Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s). The Redevelopment Plan shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer

as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third year calendar year following the year in which the ordinance approving this redevelopment project area is adopted (by December 31, 2026, if the ordinances establishing the RPA are adopted in 2002).

Sources of Funds to Pay Costs

Funds necessary to pay for redevelopment project costs and/or municipal obligations which may be issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the City may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may incur Redevelopment Project Costs which are paid from the funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

The tax increment revenue which will be used to fund tax increment obligations and eligible redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the certified initial equalized assessed value of each such property. Without the use of such incremental revenues, the redevelopment project area is not likely to redevelop.

Other sources of funds which may be used to pay for development costs and associated obligations issued or incurred include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer from time to time may deem appropriate.

The First Street RPA is contiguous to the Hotel Baker RPA and may, in the future, be contiguous to, or be separated only by a public right-of-way from, other redevelopment areas created under the Act. The City may utilize net incremental property tax revenues received from the First Street RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the RPA made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the RPA, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 (Estimated TIF Eligible Costs) of this Redevelopment Plan.

The First Street RPA may become contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Illinois Industrial Jobs Recovery Law, (65 ILCS 5/11-74.61-1 et. seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the RPA, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the RPA be made available to support any such redevelopment project areas, and vice versa. The City, therefore,

proposes to utilize net incremental revenues received from the RPA to pay eligible redevelopment projects costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the RPA and such areas. The amount of revenue from the RPA so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the RPA or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 of this Redevelopment Plan.

If necessary, the redevelopment plans for other contiguous redevelopment project areas that may be or already have been created under the Act may be drafted or amended as applicable to add appropriate and parallel language to allow for sharing of revenues between such districts.

Issuance of Obligations

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the time frame described under “Phasing and Scheduling of the Redevelopment” above. Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds, and redevelopment project costs. To the extent that real property tax increment is not required for such purposes or otherwise required, pledged, earmarked, or otherwise designated for anticipated redevelopment costs, revenues shall be declared surplus and become available for distribution annually to area taxing districts in the manner provided by the Act.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

The purpose of identifying the most recent equalized assessed valuation (“EAV”) of the RPA is to provide an estimate of the initial EAV which the Kane County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the RPA. The 2000 EAV of all taxable parcels in the RPA is approximately \$4,309,765. The total EAV is subject to

verification by the Kane County Clerk. After verification, the final figure shall be certified by the Kane County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Redevelopment Project Area will be calculated by Kane County. The total EAV amounts by PIN for the RPA are summarized in Appendix 3.

Anticipated Equalized Assessed Valuation

By 2025, the EAV for the RPA will be approximately \$24,000,000. This estimate is based on several key assumptions, including: (1) an inflation factor of 2.5% per year on the EAV of all properties within the RPA, and (2) an equalization factor of 1.000.

6. Required Findings and Tests

Lack of Growth and Private Investment

The City is required under the Act to evaluate whether or not the RPA has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

New investment that occurred in the study area in the past five years mostly consists of renovations to three buildings. A significant amount of the renovation that has occurred has been undertaken with public assistance through the City's facade treatment program. Taken as a whole, the study area has not been subject to widespread growth and development through investment by private enterprise.

The study area is located entirely within St. Charles Township. From 1995 through 2000 (the last year for which data is available), the growth of equalized assessed valuation ("EAV," which is the value of property from which property taxes are based) in the study area has increased at a rate less than that of the City as a whole. The compound annual growth rate of EAV for the study area was **26%** less than that of the City as a whole between 1995 and 2000.

As another method to examine the scope of new investment in the study area, *S. B. Friedman & Company* examined building permit data provided by the City of St. Charles Building Department. Specifically, we examined building permit data for the period from 1996 through 2000 which revealed that 25 permits were issued within the study area totaling approximately \$916,341, with no permits issued for new construction, and three permits issued for demolition. However, almost 70% of the total value of these permits was due to the remodeling of only two of the 36 buildings in the study area. Excluding these two buildings the total value of permits issued over the five-year period was only \$281,341. On average over our five-year study period, privately initiated permits amounted to approximately \$183,268 per year of total private investment, or less than 2% of the total St. Charles Township Assessor's estimate of market value of all property within the study area. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the study area.

The impact on surrounding properties of the property investment on which building permits were issued has been isolated and minimal. These investments and existing property improvements have not stimulated widespread new private investment in the study area as a whole. Public investment through the City's facade improvement program (a 50% matching program) totaled approximately \$200,000 (or about 20% the total value of building permits issued). Several buildings in the RPA have remained vacant for over a year.

Finding: The Redevelopment Project Area (RPA) on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.

But for...

The City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the RPA.

Without the support of public resources, the redevelopment objectives for the study area would most likely not be realized. The area-wide improvements and development assistance resources needed to redevelop and revitalize the study area as a mixed-use commercial district are extensive and costly, and the private market, on its own, has shown little ability to absorb all of these costs. Public resources to assist with site preparation, environmental remediation, and public infrastructure improvements are needed to leverage private investment and facilitate area-wide redevelopment consistent with the City's Comprehensive Plan. TIF funds can be used to fund site assembly and preparation, environmental remediation, infrastructure improvements, and building rehabilitation. Accordingly, but for the designation of a TIF district, these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur without TIF designation for the RPA.

Finding: But for the adoption of this Redevelopment Plan, critical resources will be lacking that would otherwise support the redevelopment of the RPA and the RPA would not reasonably be anticipated to be developed.

Conformance to the Plans of the City

The RPA and Redevelopment Plan must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the City Council.

Dates of Completion

The dates of completion of the project and retirement of obligations are described under "Phasing and Scheduling of the Redevelopment" in Section 5 above.

Financial Impact of the Redevelopment Project

As explained above, without the adoption of this Redevelopment Plan and tax increment financing, the RPA is not expected to be redeveloped by private enterprise. Additionally, there is a genuine threat that blighting conditions will continue to exist and spread, and that the entire area will become a less attractive place to maintain and improve existing buildings and sites. The decline of property values within the RPA also may lead to a decline of property values in surrounding areas and could lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. The redevelopment program will be staged gradually over the life of the RPA. If a redevelopment project is successful, various new projects will be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting rehabilitation and development in the RPA.

This Redevelopment Plan is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, real estate tax increment revenues from the increases in EAV over and above the certified initial EAV (established at the time of adoption of this document by the City) may be used to pay eligible redevelopment project costs for the RPA. At the time when the RPA is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the RPA will be distributed to all taxing district levying taxes against property located in the RPA. These revenues will then be available for use by the affected taxing districts.

Demand on Taxing District Services and Program to Address Financial and Service Impact

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

The City intends to monitor development in the area and with the cooperation of the affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

Given the preliminary nature of the Redevelopment Plan, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot accurately be assessed within the scope of this plan. The following major taxing districts and associated pension funds, presently levy taxes on properties within the RPA:

- Kane County
- Kane County Forest Preserve
- St. Charles Township
- St. Charles Township Road District
- St. Charles Cemetery
- St. Charles Library
- City of St. Charles
- St. Charles Park District
- St. Charles School District 303
- Elgin Community College
- St. Charles Special Service Area 1A
- St. Charles Special Service Area 1B

The tax incremental revenues derived from the two Special Service Areas which overlap parts of the RPA may be used within the RPA for the purposes permitted by the Special Service Area Tax Act or Law as well as the purposes permitted under the Tax Increment Allocation Redevelopment Act.

Replacement of vacant and under-utilized buildings and sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. At this time

no special programs are proposed for these taxing districts. Should demand increase, the City will work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

7. Provisions for Amending Action Plan

This Redevelopment Plan and Project document may be amended pursuant to the provisions of the Act.

Major changes to this redevelopment that take effect after the original public hearing can occur if the City gives notice, convenes a joint review board, and conducts a public hearing as provided by the Act. Minor changes which do not

- Add additional parcels of property to the RPA;
- Substantially affect the general land uses proposed in the redevelopment plan;
- Substantially change the nature of or extend the life of the RPA; or
- Increase the number of low or very low income buildings displaced from the RPA;

can be made provided that the City gives notice to the affected taxing bodies, to the persons listed on the interested party registry, and publishes the changes to a newspaper in general circulation as provided in the Act.

8. Commitment to Fair Employment Practices and Affirmative Action Plan

The City of St. Charles is an equal opportunity employer. As part of this Redevelopment Project and Plan the City will work with any developers who assist in the redevelopment of the RPA to implement an effective affirmative action program that conforms to City policies and practices.

This program will ensure equal opportunity for all personnel regardless of race, color, religion, sex, age, marital status, handicapped status, nation of origin, sexual preference, creed, or ancestry. All entities involved are responsible for conformance to the policy that is put in place.

Appendix 1: Boundary and Legal Description

That part of the Northwest Quarter and the Southwest Quarter of Section 27, Township 40 North, Range 8 East of the Third Principal Meridian in the City of St. Charles, Kane County, Illinois, described as follows:

Beginning at the northeast corner of Block 44 in the Original Town of St. Charles, said point also being the intersection of the south right-of-way line of Main Street (Illinois Route 64) and the westerly right-of-way line of 2nd Street (Illinois Route 31); thence easterly along said southerly right-of-way line to the west bank of the Fox River; thence southerly along said west bank to the southerly right-of-way line of Indiana Street; thence westerly along said southerly right-of-way line to the easterly right-of-way line of 1st Street; thence southerly along the easterly right-of-way line of 1st Street to the northerly right-of-way line of Prairie Street; thence easterly along said northerly right-of-way line of Prairie Street to the northerly extension of the west line of Lot 5 in the Piano Factory of St. Charles Subdivision; thence southerly along the west line of said Lot 5 and the northerly extension thereof to the most southerly corner of said Lot 5; thence southwesterly along the extension of the southeasterly line of said Lot 5 to the westerly right-of-way line of 2nd Street (Illinois Route 31); thence northerly along said westerly right-of-way line of 2nd Street to the Point of Beginning.

Appendix 2:
Eligibility Factors By Block Table

Qualifying Eligibility Factors by Block

Tax Parcel Block Number*						Age	Deterioration	Obsolescence	Deleterious Land Use or Layout	Lack of Growth in EAV**
1	09	-	27	-	377	x			x	x
2	09	-	27	-	378	x			x	x
3	09	-	34	-	126	x	x	x	x	x
4	09	-	34	-	127	x				x
5	09	-	34	-	128	x	x	x	x	x
6	09	-	34	-	129	x	x			x
7	09	-	34	-	132	x	x	x	x	x
8	09	-	34	-	176	x	x	x	x	x
9	09	-	34	-	177	x	x	x	x	x
Totals						9	6	5	7	9
						100%	67%	56%	78%	100%

* The blocks are depicted on Map 4

** Area-wide factor

Note: Percentages shown refer to the percentage of blocks in the RPA that exhibit the factor to a meaningful extent.

Not all factors were able to be evaluated in the field or researched adequately to demonstrate their presence.

This does not mean that other factors do not exist in the study area.

Appendix 3:
Summary of EAV by PIN

EAV By PIN

	Study Area PINs	2000 EAV	1999 EAV	1998 EAV	1997 EAV	1996 EAV	1995 EAV
1	09 - 27 - 377 - 002	\$ 195,955	\$ 175,939	\$ 200,872	\$ 187,801	\$ 150,965	\$ 147,752
2	09 - 27 - 377 - 004	\$ 59,253	\$ 61,552	\$ 42,466	\$ 43,931	\$ 42,466	\$ 41,561
3	09 - 27 - 377 - 005	\$ 61,917	\$ 64,076	\$ 50,304	\$ 52,040	\$ 50,304	\$ 49,234
4	09 - 27 - 377 - 006	\$ 60,642	\$ 57,471	\$ 22,155	\$ 22,918	\$ 22,155	\$ 21,683
5	09 - 27 - 377 - 007	\$ 108,141	\$ 58,944	\$ 28,112	\$ 29,082	\$ 28,112	\$ 27,513
6	09 - 27 - 377 - 009	\$ 37,853	\$ 35,875	\$ 34,604	\$ 35,798	\$ 34,604	\$ 33,867
7	09 - 27 - 377 - 010			\$ -	\$ -	\$ -	\$ -
8	09 - 27 - 377 - 011			\$ 9,239	\$ 9,558	\$ 9,239	\$ 9,041
9	09 - 27 - 377 - 012	\$ 179,566	\$ 171,835	\$ 137,463	\$ 142,205	\$ 137,463	\$ 136,007
10	09 - 27 - 377 - 014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	09 - 27 - 377 - 015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	09 - 27 - 377 - 016	\$ 48,169	\$ 45,651	\$ 44,252	\$ 45,779	\$ 44,252	\$ 30,518
13	09 - 27 - 377 - 017	\$ 174,882	\$ 165,738	\$ 87,678	\$ 90,702	\$ 87,678	\$ 85,812
14	09 - 27 - 377 - 018	\$ 30,554	\$ 48,630	\$ 49,380	\$ 51,083	\$ 49,380	\$ 48,329
15	09 - 27 - 377 - 019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	09 - 27 - 377 - 020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	09 - 27 - 377 - 021	\$ -	\$ -				
18	09 - 27 - 377 - 022	\$ 17,728	\$ 14,701				
19	09 - 27 - 378 - 001	\$ 100,143	\$ 94,907	\$ 97,274	\$ 102,350	\$ 97,274	\$ 94,184
20	09 - 27 - 378 - 002	\$ 68,685	\$ 65,094	\$ 50,495	\$ 52,236	\$ 50,495	\$ 49,420
21	09 - 27 - 378 - 003	\$ 102,114	\$ 96,785	\$ 85,144	\$ 88,081	\$ 85,144	\$ 83,332
22	09 - 34 - 126 - 002	\$ 60,324	\$ 60,488	\$ 72,544	\$ 73,109	\$ 68,112	\$ 65,980
23	09 - 34 - 126 - 005	\$ 46,773	\$ 44,328	\$ 28,921	\$ 29,918	\$ 28,921	\$ 28,306
24	09 - 34 - 126 - 006	\$ 49,414	\$ 46,831	\$ 28,921	\$ 29,918	\$ 28,921	\$ 28,306
25	09 - 34 - 126 - 007	\$ 39,504	\$ 37,439	\$ 20,091	\$ 20,784	\$ 20,091	\$ 19,663
26	09 - 34 - 126 - 011	\$ 125,507	\$ 125,360	\$ 69,548	\$ 71,947	\$ 69,548	\$ 68,068
27	09 - 34 - 126 - 012	\$ 144,830	\$ 137,258	\$ 105,058	\$ 108,681	\$ 105,058	\$ 102,822
28	09 - 34 - 126 - 013	\$ 27,262	\$ 25,839	\$ 23,641	\$ 24,457	\$ 23,641	\$ 23,138
29	09 - 34 - 126 - 014	\$ 25,966	\$ 24,611	\$ 31,786	\$ 32,882	\$ 31,786	\$ 31,110
30	09 - 34 - 126 - 015	\$ 38,947	\$ 36,915	\$ 38,224	\$ 39,543	\$ 38,224	\$ 37,410
31	09 - 34 - 126 - 016	\$ 18,176	\$ 17,228	\$ 21,598	\$ 22,343	\$ 21,598	\$ 21,138
32	09 - 34 - 126 - 017	\$ 19,355	\$ 18,344	\$ 19,944	\$ 20,632	\$ 19,944	\$ 19,519
33	09 - 34 - 127 - 001	\$ 460,873	\$ 436,778	\$ 483,072	\$ 499,735	\$ 464,331	\$ 448,918
34	09 - 34 - 128 - 001	\$ 128,047	\$ 121,352	\$ 82,880	\$ 77,390	\$ 73,552	\$ 71,216
35	09 - 34 - 128 - 002	\$ 24,631	\$ 23,344	\$ 23,616	\$ 12,959	\$ 12,527	\$ 12,260

	Study Area PINs	2000 EAV	1999 EAV	1998 EAV	1997 EAV	1996 EAV	1995 EAV
36	09 - 34 - 128 - 004	\$ 16,594	\$ 15,726	\$ 15,908	\$ 8,732	\$ 8,441	\$ 8,262
37	09 - 34 - 128 - 005	\$ 26,871	\$ 25,466	\$ 17,855	\$ 18,472	\$ 17,855	\$ 17,475
38	09 - 34 - 128 - 006	\$ 65,789	\$ 62,349	\$ 62,802	\$ 64,968	\$ 62,802	\$ 61,465
39	09 - 34 - 128 - 007	\$ 73,356	\$ 69,521	\$ 68,927	\$ 71,305	\$ 68,927	\$ 56,766
40	09 - 34 - 128 - 008	\$ 22,160	\$ 21,002	\$ 21,979	\$ 22,737	\$ 21,979	\$ 21,511
41	09 - 34 - 129 - 001	\$ 70,636	\$ 66,950	\$ 482,845	\$ 499,499	\$ 436,250	\$ 426,964
42	09 - 34 - 129 - 002	\$ 160,286	\$ 151,905	\$ 132,012	\$ 136,565	\$ 132,012	\$ 129,202
43	09 - 34 - 129 - 003	\$ 73,091	\$ 69,269	\$ 40,042	\$ 41,423	\$ 40,042	\$ 39,190
44	09 - 34 - 129 - 004	\$ 446,031	\$ 422,754				
45	09 - 34 - 132 - 001	\$ 62,845	\$ 59,565	\$ 48,260	\$ 54,344	\$ 52,532	\$ 51,414
46	09 - 34 - 132 - 002	\$ 52,864	\$ 37,033	\$ 24,528	\$ 25,374	\$ 24,528	\$ 24,005
47	09 - 34 - 132 - 003	\$ 50,207	\$ 50,899	\$ 53,109	\$ 53,501	\$ 49,884	\$ 47,431
48	09 - 34 - 132 - 004	\$ 47,151	\$ 48,004	\$ 50,184	\$ 50,648	\$ 47,320	\$ 44,585
49	09 - 34 - 132 - 005	\$ 46,151	\$ 40,832	\$ 44,923	\$ 46,014	\$ 43,333	\$ 37,191
50	09 - 34 - 132 - 006	\$ 46,287	\$ 34,053	\$ 40,526	\$ 41,504	\$ 39,129	\$ 38,296
51	09 - 34 - 132 - 007	\$ 38,628	\$ 39,925	\$ 42,305	\$ 43,294	\$ 40,712	\$ 39,845
52	09 - 34 - 132 - 009	\$ 45,094	\$ 45,152	\$ 56,490	\$ 57,456	\$ 56,490	\$ 55,886
53	09 - 34 - 132 - 010	\$ 23,742	\$ 22,501	\$ 27,042	\$ 27,504	\$ 27,042	\$ 26,753
54	09 - 34 - 132 - 011	\$ 59,734	\$ 56,610	\$ 63,445	\$ 64,530	\$ 63,445	\$ 62,766
55	09 - 34 - 132 - 012	\$ 95,260	\$ 81,793	\$ 95,260	\$ 96,889	\$ 95,260	\$ 94,241
56	09 - 34 - 132 - 013	\$ 191,770	\$ 164,770	\$ 128,887	\$ 133,333	\$ 127,508	\$ 126,144
57	09 - 34 - 176 - 001	\$ 25,789	\$ 24,441	\$ 21,898	\$ 22,653	\$ 21,898	\$ 21,432
58	09 - 34 - 177 - 001	\$ 47,916	\$ 45,410	\$ 49,250	\$ 50,949	\$ 49,250	\$ 48,202
59	09 - 34 - 177 - 002	\$ 64,126	\$ 60,773	\$ 56,454	\$ 67,912	\$ 49,911	\$ 48,849
60	09 - 34 - 177 - 007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
61	09 - 34 - 177 - 010	\$ 2,176	\$ 2,062	\$ 13,538	\$ 14,004	\$ 13,538	\$ 13,250
62	09 - 34 - 177 - 014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS:		\$ 4,309,765	\$ 4,032,078	\$ 3,647,751	\$ 3,731,467	\$ 3,485,873	\$ 3,377,231
Annual Change		6.89%	10.54%	-2.24%	7.05%	3.22%	N/A
City Total EAV		\$ 883,471,157	\$ 798,697,597	\$ 763,629,907	\$ 728,262,531	\$ 678,828,787	\$ 638,590,256
Balance of:		\$ 879,161,392	\$ 794,665,519	\$ 759,982,156	\$ 724,531,064	\$ 675,342,914	\$ 635,213,025
Annual Change		10.63%	4.56%	4.89%	7.28%	6.32%	N/A

Appendix 2: Amendment No. 1

First Street Redevelopment Project Area
Tax Increment Financing District
Eligibility Study, Redevelopment Plan and Project

Amendment No. 1

City of St. Charles

January 17, 2006

Introduction

To induce redevelopment pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the “Act”), the City Council of the City of St. Charles (the “City”) adopted three ordinances on March 18, 2002, approving the First Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project (the “Original Plan”), designating the First Street Redevelopment Project Area (the “RPA”) as a redevelopment project area under the Act, and adopting tax increment allocation financing for the RPA.

The Original Plan is being amended to revise the Financial Plan including the Estimated Redevelopment Project Costs, and to add certain language in light of recent amendments to the Act.

The First Street Redevelopment Project Area Tax Increment Financing District Eligibility Study, Redevelopment Plan and Project adopted by the City of St. Charles on March 18, 2002, will herein be referred to as the “Original Plan.” The Original Redevelopment Plan, as amended shall be referred to herein as the “Redevelopment Plan.”

Modifications to Original Plan

Each of the changes to the Original Plan is detailed below following the format of the Original Plan.

1. Executive Summary

There are no changes to the introductory language in the Executive Summary.

Determination of Eligibility

There are no changes to this section.

Redevelopment Plan Goal, Objectives, and Strategies

There are no changes to this section.

Required Findings

There are no changes to this section.

2. Introduction

The Study Area

There are no changes to this section.

Existing Land Use

There are no changes to this section.

3. Eligibility Analysis**Provisions of the Illinois Tax Increment Allocation Redevelopment Act**

There are no changes to this section.

Factors for Improved Property

There are no changes to this section.

Factors for Vacant Land

There are no changes to this section.

Methodology Overview and Determination of Eligibility

There are no changes to this section.

Conservation Area Findings

There are no changes to this section.

4. Redevelopment Project and Plan**Redevelopment Needs of the RPA**

There are no changes to this section.

Goals Objectives, and Strategies

There are no changes to this section.

Proposed Future Land Use

There are no changes to this section.

Housing Impact and Related Matters

There are no changes to this section.

5. Financial Plan

Eligible Costs

On page 27, insert the new item below to the list of eligible costs. This item will be number 12. Items 12 and 13 will be renumbered 13 and 14.

12. The costs of day care services for children of employees from low-income families working for businesses located in the RPA and all or a portion of the cost of operation of day care centers established by Project Area businesses to serve employees from low-income families working in businesses located in the RPA. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80 percent of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

Estimated Redevelopment Project Costs

There are no changes to the introductory paragraph to this section.

Table 2 on page 28 with the Amended Table 2 below:

Amended Table 2: Estimated TIF Eligible Costs	Estimated Project Costs
Professional Services: Analysis, Administration, Studies, Surveys, Legal, Marketing, etc.	\$3,000,000
Property Assembly: Including acquisition, site preparation, demolition and environmental remediation	\$11,000,000
Rehabilitation of Existing Buildings: Fixtures and Leasehold Improvements, Affordable Housing Construction and Rehabilitation Costs	\$500,000
Eligible Construction Costs	\$500,000
Relocation	\$5,000,000
Public Works or Improvements: Including streets and utilities, parks and open space, public facilities (schools & other facilities) ⁽¹⁾	\$9,000,000
Job Training, Retraining, Welfare-to-work	\$100,000
Day Care Services	\$100,000
Interest Subsidy	\$800,000
TOTAL REDEVELOPMENT COSTS ^{(2) (3)}	\$30,000,000 ⁽⁴⁾

⁽¹⁾ This category may also include paying for or reimbursing (i) an elementary, secondary or unit school district’s increased

costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the city by written agreement accepts and approves the same, the city may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.

(2) Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs.

(3) The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.

(4) All costs are in 2005 dollars and may be increased by five percent (5%) after adjusting for annual inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

The following paragraph is added at the end of this section:

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 et seq., then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Phasing and Scheduling of the Redevelopment Plan

There are no changes to this section.

Source of Funds to Pay Costs

There are no changes to this section.

Issuance of Obligations

There are no changes to this section.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

There are no changes to this section.

Anticipated Equalized Assessed Valuation

Replace this section with the following:

By 2025 the EAV for the RPA will be approximately \$46,000,000. This estimate is based on several key assumptions including: (1) an inflation factor of 2.5% per year on the EAV of all properties within the RPA, and (2) an equalization factor of 0.948.

6. Required Findings and Tests

Lack of Growth and Private Investment

There are no changes to this section.

But For.....

There are no changes to this section.

Conformance to the Plans of the City

There are no changes to this section.

Dates of Completion

There are no changes to this section.

Financial Impact of the Redevelopment Project

There are no changes to this section.

Demand on Taxing District Services and Programs to Address Financial and Service Impact

There are no changes to this section.

7. Provisions for Amending Action Plan

There are no changes to this section.

8. Commitment to Fair Employment Practices and Affirmative Action Plan

There are no changes to this section.

Appendix 1: Boundary and Legal Description

There are no changes to this section.

Appendix 2: Eligibility Factors By Block Table

There are no changes to this section.

Appendix 3: Summary of EAV by PIN

There are no changes to this section.

Appendix 3: Amendment No. 2

CITY OF ST. CHARLES, ILLINOIS

**SECOND AMENDMENT TO THE FIRST STREET
TIF REDEVELOPMENT PLAN**

"Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area as set forth in the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et. seq., as amended ("TIF Act").

Prepared for: City of St. Charles, Illinois

Prepared by: Kane, McKenna and Associates, Inc.

Original TIF Plan – March 2002
First Amendment – January 2006
Draft Second Amendment – December 2014

**SECOND AMENDMENT TO THE FIRST STREET
REDEVELOPMENT PLAN & PROJECT**

TABLE OF CONTENTS

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II.	The Proposed TIF District, as Amended	3
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Exhibit A	Original TIF Plan and Qualification Report	
Exhibit B	First Amendment	
Exhibit C	TIF District Maps as Amended	
Exhibit D	Legal Description for TIF District as Amended	
Exhibit E	TIF Qualification Report, Second Amendment to The First Street Redevelopment Project Area	

I. INTRODUCTION

In 2002, the City of St. Charles (the "City") adopted the *First Street Redevelopment Plan and Project* (the "Original TIF Plan," attached as Exhibit A. In 2006 the City amended the Original TIF Plan, (the "First Amendment") that Plan is attached as Exhibit B. The Original First Street TIF, (the "Original TIF District," "Original Redevelopment Project Area," or "Original RPA") was primarily bordered by Main Street on the north, the Fox River on the west, Prairie Street on the south, and South 2nd Street on the west.

The purpose of this report is to update and amend the Original TIF Plan principally by removing all property located east of South 1st Street from the TIF District and adding the property located on the block located northwest of the Original TIF. The additional block is bordered by Main Street on the north, Walnut Street on the south, South 3rd Street on the west and South 2nd Street on the east. These new boundaries constitute the First Street TIF District, Second Amendment (the "Second Amendment," "TIF District," "Redevelopment Project Area," or "RPA"). A secondary goal is to re-state and update some of the goals and objectives from the Original TIF Plan and the First Amendment.

The City is pursuing the proposed amendment as part of its strategy to promote the continued revitalization of key under-utilized properties located west of the Fox River and south of Main Street. The City sees this area as a key economic and cultural space for the community and believes that continued investment within the area is necessary to ensure its success. The City believes that these goals are consistent with the Comprehensive Plan and the principles which guide the City's development and planning processes.

Kane, McKenna and Associates, Inc. (KMA) has been retained by the City to assist the City in drafting this amendment to the Plan.

Objectives

The City's general economic development objectives are to enhance commercial, retail, and mixed use opportunities within the City, including the First Street TIF District, as amended.

- 1) Continue efforts to provide the assistance required to eliminate conditions detrimental to successful redevelopment of the downtown area of the City.
- 2) Keep the City's economic development principles aligned with the comprehensive plan and other community development plans and goals.

TIF Mechanism

The use of TIF relies upon induced private redevelopment in the TIF District to create higher real estate values that would otherwise decline without such investment. By so doing, it could result in increased property taxes compared to the previous land use (or lack of use). In this way, the existing tax base for all tax districts would be protected and a portion of future increased taxes pledged to attract the requisite private investment.

Housing Impact Study

It is found, and certified by the City, in connection to the process required for the amendment of this Plan and Project pursuant to 65 ILCS Sections 5/11-74.4-3(n)(5) and 5/11-74.4-5(c) of the TIF Act, that this Plan and Project will not result in the displacement of 10 or more inhabited residential units. Therefore, this Plan and Project does not include a housing impact study. If at a later time the City does decide to dislocate more than ten (10) inhabited residential units, this Plan would have to be amended and a housing impact study would be completed.

II. THE PROPOSED FIRST TIF DISTRICT, SECOND AMENDMENT

The purpose of this report is to amend the TIF Plan principally by removing all properties located east of South 1st Street from the TIF District, First Amendment and adding properties located along 200 block of Main Street and the 10 block of South 2nd Street. A secondary goal is to re-state certain goals from the Original TIF Plan and the TIF Plan, as Amended.

The TIF District, pursuant to the Second Amendment, is generally bounded by Main Street on the north, Prairie Street on the south, South 2nd Street and South 3rd Street on the west, and South 1st Street on the east.

The Original TIF Plan attached as Exhibit A provides a boundary map and legal description of the Original TIF District.

The First Amendment attached as Exhibit B provides a corrected legal description of the Original TIF District and provides an updated and increased budget for redevelopment projects.

III. AMENDMENTS TO THE TIF PLAN

In this section, amendments to the First Amendment are presented. Collectively, the amendatory language and revised exhibits comprise the “Second Amendment.”

Section 1, Executive Summary: Amendments

Page 1, paragraph 2 - Amend paragraph to read as follows – “The First Street RPA contains 33 buildings, 55 tax parcels and is approximately 11.24 square acres, excluding right of ways, in size.”

Section 1, Objectives: Amendments

Page 2, point number 8 – Amend the sentence to read as follows – “Support the goals and objectives of other overlapping plans, including the 2013 Comprehensive Plan, 2014 Strategic Plan, 2007 Economic Development Plan, 2003 St. Charles Bicycle and Pedestrian Facilities Plan, 2002 River Corridor Master Plan, and 2000 Downtown Strategy Plan.”

Section 2, Introduction: Amendments

Page 6, paragraph 2 - Amend the paragraph to read as follows - “The community context of the RPA is detailed on Map 1 (at the time of the original TIF Plan).”

Page 6, paragraph 3 - Amend the paragraph to read as follows - “The RPA contains 33 buildings, 55 tax parcels and it approximately 11.24 square acres in size, excluding right of ways. The RPA is generally bounded by West Main Street on the north, Prairie Street on the south, South Second Street on the west, and South First Street on the east.”

Page 6, paragraph 4 - Amend the first sentence to read as follows – “Map 2 details the boundaries of the RPA, at the time of the original TIF Plan, including...”

Page 6, paragraph 5 – Amend the paragraph to read as follows - “Appendix 1 contains the legal description of the RPA at the time of the original TIF Plan.”

Page 7, Map 1 – Amend the title of the map to read as follows – “City of St. Charles: First Street RPA at the Time of the Original TIF Plan”

Page 8, Map 2 – Amend the title of the map to read as follows – “City of St. Charles: First Street RPA at the Time of the Original TIF Plan”

Page 9, subsection "Existing Land Use" – Amend the subsection title to read as follows – "Existing Land Use at the Time of Original TIF Plan"

Page 10, Map 3 – Amend the title of the map to read as follows – "City of St. Charles: First Street RPA at the Time of the Original TIF Plan"

Section 3, Eligibility Analysis

Page 16, Map 3, - Amend the title of the map to read as follows – "City of St. Charles: First Street RPA at the Time of the Original TIF Plan"

Section 4, Redevelopment Project and Plan

Page 20, paragraph 2 – Amend the paragraph to read as follows – "The Redevelopment Plan identifies tools for the City to: support the establishment and improvement of the RPA as a cohesive mixed-use corridor consistent with the City's 2013 Comprehensive Plan, 2014 Strategic Plan, 2007 Economic Development Plan, 2003 St. Charles Bicycle and Pedestrian Facilities Plan, 2002 River Corridor Master Plan, 2000 Downtown Strategy Plan, Chicago Metropolitan Agency for Planning Go To 2040 Plan, and Kane County 2040 Plan; support other improvements that serve the redevelopment interests of the local community and the City; and assist existing businesses to expand and improve their places of business, and/or mechanisms as set forth in the Redevelopment Plan."

Page 22, point number 8 – Amend the sentence to read as follows – "Support the goals and objectives of other overlapping plans, including the 2013 Comprehensive Plan, 2014 Strategic Plan, 2007 Economic Development Plan, 2003 St. Charles Bicycle and Pedestrian Facilities Plan, 2002 River Corridor Master Plan, and 2000 Downtown Strategy Plan."

Page 24, paragraph 1 – Amend the last sentence to read as follows – "The proposed objectives are compatible with the City's 2013 Comprehensive Plan, 2014 Strategic Plan, 2007 Economic Development Plan, 2003 St. Charles Bicycle and Pedestrian Facilities Plan, 2002 River Corridor Master Plan, and 2000 Downtown Strategy Plan for the future improvement and redevelopment of the First Street TIF District as amended."

Page 24, subsection "Housing Impact and Related Matters" – Strike the second paragraph.

Page 25, Map 4, - Amend the title of the map to read as follows – "City of St. Charles: First Street RPA at the Time of the Original TIF Plan"

Section 5, Financial Plan

Page 28, subsection, “Estimated Redevelopment Project Costs,” – Amend the table entitled “Table 2: Estimated TIF Eligible Costs” to read as follows:

**Table 2
RPA Project Cost Estimates**

Program Actions/Improvements	Estimated Costs
Land Acquisition and Relocation	\$11,750,000
Site Preparation, Including Environmental Remediation, Demolition, and Site Grading	\$2,000,000
Utility Improvements (Including Water, Storm, Sanitary Sewer, Service of Public Facilities, and Road Improvements)	\$3,000,000
Public Improvements/Facilities and Parking Structures	\$13,000,000
Rehabilitation of Existing Structures	\$1,000,000
Interest Costs Pursuant to the Act	\$250,000
Professional Service Costs (Including Planning, Legal, Engineering, Administrative, Annual Reporting, and Marketing)	\$1,500,000
Job Training	\$500,000
Statutory School and Library District Payments	\$750,000
TOTAL ESTIMATED TIF BUDGET	\$33,750,000

Page 31, subsection, “Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area,” – Amend the second sentence to read as follows: “The base EAV of all taxable parcels in the RPA is approximately \$4,191,829.”

Other Amendments

Figures 1, 2, and 3 of the Original TIF Plan – Amended as attached hereto as Exhibit C. The TIF District boundary maps, existing land use map, and intended land use map are replaced by the maps enclosed herein.

Appendix B of the Original TIF Plan (Legal Description) – Amended as attached hereto as Exhibit D.

Section 3 of the Original TIF Plan – Amended as attached hereto as Exhibit E.

CITY OF ST. CHARLES

Budget Revision Listing

August 2025

JE TYPE	JE #	BUDGET #	COMPANY	FISCAL YEAR	PERIOD	DATE	ACCT-UNIT	ACCOUNT	AMOUNT	DESCRIPTION
Budget Addition	28	100	1000	2026	4	08/04/2025	200520	54189	46,065.00	For Arc Flash Hazard study
Budget Addition	28	100	1000	2026	4	08/04/2025	200900	31199	(46,065.00)	For Arc Flash Hazard study
28 Total									-	
Budget Addition	29	100	1000	2026	4	08/05/2025	100650	54500	1,250.00	For postage/TIF mailings
Budget Addition	29	100	1000	2026	4	08/05/2025	100900	31199	(1,250.00)	For postage/TIF mailings
29 Total									-	
Budget Addition	30	100	1000	2026	4	08/07/2025	100510	51205	9,097.00	For unemployment claim
Budget Addition	30	100	1000	2026	4	08/07/2025	100900	31199	(9,097.00)	For unemployment claim
30 Total									-	
Budget Addition	31	100	1000	2026	4	08/18/2025	513511	56150	24,900.00	For parking garage counter DE
Budget Addition	31	100	1000	2026	4	08/18/2025	513900	31199	(24,900.00)	For parking garage counter DE
31 Total									-	
Budget Transfer	32	100	1000	2026	4	08/26/2025	100600	54640	18,825.00	For facade improvement grant
Budget Transfer	32	100	1000	2026	4	08/26/2025	100650	54644	(18,825.00)	For facade improvement grant
32 Total									-	
Budget Transfer	33	100	1000	2026	4	08/26/2025	100210	51304	1,394.00	For SHRM memberships-3 Year
Budget Transfer	33	100	1000	2026	4	08/26/2025	100210	51300	(1,394.00)	For SHRM memberships-3 Year
33 Total									-	
Budget Addition	34	100	1000	2026	4	08/27/2025	100510	54469	10,000.00	For ADA Upgrades for PD
Budget Addition	34	100	1000	2026	4	08/27/2025	100900	31199	(10,000.00)	For ADA Upgrades for PD
34 Total									-	
Budget Addition	35	100	1000	2026	4	08/29/2025	100401	52310	8,300.00	For cameras funded by IPRF grant
Budget Addition	35	100	1000	2026	4	08/29/2025	100900	31199	(8,300.00)	For cameras funded by IPRF grant
35 Total									-	
Grand Total									-	

CITY OF ST. CHARLES

August 2025

[illegible]

 CITY OF ST. CHARLES ILLINOIS • 1834	AGENDA ITEM EXECUTIVE SUMMARY		Agenda Item number: 7a
	Title:	Council Initiatives Discussion	
	Presenter:	Heather McGuire, City Administrator	
Meeting: Government Operations Committee Date: September 15, 2025			
Proposed Cost: \$		Budgeted Amount: \$	Not Budgeted: ☐
Executive Summary <i>(if not budgeted please explain):</i> The list of draft council initiatives was emailed to Council on 9/11/25 for review and preparation as a follow-up to the retreat held on 8/23/25. The agenda item for this evening is intended to be for City Council discussion and debate to add to lists of intended projects for the 26-27 fiscal year. This will be necessary to ensure appropriately budgeted funds as we enter into budget preparation, as well as workload planning in conjunction with operations. As items gain majority Council support for staff to explore, we will begin creating a priority list for the upcoming year. Given the length of the list, this may be required to continue into multiple committee meetings. However, this is not intended to be a one-time discussion, and instead the beginning of a recurring/ongoing dialogue that will facilitate more streamlined planning for upcoming years.			
Attachments <i>(please list):</i> N/A			
Recommendation/Suggested Action <i>(briefly explain):</i> Council Initiatives Discussion			