

Business District Plan

.....
BROADWAY EAST
BUSINESS DISTRICT
.....

Prepared for

City of Mattoon, Illinois

Prepared by

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September 27, 2007
Revised November 5, 2007

ACKNOWLEDGEMENTS

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SECTION 1 INTRODUCTION

PURPOSE

The City of Mattoon (the "City") recognizes that its long-term viability depends, in part, on maintaining the strength of its commercial base. The City hereby determines that it is essential to its economic and social welfare to identify and promote opportunities for development, redevelopment, and private investment in order to attract sound and stable commercial growth, thereby enhancing the tax base of the City.

In order to facilitate commercial development and expansion of Mattoon's retail and commercial base, an area northeast of the intersection of Charleston Avenue (Illinois Route 16) and Logan Street has been identified by the City for designation under the provisions of Division 74.3 (Business District Development and Redevelopment) of Article 11 (Public Health, Safety and Welfare) of the Illinois Municipal Code, 65 ILCS 5/11-74.3-1 *et seq.*, as supplemented and amended (the "Act" or the "Business District Act").

The City is proceeding with adoption of a Business District Plan (the "Plan") without designation of a developer(s). The project concept involves multiple developments and activities occurring over the life of the Plan. These developments and activities may include large to small scale developments undertaken by multiple developers as well as projects involving other Interested Parties (individual property owners and/or the City). In the context of this Plan, the term "Developer" (or "developer") is intended to mean any of these entities. The City will likely serve as "Master Developer", coordinating the development/redevelopment projects by the private sector and public improvements. The City will adopt policies and procedures to guide and prioritize project implementation. All public and private development activity (by the Developer or other Interested Parties) is herein referred to as the "Business District Program" or the "Program".

The City has determined that the Area to be addressed by the Business District Act should be the focus of future development activity to further the City's goal of promoting the development of and investment in real estate and industry thereby enhancing the tax base of the City and improving its ability to compete with neighboring communities. The proposed redevelopment of the Area is vital to the improvement of the City's position as a regional center for commerce and economic activity by increasing the City's ability to capitalize on its location attributes.

The City has chosen to name the Business District the "Broadway East Business District" (the "Area" or "Business District"). The Area includes parcels located north and east of the intersection of Charleston Avenue and Logan Street. The Area contains 30 parcels; 27 parcels are improved with either structures or parking lots, and three are vacant land. The boundaries of the Broadway East Business District are shown on **Attachment A, Business District Boundary Map** and are described by metes and bounds in **Attachment B, Business District Legal Description**. Both of these items are located in the **Appendix** to this Broadway East Business District Plan.

AREA BACKGROUND AND NEED FOR THE DISTRICT

The proposed Broadway East Business District is located at Mattoon's eastern edge, a key gateway to the City along the Illinois Route 16 corridor leading from Interstate 57 to the City's central business district. Industrial uses were developed in the general area surrounding the proposed Business District prior to annexation by the City of Mattoon. However, the Area has been primarily a retail commercial area since the late 1960's and early 1970's. With large sites available for commercial development and growing highway traffic volume, this corridor served as the most desirable location in the community for regional retail and service businesses. Construction of Cross County Mall in 1971 created a large retail destination and encouraged development of surrounding retail properties, restaurants and service businesses. For the next two decades the Area continued to prosper and generate significant growth in tax revenue for the City and other units of government.

In recent years it has become apparent that the Area has aged to the point where serious maintenance issues are apparent. Signs of physical deterioration can be seen on private properties and public infrastructure. Major retailers once located in the Area, including Wal-Mart and Kroger, have left for new sites where larger, more up-to-date facilities could be built. Their former buildings have been divided as tenant spaces for smaller businesses and a considerable amount of this floor area is vacant or occupied by services uses, including public service providers such as the Illinois Employment Training Center.

Because of the Area's aging buildings, deteriorated public improvements, its notable vacancies, and the lack of new investment, it is now at a disadvantage to other highway retail sites in the region. There are many competing locations for new commercial development in the region that offer large "greenfield" development sites, new infrastructure, closer proximity to interstate ramps or cheaper land costs. By comparison, the need for redevelopment and reinvestment in the existing properties in the Area serve as disincentive for new development and add extraordinary expense.

In order to address these expenses related to aging commercial districts and areas subject to blighting conditions, Illinois state statutes provide for the creation of Business Districts as a way to promote reinvestment and prevent further decline of commercial areas like the Broadway East Area. Because this Area constitutes a substantial investment in the community, there is a compelling public need to protect its viability as a commercial district. Doing so will protect the Area's jobs and encourage the growth of tax revenue generated by commercial activity.

Establishing a Business District for the Area would enhance the property's marketability and help realize the significant potential of this location as a continued commercial anchor for Mattoon. The goal of the proposed Business District program is to promote redevelopment, induce new businesses to locate in the area, and make the area more attractive, all of which will help make the Area a popular destination for residents of Mattoon and visitors to the community.

The Broadway East Business District offers opportunity for development, redevelopment and sound commercial growth in the City of Mattoon. The Area is an excellent location for commercial businesses and industries that require visibility and close access to highway transportation. Major demand generators including Eastern Illinois University, Midtown Mattoon and Lakeland Community College are all in close proximity to the Area. The Business District

program will promote development of and investment in industry and business, improving the marketability of the property, thereby enhancing the tax base of the City.

While there is strong interest in redevelopment and potential for new commercial development in the Area, there are conditions in place that continue to deter private investment. Commercial development in the Area is significantly impeded without assistance due to the extraordinary development costs associated with the aging and/or lacking transportation infrastructure, site utilities, and existing building conditions. Economic assistance through the Business District and other sources will allow private investors and/or other Interested Parties to address the extraordinary costs of redevelopment and prepare the Area for new commercial development. The objective of such assistance is to contribute to the improvement and redevelopment costs including building renovation, transportation and utility infrastructure; prepare the Area for development in its highest and best use; and assist the City and other affected taxing jurisdictions to grow and expand the local commercial and hospitality economy.

MUNICIPAL AUTHORITY

The Business District Act (65 ILCS 5/11-74.3-1 *et seq.*) authorizes Illinois municipalities to designate areas within the municipality as business districts. A business district must be established in conformance with a specific plan for business districts officially approved by the corporate authorities of the municipality after public hearings. A business district must also conform to the municipality's comprehensive plan. This Plan for the Business District is prepared according to the provisions of the Act.

The exercise of the powers provided for in the Act is dedicated to the promotion of the public interest and to the enhancement of the tax base of business districts. The use of such powers for the development and redevelopment of business districts is a public use essential to the public interest. In accordance with the Act, the City may exercise the following powers in carrying out a Business District development or redevelopment plan:

- 1) *To approve all development and redevelopment proposals for a business district.*
- 2) *To exercise the use of eminent domain for the acquisition of real and personal property for the purpose of a development or redevelopment project.*
- 3) *To acquire, manage, convey or otherwise dispose of real and personal property acquired pursuant to the provisions of a development or redevelopment plan.*
- 4) *To apply for and accept capital grants and loans from the United States and the State of Illinois, or any instrumentality of the United States or the State, for business district development and redevelopment.*
- 5) *To borrow funds as it may be deemed necessary for the purpose of business district development and redevelopment, and in this connection issue such obligation or revenue bonds as it shall be deemed necessary, subject to applicable statutory limitations.*

- 6) *To enter into contracts with any public or private agency or person.*
- 7) *To sell, lease, trade or improve such real property as may be acquired in connection with business district development and redevelopment plans.*
- 8) *To employ all such persons as may be necessary for the planning, administration and implementation of the business district plans.*
- 9) *To expend such public funds as may be necessary for the planning, execution and implementation of the business district plans.*
- 10) *To establish by ordinance or resolution procedures for planning, execution and implementation of business district plans.*
- 11) *To create a Business District Development and Redevelopment Commission to act as agent for the municipality for the purposes of business district development and redevelopment.*
- 12) *To impose a retailers' occupation tax and a service occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for business district project costs as set forth in the business district plan approved by the municipality.*
- 13) *To impose a hotel operators' occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for the business district project costs as set forth in the business district plan approved by the municipality.*
- 14) *To issue obligations in one or more series bearing interest at rates determined by the corporate authorities of the municipality by ordinance and secured by the business district tax allocation fund set forth in Section 11-74.3-6 for the business district to provide for the payment of business district project costs.*

In accordance with the Act, this Plan sets forth the necessity for, the objectives of and the development program for the Broadway East Business District in the City of Mattoon, Illinois.

SECTION 2 ANALYSIS OF BLIGHTING FACTORS

ADDITIONAL STATUTORY PROVISIONS

In accordance with the Act (Sec. 11-74.3-5), if the corporate authorities of a municipality desire to impose a tax by ordinance pursuant to subsection (12) or (13) of Section 11-74.3-3 [see Section I of the Plan for a description of subsection (12) and (13)], the following additional procedures shall apply to the designation of the business district and the approval of the business district development or redevelopment plan:

- (1) *The corporate authorities of the municipality shall hold public hearings at least one week prior to designation of the business district and approval of the business district development or redevelopment plan.*
- (2) *The area proposed to be designated as a business district must be contiguous and must include only parcels of real property directly and substantially benefited by the proposed business district development or redevelopment plan.*
- (3) *The corporate authorities of the municipality shall make a formal finding of the following:*
 - (i) *the business district is a blighted area that, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; and*
 - (ii) *the business district on the whole has not been subject to growth and development through investment by private enterprises or would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan.*
- (4) *The proposed business district development or redevelopment plan shall set forth in writing:*
 - (i) *a specific description of the proposed boundaries of the district, including a map illustrating the boundaries;*
 - (ii) *a general description of each project proposed to be undertaken within the business district, including a description of the approximate location of each project;*
 - (iii) *the name of the proposed business district;*

- (iv) *the estimated business district project costs;*
- (v) *the anticipated source of funds to pay business district project costs;*
- (vi) *the anticipated type and terms of any obligations to be issued; and*
- (vii) *the rate of any tax to be imposed pursuant to subsection (12) or (13) of Section 11-74.3-3 and the period of time for which the tax shall be imposed.*

The entire text of the Illinois Business District Act is included in the **Appendix as Attachment H**.

This section evaluates the conditions that are present relative to the “blight” provisions of the Act (Sec. 11-74.3-5(3)). Subsequent sections of this report will discuss the *redevelopment plan* (Sec. 11-74.3-5(4)). It is the intent of the City to impose a Business District Retailers Occupation Sales Tax, a Business District Service Occupation Sales Tax, and a Business District Hotel Operator’s Occupation Tax to support Business District activities.

QUALIFICATIONS ANALYSIS

The existing conditions were identified and analyzed to determine if the Broadway East District Area meets the qualifying criteria. Information gathered for this analysis was derived from several sources including the City of Mattoon, Coles County Regional Planning, and other sources considered reliable.

Deterioration of Site Improvements

The extent to which structures and site improvements on a property are showing signs of deterioration is an indicator of the property’s stability and market value for the existing uses and for potential reuse by others. To varying degrees, there is evidence of deterioration of site improvements (including buildings and other non-structural improvements) throughout the Area. These conditions are based on exterior site reviews conducted by experienced PGAV staff on June 25-26, 2007 and July 9, 2007.

Maintenance of certain buildings in the Area has been deferred to a point where a wide range of deteriorated conditions are clearly evident. The fact that these buildings are among the most visible of Mattoon’s retail and hospitality sites amplifies the effect of this deterioration as an economic liability to the community. Examples of deteriorated buildings in the Area include

- Major cracks and signs of water damage in the ceiling over exterior walkways were noted at the Ramada Inn, and the exterior walls of this building are cracked and in need of repairs;
- A section of metal siding is missing from a vacant tenant space in the retail building housing Big Lots (evidence of deterioration to bricks and mortar were also noted on this building);

- Roofing materials are damaged on the rear portion of the US Bank building on Richmond Avenue;
- Damage to the exterior insulation finishing system (EIFS, a stucco-like material) was observed at the Chinese restaurant on Richmond Avenue and on several other buildings in the Area;
- Steps cracks, damaged ceilings over outdoor walkways and cracks in masonry columns were observed at the building now housing Dollar General;
- Deteriorated bricks and mortar, including step cracks, were noted on the rear exterior wall of the Cross County Mall building;
- Many deteriorated elements of the Blaw-Knox facility, apparently vacant, were observed, including broken windows, damaged siding, and deterioration of bricks and mortar; and,
- Damaged or missing gutters and downspouts were noted on several properties, including the multi-tenant retail building now housing CVS.

“Site improvements” also includes non-structural improvements to property such as parking lots, loading areas, fences and walls, storm drainage facilities, outdoor signage and lighting. Deterioration of these improvements in the Area is apparent throughout the Area. Of the Area’s 27 improved parcels, 18 (67%) have deteriorated site improvements. Several parcels have site improvements that are dilapidated, meaning that improvements are irreparable or in critical need of major repairs. Examples of deteriorated and dilapidated site improvements include:

- Parking lots at the Blaw Knox facility are dilapidated, with potholes, vegetation growing through cracks, ponding stormwater and spalling concrete;
- An open, paved storm-drainage ditch and related stormwater improvements are deteriorated and fail to adequately drain stormwater runoff from the Cross County Mall property;
- Sections of sidewalk along Broadway East are cracked, settled or otherwise in need of repair or replacement;
- A number of parking lot approaches (aprons) are cracked, potholed or otherwise deteriorated;
- A loading dock behind a vacant commercial space adjacent to Big Lots has inadequate storm drainage, fence sections that are falling down and other deteriorated elements; and,
- Various properties in the Area have deteriorated parking lot pavement, light poles, bumper blocks, dumpster enclosures in need of repairs and scattered trash and debris.

The preceding conditions are documented in **Attachment C, Photo Appendix** and **Attachment D, Existing Conditions Map**.

The majority of buildings in the Area are older than or nearly 35 years of age. The significance of structure age and the 35-year standard reflects on the ability of existing buildings and site improvements to meet current City building codes and development standards. Additionally, when commercial structures age beyond this point, they typically require major reinvestment in roofs, facades, windows, HVAC systems, electrical and mechanical systems, driveways and other paved areas, all of which have significant replacement/repair costs. If these reinvestment needs are allowed to accumulate, they can easily exceed the value of the building.

Defective and Inadequate Street Layout

The development of several parcels in the Area is inhibited by a lack access to properly developed public streets. These include the vacant property directly north of (behind) the Beijing Buffet property on Richmond Avenue and a parcel east of (behind) the nursery business on North Logan Street. The lack of streets to serve development of these parcels makes it unlikely that they will be developed to their highest and best use without significant investment of public or private funds to construct proper access. Some sections of existing streets in the Area also show evidence of deterioration in cracked pavement and damaged curbing or gutters.

Street rights-of-way in the Area are inadequate in that certain sections lack sidewalks, which presents a hazard both to pedestrians and motorists. The absence of adequate sidewalk connectivity in a retail and service area like the Broadway East Business District also limits its attractiveness as a shopping or dining destination. Having proper sidewalks would, for instance, allow employees of businesses or guests at hotels further east along Broadway the opportunity to walk safely to restaurants and stores in the Broadway East District.

One element of the Area's defective and inadequate street layout is related to "inter-parcel access", which describes the contemporary development practice that results in commercial parking lots in planned developments or along road corridors being connected via platted cross-easements, private connector streets or public right-of-way. These connections allow motorists the ability to drive from one business to an adjacent parking lot without having to turn onto the street. There is no such connection, for instance, between the commercial buildings along Richmond Avenue.

In the case of the Cross County Mall property, the Mall's large parking lot serves as a private street. Although this provides connectivity between the businesses served by the parking lot, it also results in a lack of separation and proper traffic circulation. The configuration of the small lots along the west edge of the Mall parking lot (including the Mexican restaurant) and the multiple businesses on a single outlot is not up to contemporary development practices that would require separation of access drives from parking lots by landscape islands, tree planting strips, or curbing in order to soften the impact of a large commercial development and provide for safe, convenient traffic circulation.

The defective and inadequate street layout and substandard parking lot design impedes the future redevelopment of properties in the Broadway East Business District. In order for the Area to benefit from its position and visibility its properties must be made more accessible and

attractive. Economic assistance is necessary in order to overcome the extraordinary costs associated with the lack of existing or inadequate road infrastructure of the Area.

Improper Subdivision or Obsolete Platting

Platting refers to the subdivision of land into individual lots served by public streets and alleys, private access easements, reserved utility areas and other provisions for future use and development of land. Obsolete platting is characterized by parcels of limited size, narrow width, irregular shape, or other characteristics that would make planned development of the land in a manner compatible with contemporary standards and requirements impossible or extremely difficult. The presence of “land-locked” parcels that do not have adequate access to an existing public street of adequate condition and size is also evidence of improper subdivision or obsolete platting.

Conditions related to inadequate street layout and inter-parcel access also are a product of obsolete platting. Much of the land in the proposed Business District was subdivided and developed prior to current City subdivision requirements and development standards. The most obvious indication of obsolete platting in the Area is the presence of lots lacking access to public right-of-way. There are lots in the Area that do apparently have access to private access easements, but, as described above, the access drives providing connectivity are below contemporary standards for commercial development.

The inability to directly access public rights-of-way from “land locked” properties and other characteristics of obsolete platting of the land in the proposed Business District impedes the development or redevelopment of properties for their highest and best uses.

Economic Liability

The Business District is located in a highly visible location adjacent to major highways, in close proximity to an interstate highway and near demand generators. An area such as this is expected to be a long-term location for business vitality, especially regional retail and services uses.

However, due to the age of buildings, the relocation of former retail attractors like Wal-Mart to newer buildings, the extraordinary costs related to the necessary reinvestments in buildings, and inadequate street layout and platting, the Area is at a disadvantage for attracting new commercial development. The inability to remediate redevelopment impediments, address deterioration of site improvements and fill commercial vacancies presents an economic liability for the City of Mattoon.

Without new development or significant redevelopment in the Area, this key commercial location will not generate the appropriate real estate, sales or hotel tax revenues that would result from the “highest and best use” of properties in the Area. In effect, without the remediation of redevelopment impediments, the Area has an inability to pay reasonable taxes based on the planned uses, in comparison to nearby growth and development. The Area, on the whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be developed or redeveloped without the use of Business District

financing or other sources of public financing to remove the impediments that exist at this location.

The Equalized Assessed Valuation (EAV) (or the equivalent “appraised” or market valuation) of the Business District Area is one accepted measure of the economic viability of an area. The current and historical EAV of the Area provides evidence to indicate that the Area is an economic liability to the City and other taxing districts in its present condition and use. **Attachment E, Parcel Identification and Most Recent EAV (2006)** located in the **Appendix** shows the current ownership and most recent EAV for parcels in the Area. **Table 2-1, Historic Assessed Value** demonstrates the average change in assessed value for the Area between 2001 and 2006. The EAV information compiled for Table 2-1 was obtained from the Cole County Assessor’s office in September of 2007. The Area, as a whole, has not generated significant growth in real property taxes in recent years. There has not been private investment in the Area that has significantly enhanced the tax base of the City and other affected taxing districts. The total EAV of the Area in 2001 was approximately \$5,828,606, and dropped over the next five years to \$4,600,070 in 2006, a decrease of 21%. The data clearly indicates that the Area is suffering from stagnation. During the same period, the EAV for the balance of the City grew by 10.2%, from \$152.2 million to \$167.8 million.

Table 2-1
COMPARISON OF EAV GROWTH RATES (2001 - 2006)
 Broadway East Business District
 City of Mattoon, Illinois

Assessment Year	EAV		Area Growth Rate Less Than Balance of City?
	Project Area ¹	Balance of City ²	
2001	\$ 5,828,606	\$ 152,196,407	
2002	\$ 5,971,010	\$ 158,373,450	
Annual Percent Change	2.4%	4.1%	YES
2003	\$ 5,571,100	\$ 161,037,227	
Annual Percent Change	-6.7%	1.7%	YES
2004	\$ 4,747,140	\$ 158,525,343	
Annual Percent Change	-14.8%	-1.6%	YES
2005	\$ 5,076,572	\$ 159,260,040	
Annual Percent Change	6.9%	0.5%	NO
2006	\$ 4,600,070	\$ 167,756,223	
Annual Percent Change	-9.4%	5.3%	YES

¹ Equalized Assessed Valuation (EAV) for the Project Area. Source: Coles County property assessment data.

² Total City EAV minus Project Area EAV.

QUALIFICATION SUMMARY

There are a variety of blighting conditions present in the Broadway East Business District that represent those outlined in the Act. These include:

- Site improvements in the Area display signs of depreciation and a lack of physical maintenance and deterioration;
- The existing street layout is defective and inadequate to meet the current or future needs of the Area;
- The Area suffers from obsolete platting which impedes unified development for commercial purposes;
- The EAV trends and vacancies seen in the Area indicate that a blighting influence exists;
- Unless a program of redevelopment can be devised to eliminate the blighting influences that exist within the Area, further physical and economic decline is likely and investment of the type the City envisions as appropriate and economically feasible for the Area will not occur; and,
- The combination of conditions and factors present in the Area contribute to making the Area an economic liability to the City and the taxing districts in its present condition and use.

Thus, if taken as a whole, the Area meets the standards as a “blighted area” per Section 11-74.3-5(3) in the Act for designation as a “Business District” for purposes of qualifying the Business District as a business district under the Act and imposing a tax pursuant to subsections (12) or (13) of Section 11-74.3-3 of the Act. The Area represents a portion of the City by reason of the **predominance of defective or inadequate street layout**, unsanitary or unsafe conditions, **deterioration of site improvements, improper subdivision or obsolete platting**, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or **constitutes an economic or social liability** or a menace to the public health, safety, morals, or welfare in its present condition and use.

SECTION 3 BUSINESS DISTRICT DEVELOPMENT PLAN

DESCRIPTION OF THE BUSINESS DISTRICT

The Area is generally located north and east of the intersection of Charleston Avenue (Illinois Route 16) and North Logan Street. The Area contains 30 parcels; 27 of these parcels are improved with either structures or parking lots; 2 are undeveloped land. The boundaries of the Broadway East Business District are shown on **Plate 1, Broadway East Business District Location Map** in **Attachment A** and are described by metes and bounds in **Attachment B, Broadway East Business District Legal Description**. The Area comprises approximately 205 acres of the City (184 acres excluding public right-of-way).

FUTURE LAND USE AND ZONING

The proposed General Land Use Plan for the Business District Area is presented on **Attachment E** entitled **General Land Use Plan** in the **Appendix**. The Plan calls for continued commercial use in the Business District. All projects shall be subject to the provisions of the City of Mattoon's zoning ordinance and other applicable codes as may be in existence and that may be amended from time to time.

The general land uses proposed in this Business District Plan is consistent with the City's Comprehensive Plan, as amended. In addition, all development in the Business District will comply with applicable codes and ordinances as may be in effect at that time.

THE BUSINESS DISTRICT DEVELOPMENT PROJECTS

The development goals of the City of Mattoon for the Broadway East Business District envision a development program resulting in private investment in the Area. The ingredients for the ultimate success of the Program are financial assistance and the improvement and expansion of public infrastructure (roads, water lines, storm and sanitary sewers, and other utilities). The satisfaction of these needs will lead to development in the Area that will generate revenue to support the Business District.

The conceptual development program for the Plan proposes private investment in the redevelopment and development of existing and new commercial buildings as well as public improvement to transportation and utility infrastructure. The proposed infrastructure Projects are required to support various development activities planned for the Area. Key Business District Development Projects for the Plan include:

1. Improvements to the Cross County Mall property, including but not limited to such items as stormwater improvements, façade renovation, remodeling of common areas, addition of new signage, landscaping and lighting;

2. Redevelopment of obsolete industrial properties in the Area, which may include creating development sites on underutilized portions of the industrial lots through extension of or upgrades to utilities and public infrastructure;
3. Façade improvements and other renovation or additions to existing commercial buildings in the Area;
4. Street repair and improvements, including repair or construction of sidewalk and curb and gutter, as needed to serve the goals of the Program;
5. Construction or reconstruction of utility trunk lines (e.g. water, sanitary sewer, telephone, etc.) in road right-of-way or other public easements;
6. Construction of a fire station to replace the existing Station #2, which would improve fire protection service for the District and other areas of the community;
7. Development of a U.S. Grant presidential library, a proposed cultural attraction that would draw visitors from a wide area and generate business for the District's hospitality and retail businesses.
8. Development of a small park or trailhead connected to or leading to the bike trail located along the northern edge of the Area;
9. Facilitation of private investment for new construction and existing building expansion.

The objective of the Business District Plan is to address several goals of the City of Mattoon including enhancement of commercial business opportunities, increasing economic activity, as well as utilizing the Business District's advantages of good visibility and access to Route 16 and proximity to Interstate 57. All land uses and aspects of the development program will be subject to review by the City and must comply with existing development and building control ordinances in addition to complying with the spirit and intent of this Plan.

The description of the Business District Plan outlines the development goals and objectives of the City for the Area. However, it is important to note that the Business District Plan may only generally represent the development program that is ultimately built, or as may be negotiated between the City and the Developer(s). Therefore, it is important that this Plan be viewed as representing a framework for the development concept and the City's financial participation (or "Economic Development Assistance") in the Project. This Plan is subject to future amendment by the City, if necessary, and it should not be construed to limit developer participation. The Plan, in concept, fulfills the development goals and objectives of the City for the Business District.

As discussed previously, given the site conditions and infrastructure needs, many site-related and public improvements will be needed, including:

- Storm water, road improvements, and other infrastructure;
- Utility infrastructure (i.e. sewer, water, electrical and gas facilities);
- Building renovation, additions and potentially, demolition and redevelopment;

- Professional services fees and City administration services related to the Business District Program and its Projects; and
- Other costs as permitted under the Act.

BUSINESS DISTRICT OBJECTIVES

Objective #1: Renovate Cross County Mall property to ensure it continues to be a retail anchor for the Mattoon community.

Reinvestment in Cross County Mall will prevent this important commercial property from losing tenants and falling into disuse as the property ages. Renovation of the building's façade, upgrades to signage, lighting and landscaping will all help to fill vacant spaces and improve the Mall's appearance, thereby attracting shoppers. Reinvestment and continued operation of the Mall is important to the City from a fiscal standpoint, in that a significant portion of the City's sales tax revenue is generated on or near this property. In addition to its economic role, the Cross County Mall has also serves as a site for many community events, and provides an indoor gathering place for people to enjoy.

Objective #2: Provide opportunities for attraction of commercial development within an existing commercial area.

In order to overcome the obstacles related to redevelopment and new development within a primarily developed area, it is often necessary to provide financial assistance for building redevelopment, infrastructure improvements, site acquisition, and site preparation. This economic assistance will allow the Area, which has already been the site of considerable private and public investment, to effectively compete for new commercial development.

Other communities in the wider region are providing various types of assistance to private businesses to decrease development costs associated with retail and commercial projects. Mattoon's development opportunity areas must now compete against TIF areas, business districts, and sales tax rebate agreements offered throughout the region. If Mattoon is to succeed in attracting major new commercial developments, it is essential that the Area be provided with comparable assistance to effectively compete with neighboring communities. By answering the public infrastructure and unique redevelopment needs inherent to the Area, development will occur as quickly as market conditions will allow and with development of a higher caliber.

Objective #3: Expansion of Mattoon's economic base.

The Project will attract outside consumer and visitor spending to the City, thereby expanding Mattoon's economic base. This Project is expected to generate new jobs and new taxes, as well as revitalize a portion of an older commercial corridor, improve access to Area properties and facilitate access to adjacent properties. The Broadway East Business District has the potential to remain a long-term center for retail and service businesses and improve Mattoon's ability to compete with neighboring communities.

Objective #4: Stimulate development in Mattoon

One of the major precepts of providing public economic development assistance to private businesses is the expectation that a public investment in one project will stimulate additional private sector investment in properties around the development or within the community. An investment in this Project will not only generate an immediate return to the City, but may cause increased development of other commercial, residential, and industrial properties in the City. Significant real estate investments attract other real estate investment. Reinvestment in the Broadway East Business District will assist in “re-positioning” the Mattoon real estate market. In effect, the City will realize a return on their investment at an accelerated rate.

PRIVATE DEVELOPMENT ACTIONS

The City is expected to solicit and actively negotiate with one or more Interested Parties and/or the Developer(s), to carry out the conceptual development program project(s) envisioned. At this time, the City is negotiating the terms of Economic Development Assistance with one potential Developer as part of the City’s public assistance for certain Projects in the Area (the proposal submitted by this party is located in **Attachment G** in the **Appendix**). Business District Projects are anticipated to be undertaken by Developers upon establishment of the District. Future development in the Area is expected to occur with private investment from the Developers or other Interested Parties at some future date. Any development rights and Economic Development Assistance from the District will be subject to approval by the City via a development agreement or other appropriate instruments as provided under Illinois statutes.

PUBLIC DEVELOPMENT ACTIONS

As noted above, the City intends to provide, and may enter into an agreement with the Developer(s) and/or other Interested Parties for implementation of certain Projects in the Area and to provide certain public improvements and extraordinary project costs in the Area to stimulate private investment by enhancement of the immediate Area and to serve the needs of commercial development.

BUSINESS DISTRICT PROJECT COSTS

The following Business District Project costs are anticipated as a result of the Public Development Actions expected to be undertaken by the Developer(s) and/or other Interested Parties. The City intends to provide economic development assistance through the reimbursement to the Developer and/or other Interested Parties for these Public Development Actions under the terms and conditions of a separate agreement between the City and the Developer and/or other Interested Parties. Economic development assistance shall include all or part of the eligible expenditures for Project-related public improvements and extraordinary Business District Project costs as shown on **Table 3-1, Estimated Business District Project Costs** (such costs constituting “Business District Project Costs” under the Act).

It should be noted that these costs are estimates based on the Business District Development Project described herein. This table should not be construed to limit the ability of the City to

enter into development agreements, which provide for other costs, additional costs, or a different distribution of these costs among the various line items. Specific limitations on such cost items and any distribution between them will be specified in development agreements by and between the City and any developer(s).

Table 3-1
Estimated Business District Project Costs
Broadway East Business District

Description	Estimated Cost
A. Public Works or Improvements (i.e., Construction of sidewalks, streetscape improvements, utility relocation, storm water controls and other public improvements)	\$4,900,000
B. Property Assembly & Relocation Costs (Acquisition of land and other property and execution of relocation plan.)	\$500,000
C. Building Rehabilitation	\$3,500,000
D. Public Facilities (Construction of recreational facilities, relocated fire station, U.S. Grant library or other public facilities)	\$2,500,000
E. Site Preparation (Demolition and Environmental Abatement)	\$700,000
F. General Administration	\$150,000
G. Contingency	\$250,000
Total Estimated Budget	\$12,500,000

Notes:

1. All costs shown are in 2007 dollars and do not include additional costs to be incurred in future financing (e.g., bond issuance costs, interest payments on obligations and related expenses) or inflationary costs that may be realized.

2. Adjustments may be made among line items within the budget to reflect program implementation experience.

THE NEED FOR PUBLIC FINANCIAL ASSISTANCE

The objectives of the Broadway East Business District, to induce private investment, develop and improve infrastructure, redevelop existing property, and bring properly prepared property to the market at an acceptable price given the location within the market, access and visibility, and demographics are not possible without financial assistance. Without the requested assistance, the Developer(s) and/or other Interested Parties will be unable to absorb the “extraordinary costs” associated with development and redevelopment while maintaining an economically viable project. The public financial assistance is intended to ensure high-quality development that will induce the expenditure of private funds creating Projects that will have long-term

economic benefits for the City and other taxing districts. This “but for” position has been expressed by one development entity that has submitted a proposal to the City in response to a Request for Development Proposal issued by the City. Documentation submitted by these private entities is located in **Attachment G** of the **Appendix**.

SOURCES OF FUNDS TO PAY BUSINESS DISTRICT PROJECT COSTS

Funds necessary to pay for Business District Project Costs are to be derived from the following sources in accordance with Sections 11-74.3-3(13) and 11-74.3-6 of the Act:

- 1) *A Business District Retailers' Occupation Tax* upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this State's government, at retail in the business district at a rate not to exceed 1% of the gross receipts from the sales made in the course of such business, to be imposed only in 0.25% increments. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.
- 2) *A Business District Service Occupation Tax* shall also be imposed upon all persons engaged, in the business district, in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the business district, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service. The tax shall be imposed at the same rate as the Business District Retailers' Occupation Tax and shall not exceed 1% of the selling price of tangible personal property so transferred within the business district, to be imposed only in 0.25% increments. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.
- 3) *A Hotel Operators' Occupation Tax* upon all persons engaged in the business district in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act at a rate not to exceed 1% of the gross rental receipts from the renting, leasing, or letting of hotel rooms within the business district, excluding, however, from gross rental receipts the proceeds of renting, leasing, or letting to permanent residents of a hotel, as defined in the Hotel Operators' Occupation Tax Act.

Other sources of funds to be used to pay the costs of implementation of the Business District objectives may include (but are not required by this Plan):

- ✓ Capital which is available to the Interested Parties through their own cash reserves or financing entities;
- ✓ Funds available through tax increment financing;
- ✓ Improvements by third party tenants; and,
- ✓ Other sources of public financing that may be identified at such time in the future to fund project costs.

Business District revenues received under Section 11-74.3-6 of the Business District Act shall be deposited into or credited to the Business District Tax Allocation Fund, which the City shall establish and maintain as required by the Business District Act.

ESTABLISHMENT AND TERM OF THE BUSINESS DISTRICT

The establishment of the Business District shall become effective upon adoption of an ordinance by the City Council adopting this Plan and designating the Business District as a business district under the Act (the "Commencement Date").

The Business District shall expire no later than the expiration of twenty-three (23) years from the applicable Commencement Date. For purposes of this Plan, a year means each twelve-month period beginning on the Commencement Date and ending on the day next preceding the anniversary of such Commencement Date in the next year.

BUSINESS DISTRICT OBLIGATIONS

The City may issue obligations in one or more series, maturing and bearing interest at rates and having such other terms and provisions determined by the City by ordinance and in whole or in part secured and/or paid from funds or deposits credited to the Business District Tax Allocation Fund for the Business District.

SECTION 4 FINDINGS AND AMENDMENTS TO THE BUSINESS DISTRICT PLAN

FINDINGS

The City hereby finds and determines as follows:

- 1) This Plan constitutes a specific plan for the Business District in the City of Mattoon, Coles County, Illinois.
- 2) The designation of the Business District as identified in this Plan and more specifically described in **Attachment A** and **Attachment B**, will assure opportunities for development, and attraction of quality commercial growth to the City.
- 3) This Plan and the Business District conform with the City's Comprehensive Plan, as amended.
- 4) The City's exercise of the powers provided in the Act is dedicated to the promotion of the public interest and to the enhancement of the tax base of the Business District and the use of the powers for the development and redevelopment of the Business District as provided in this Plan and is declared to be a public use essential to the public interest of the residents of the City of Mattoon, Coles County, Illinois.
- 5) The Area is a "blighted area", that by reason of the **predominance of defective or inadequate street layout**, unsanitary or unsafe conditions, **deterioration of site improvements, improper subdivision or obsolete platting**, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or **constitutes an economic or social liability** or a menace to the public health, safety, morals, or welfare in its present condition and use.
- 6) The Business District on the whole has not been subject to growth and development through investment by private enterprises or would not reasonably be anticipated to be developed or redeveloped without the adoption of this Business District Plan.

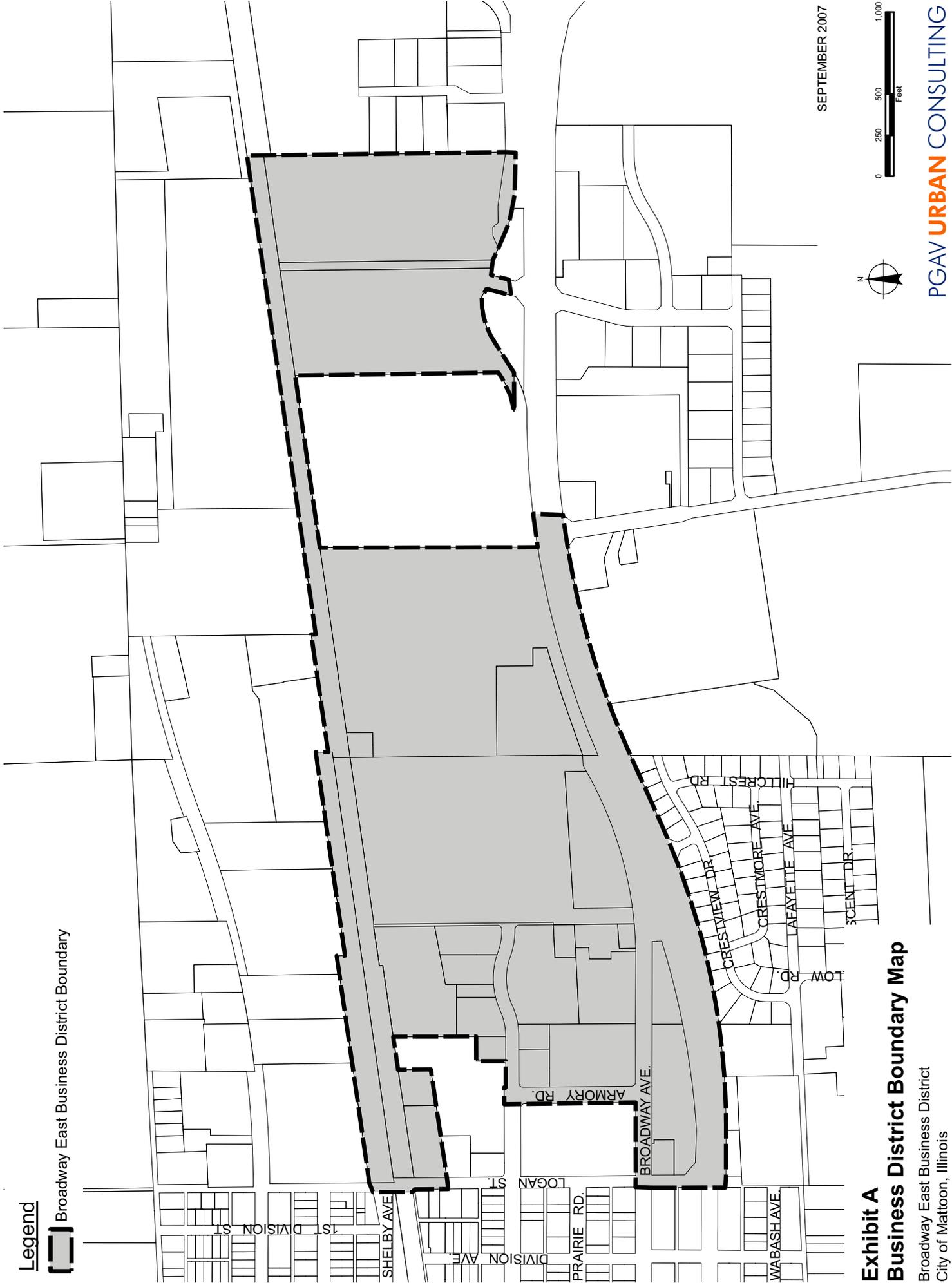
PLAN AMENDMENTS

The procedure for amending this Plan shall also be in conformance with the provisions of the Business District Act.

APPENDIX

Legend

 Broadway East Business District Boundary



**Exhibit A
Business District Boundary Map**

Broadway East Business District
City of Mattoon, Illinois

SEPTEMBER 2007



PGAV URBAN CONSULTING

LEGAL DESCRIPTION FOR
MATTOON BROADWAY EAST BUSINESS DISTRICT

A tract of land being a part of Section 17 and part of Section 18, Township 12 North, Range 8 East of the Third Principal Meridian, in the City of Mattoon, Coles County, Illinois, being described as follows:

Beginning at the intersection of the East line of Detro Drive and the South line of F.A. Route 17 (Illinois Route 16) at Station 75+39.91, 100 feet right; thence Southwesterly 1525.6 feet along a curve to the left on said South line, concave to the Southeast, with a radius of 5271.3 feet to the Northeast corner of Crestview Addition, as recorded in Book 2 of Plats at Page 128 at the Coles County Recorder's Office; thence Southwesterly 40.4 feet along a curve to the left on said South line of F.A. Route 17 (Illinois Route 16), concave to the Southeast, with a radius of 5271.3 feet; thence Southwesterly 412.3 feet along said South line of F.A. Route 17 (Illinois Route 16); thence Southwesterly 371.7 feet along a curve to the right on said South line, concave to the Northwest, having a radius of 4507.46 feet to the Northeast corner of Crestview Addition as recorded in Book 2 of Plats at Page 98 at the Coles County Recorder's Office; thence continuing Southwesterly 912.4 feet along a curve to the right on said South line of F.A. Route 17, concave to the Northwest, having a radius of 4507.46 feet to the Northwest corner of said Crestview Addition; thence Westerly 317.7 feet along a curve to the right on said South line of F.A. Route 17, concave to the Northwest, having a radius of 4507.46 feet; thence West 677.7 feet along said South line of F.A. Route 17 (Illinois Route 16) to a point on the West line of Logan Street, point also being on the East line of Lot 1 in Block 14 of Lumpkin Heights, as recorded in Book 3 of Plats at Page 73 at the Coles County Recorder's Office; thence Northerly 542.5 feet along the West line of Logan Street to the North line of Broadway Avenue, point also being the Southeast corner of Lot 16 in Block 11 of Urban Heights as recorded in Book 1 of Plats at Page 129 at the Coles County Recorder's Office; thence Easterly 514.6 feet along the North line of said Broadway Avenue to the West line of Armory Road; thence Northerly 801.4 feet along the West line of Armory Road and Northerly extension thereof to the North line of Richmond Avenue, point also being on the South line of Lot 1 in Block 2 of

Broadway Shopping Center as recorded in Book 5 of Plats at Page 44 at the Coles County Recorder's Office; thence along the North boundary of Richmond Avenue on the following described courses: Easterly 98.6 feet; Southerly 10.0 feet; Easterly 160.8 feet, point being 150.0 feet West of the Southwest corner of Lot 1 in Block 2 of said Broadway Shopping Center; thence Northerly 180.0 feet; thence Easterly 150.0 feet to a point on the East line of said Lot 1 in Block 2; thence Northerly 505.5 feet along the East line of said Lot 1 in Block 2 to the Northeast corner of said Lot 1, point being on the Southerly line of the abandoned CCC and St. Louis Railroad; thence Westerly 204.1 feet along the Southerly line of the abandoned CCC and St. Louis Railroad to the Northeast corner of a tract as described in a Trustee's Deed on Document Number 499105 at the Coles County Recorder's Office; thence Southerly 199.2 feet along the East line of said tract to the Southeast corner of said tract; thence Southwesterly 736.4 feet along the Southerly line of said tract, the Southerly line of a tract as described in a Trustee's Deed on Document Number 461975 at the Coles County Recorder's Office and Southwesterly extensions thereof to the West line of Logan Street, point being on the East line of Lot 4 in Block 1 of said Urban Heights; thence Northerly along the West boundary of Logan Street as monumented and occupied on the following described courses: Northerly 206.5 feet, point also being the Northeast corner of Lot 1 of Block 1 of said Urban Heights; Southwesterly 15.2 feet; Northerly 271.2 feet to a point of intersection with the Northerly line of the abandoned railroad of CCC and St. Louis Railroad Company, point also being on the East line of Lot 10 in Block 17 of Grant Park Place, as recorded in Book 1 of Plats at Page 125 at the Coles County Recorder's Office; thence along the Northern boundary of an abandoned railroad Right-of-Way of CCC and St. Louis Railroad Company as monumented and occupied on the following described courses: Northeasterly 1453.6 feet; Southerly 50.4 feet; Northeasterly 1252.6 feet; Southerly 75.7 feet; Northeasterly 723.4 feet; Southerly 27.7 feet; Northeasterly 2944.0 feet; thence Southerly 1616.6 feet along the East line and Northerly extension thereof of a tract as described in a Warranty Deed and recorded on Document Number 515520 in Volume 727 at Page 138 at the Coles County Recorder's Office to the South line of Broadway Avenue; thence along the Southern boundary of Broadway Avenue as monumented and occupied on the following described courses: Westerly

257.3 feet; Northwesterly 261.4 feet along a curve to the right, concave to the Northeast, having a radius of 555.11 feet; Northwesterly 191.2 feet; Westerly 56.6 feet to the Easterly line of Swords Drive; thence Southwesterly 112.4 feet along the Eastern line of Swords Drive; thence Southwesterly 97.6 feet to the West line of Swords Drive; thence Northeasterly 156.0 feet along the West line of Swords Drive to the South line of Broadway Avenue; thence along the Southern boundary of Broadway Avenue as monumented and occupied on the following described courses: Northwesterly 53.4 feet; Southwesterly 283.1 feet along a curve to the left, concave to the Southeast, having a radius of 460.0 feet; Southwesterly 225.7 feet; thence West 227.5 feet; thence Northerly 2.24 feet to the North line of Broadway Avenue; thence Northeasterly 211.4 feet along a curve to the left, concave to the Northwest, having a radius of 460.0 feet on said North line of Broadway Avenue; thence Northeasterly 45.6 feet along the North line of Broadway Avenue to the West line of a tract as described on a Warranty Deed on Document Number 0686485 at the Coles County Recorder's Office; thence Northerly 1240.7 feet along the West line of said tract to the South line of the abandoned railroad Right-of-Way of CCC and St. Louis Railroad Company; thence Southwesterly 1058.7 feet along the Southern line of said abandoned railroad Right-of-Way to the Northeast corner of a tract described as Tract 1 in a Quit Claim Deed and recorded on Document Number 0678055 at the Coles County Recorder's Office; thence Southerly 1328.4 feet along the East line of said Tract 1 to the North line of F.A. Route 17 (Illinois Route 16); thence Northeasterly 197.95 feet along a curve to the right, concave to the Southeast with a radius of 5130.5 feet on said North line of F.A. Route 17 (Illinois Route 16); thence South 181.1 feet to the Point of Beginning, encompassing 210.3 acres, more or less.

Prepared by: HDC Engineering, L.L.C.
2017 Charleston Avenue
Mattoon, IL 61938

Date: October 10, 2007

HDC Project No.: 07355



One of the larger vacant spaces at Cross County Mall.



Deteriorated block wall adjacent to loading dock behind Cross County Mall.



Step cracking on rear wall of Cross County Mall.



The drainage ditch running along the east side of the Cross County Mall property is deteriorated and inadequate.



The south end of this former prime retail building is now vacant and showing signs of deterioration. Portions of the building are now used for government offices.



A closer view of the vacant space at the property shown at left.



This prime retail building in the Broadway East Area is partially vacant.



Potholes contain standing water in this dilapidated parking lot located along Broadway East.



Large areas in the Ramada Inn parking lot hold standing water.



The ceiling at the Ramada Inn is cracking and peeling as a result of water damage.



Vacant space in deteriorated commercial building along Broadway East.



Sections of fascia are missing from another vacant portion of the building shown at left.



The loading dock behind a vacant commercial space adjacent to Big Lots is filled with storm water and debris.



This parking lot serving Dollar General is deteriorated and contains standing water.



The exterior finish of the US Bank building is in need of repair.



Deteriorated obsolete sign structure behind Chinese restaurant on Richmond Avenue.



Storm water fills the open drainage ditch along the Armory Road right-of-way, evidence of inadequate drainage facilities.



Portions of the sidewalk along Broadway East, such as the section shown above, are in need of repair or replacement due to severe cracking, settling and spalling concrete.



One of several deteriorated parking lot and driveway aprons on public right-of-way in the Area.



The front parking lot at Blaw-Knox Ingersoll Rand is dilapidated. Note weed growth through cracks in the parking lot and along the foundation.



Deteriorated masonry wall of main Blaw-Knox Ingersoll Rand structure.



Dilapidated parking/storage lot on north portion of Blaw-Knox Ingersoll Rand property.



The glass in the rear door at Blaw-Knox Ingersoll Rand has been shattered.



Dilapidated accessory building on the Blaw-Knox property.

Legend

-  Broadway East Business District
-  Over 35 Years of Age
-  Deteriorated Structure
-  Deteriorated Site
-  Dilapidated Site
-  Excessive Coverage
-  Obsolete Building
-  Obsolete Platting
-  Deterioration in Neighboring Areas
-  Vacant Building (Whole or Partial)
-  Deteriorated Pavement in R.O.W. (sidewalk, streets and / or curb & gutter)



SEPTEMBER 2007



Attachment D Existing Conditions Map

Broadway East Business District
City of Mattoon, Illinois

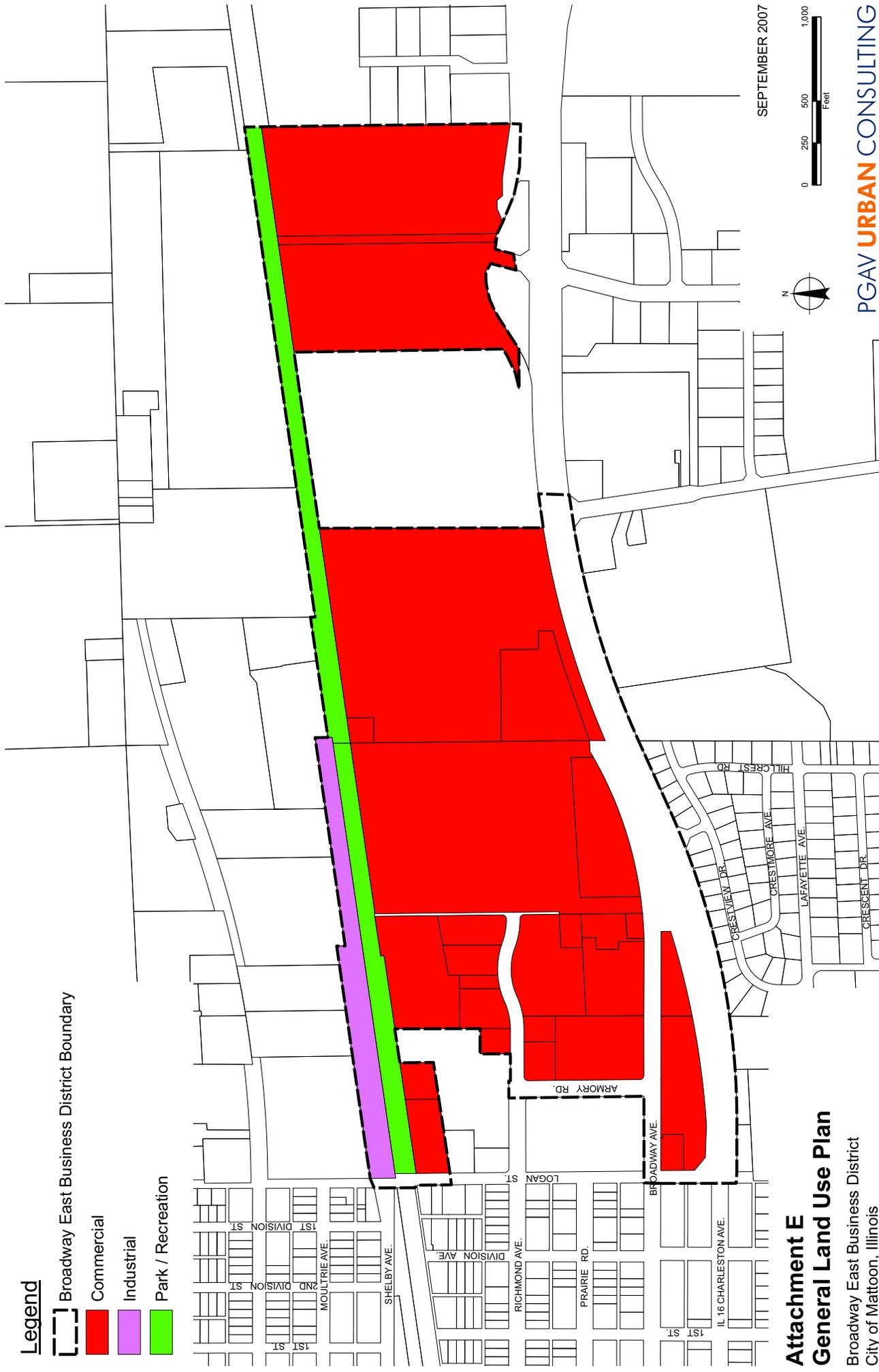
Legend

 Broadway East Business District Boundary

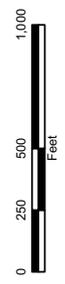
 Commercial

 Industrial

 Park / Recreation



Attachment E
General Land Use Plan
Broadway East Business District
City of Mattoon, Illinois



SEPTEMBER 2007

PGAV **URBAN** CONSULTING

PROPERTY IDENTIFICATION NUMBER (PIN) LIST
PROPERTY OWNER & 2006 EAV
Broadway East Redevelopment Project Area
City of Mattoon, Illinois

Map #	Parcel I. D. No.	Alt. Parcel No.	Property Owner	2006 EAV (\$)
1	1417151002	6000554000	750 BROADWAY, LLC	193,960
1	pt. of 1417151002	6000554002	750 BROADWAY, LLC	11,020
1	pt. of 1417151002	6000554003	750 BROADWAY, LLC	112,000
2	1417151003	6000554001	COLES COUNTY MENTAL HEALTH ASS'	-
3	1417151001	6000570000	C I P S CO	1,890
4	1418276001	6000646000	CROSS COUNTY NATIONAL ASSOC LP	952,110
5	1418427001	6000643000	LA SALLE NAT BANK TR 101 300	28,300
6	1418426002	6000651000	SUMMIT HOTEL MANAGEMENT CO	13,210
7	1418426001	6000640000	TRIPLE T INNS OF PENNSYLVANIA	12,630
8	1418426001	6000640000	TRIPLE T INNS OF PENNSYLVANIA	560,930
9	1418401001	6004400000	BOATMENS NAT BANK TR 829	474,110
10	1418253001	6004401000	FIRST NAT BANK OF EFFINGHAM	110,000
11	1418253002	6004414000	ROMPEL INC	117,200
12	1418253003	6004412000	NATIONWIDE REAL ESTATE INC	388,200
13	1418253004	6000656000	MILLER PARTNERSHIP	79,470
14	1418251011	6004410000	FIRSTAR FACILITY MANAGEMENT	120,680
15	1418251010	6004409000	FIRST MID IL BK & TR 91067	191,970
16	1418251009	6004413000	FIRST MID IL BK & TR 95008	51,580
17	1418251008	6004408000	FFCA IIP 1986 PROPERTY COMPANY	83,280
18	1418251007	6004417000	MILLER MYRNA L	68,120
19	1418251005	6004411000	BOATMENS NAT BANK TR 829	4,970
20	1418151002	6000655000	MATTOON CITY OF	-
21	1418202004	6000662000	MATTOON CITY OF	-
22	1418251004	6004415000	HESSE JERROLD & BRUCE DEITZ	9,530
23	1418251001	6004405000	HESSE JERROLD L & BRUCE DEITZ	55,290
24	1417226003	6000573000	MATTOON CITY OF	-
25	1418402001	600645001	NATIONSBANK	223,820
26	1418402002	6000645000	MATTOON DEVELOPMENT PRTSP	419,720
27	1418402003	6000647000	FIRST MID IL BK & TR	141,780
28	1417251001	6000583000	FIRST MID IL BK & TR 95020	3,570
29	1417251002	6000571000	C I P S CO	6,290
30	1417251003	6000552000	TWIN STAR CORPORATION	164,440
TOTAL				\$ 4,600,070

Legend

 Broadway East Business District Boundary

27 Parcel Identification Number



SEPTEMBER 2007

**Attachment F
Parcel Identification Map**

Broadway East Business District
City of Mattoon, Illinois

July 16, 2007

Mr. Alan Gilmore
City Administrator
208 N. 19th Street
Mattoon, IL 61938

RECEIVED
AUG 20 2007

Subject: Development Proposal for Cross County Mall

Dear Mr. Gilmore:

The owners of Cross County Mall appreciate the opportunity to work with the City of Mattoon and we therefore submit the following proposal for redevelopment of the property.

1. We propose a major remodel to include the following:

Complete new façade- The property is over 30 years old and has a tired out dated look. Enclosed with our proposal are some conceptual drawings of the exterior.

Replace existing two main entrances - Existing entrances will be completely removed and replaced with new more accessible and appealing structures.

Repainting the exterior and interior - New colors to give the property a more modern and inviting appearance.

Bathrooms- Remodel customer bathrooms.

Parking Lot upgrade - We will overlay the entire parking lot with new two-inch asphalt. We will add trees and additional lighting along the outside of the parking lot and lining the main drive entrance and add shrubbery throughout. The new design will help eliminate speeding cars going diagonally across the parking lot as well as being visually much more appealing. Additional lighting will also enhance the safety for our customers.

New Electronic Pylon Sign - This new sign will provide the mall with a newer more efficient mode for advertising to attract additional customers.

2. Property Address: 700 Broadway East, Mattoon, IL

3. Preliminary Project Cost Estimate:

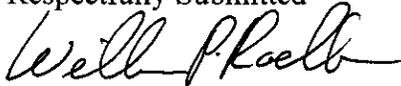
New Exterior Façade	\$950,000
Interior Remodel of Common Area	\$375,000
New Entry Islands	\$100,000
Landscaping	\$125,000
New Lighting	\$145,000
Overlay 350,000 sq. ft. of parking lot	\$245,000
New Striping of Parking lot	\$15,000
New Signage	\$135,000
Misc., Permits, Design	\$200,000
Total	\$2,290,000

4. Project Schedule: Project to commence early 2008 with exact schedule dependent on weather. Start to finish should be about six months.
5. Cross County Mall ownership has been in the commercial real estate business for over 25years. During this time they have redeveloped and remodeled many retail properties around the country including enclosed malls in Plano, TX, Pittsburgh, PA and large strip centers in Arizona, Wisconsin and Florida. The company has an in-house construction department which works closely with and over sees all construction projects. We will require a minimum of three bids for this project to insure getting the best price possible. We prefer to work with local contractors and hope that will be the case in Mattoon.
6. For many years Cross County Mall has been the center of the retail market for the Mattoon area and we appreciate the City of Mattoon assisting us in making necessary improvements to keep that designation. There is almost no weekend that goes by without something happening at the mall. Annually we host the Beautiful Baby Bagel Contest, United Way Auction, Rummage Sales supporting Sarah Bush Lincoln, Auxiliary Guild, Lions Club, Eagles Club, the Coles County Business Expo, Red Cross Blood Drives and monthly health check-ups by the Sarah Bush Lincoln Health Center.

Without the City of Mattoon's assistance it is not financially feasible to undertake the renovations discussed above. The property presently has a vacancy rate of 13% and could go higher due to increased competition. We know that developers of new retail projects both under construction and in the planning stages are trying to lure some of our tenants to relocate to their properties. We understand the nature of our business and are not afraid of competition but it is sometimes quite costly to keep up with it. The remodel we propose is critical for future success of Cross County Mall. It will also provide the following benefits to The City of Mattoon:

1. The scope of the remodel and its updated architectural design will allow Cross County Mall to continue to be the center of retail activity for Mattoon and the surrounding area.
2. The remodel of our property and adjacent properties will help this area blend in nicely with the newer developments to the east and enhance the shopping experience for all.
3. Although the remodel will not be a guarantee that existing tenants will not leave we will have a much greater chance of keeping them.
4. Our remodel and the other retail growth in Mattoon is sure to help attract more national and regional tenants to the area and these retailers will see a mall that is a viable retail location for their stores. It is hard to project future leasing activity but our projection is that the remodel will not only allow us to keep our existing tenants, but will help us to lower our vacancy rate to five percent over the next few years.
5. For many years our Base Rental Rates for new tenants has been at \$10.00 per square foot. We believe the remodel will allow us to raise this to \$13.00 to \$14.00 per square foot for most of our vacant spaces. This will help increase the taxable value of the property.
6. Because malls are generally a more regional draw than strip centers, our remodel should help to keep shoppers from our market, in our market, rather than traveling to Decatur and Champaign.
7. Initially the remodel itself will generate additional employment, but longer term an increase in occupancy will provide additional job opportunities for the citizens of Mattoon.

Respectfully Submitted



William P. Roebken
Vice President-Retail
Regis Property management, Inc.
1800 Valley View Lane, Suite 300
Dallas, Texas 75234

Illinois Revised Statutes

DIVISION 74.3

Business District Development And Redevelopment

ILLINOIS BUSINESS DISTRICT ACT

65 ILCS 5/11-74.3-1 thru 3-6

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The following pages of this document consist of a compilation of the provisions of the Illinois Business District Act by the Urban Consulting staff of Peckham Guyton Albers & Viets, Inc. (PGAV). This compilation consists of all amendments thereto since its adoption by the Illinois General Assembly. It is based on official copies of the Illinois Business District Act and its subsequent amendments through Public Act 093-1053 effective January 1, 2005. The Illinois Business District Act as contained herein is formatted in a more readable outline manner than will be found in official published copies

It should be noted that this document does not represent an official copy of the Illinois Business District Act and should not be quoted, cited, or used in any official legislative or legal capacity. PGAV has provided this document solely for the information and use of its staff and clients and assumes no liability or responsibility for the use (or misuse) of this document.

Note: All modified or added text is in italics.

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**65 ILCS 5/11-74.3-1
[Legislative Finding and Declaration]**

It is hereby found and declared:

- (1) It may be considered essential to the economic and social welfare of each municipality that business districts be maintained and revitalized by assuring opportunities for development or redevelopment and attracting sound and stable commercial growth.
- (2) Such a result should conform with a comprehensive plan of the municipality and a specific plan for business districts officially approved by the corporate authorities of the municipality after public hearings.
- (3) The exercise of the powers provided in this Division is dedicated to the promotion of the public interest and to the enhancement of the tax base of business districts, and the use of

such powers for the development and redevelopment of business districts of a municipality is hereby declared to be a public use essential to the public interest.

(Source: P. A. 78-793.)

65 ILCS 5/11-74.3-2 [Designation of Area As Business District]

Sec. 11-74.3-2. The corporate authorities of a municipality may designate, after public hearings, an area of the municipality as a Business District.

(Source: P. A. 78-793.)¹

65 ILCS 5/11-74.3-3 [Powers Of Corporate Authorities]

Sec. 11-74.3-3. In carrying out a business district development or redevelopment plan, the corporate authorities of each municipality shall have the following powers:

- (1) To approve all development and redevelopment proposals for a business district.
- (2) To exercise the use of eminent domain for the acquisition of real and personal property for the purpose of a development or redevelopment project.
- (3) To acquire, manage, convey or otherwise dispose of real and personal property according to the provisions of a development or redevelopment plan.
- (4) To apply for and accept capital grants and loans from the United States and the State of Illinois, or any instrumentality of the United States or the State, for business district development and redevelopment.
- (5) To borrow funds as it may be deemed necessary for the purpose of business district development and redevelopment, and in this connection issue such obligation or revenue bonds as it shall be deemed necessary, subject to applicable statutory limitations.
- (6) To enter into contracts with any public or private agency or person.
- (7) To sell, lease, trade or improve real property in connection with business district development and redevelopment plans.
- (8) To employ all such persons as may be necessary for the planning, administration and implementation of business district plans.
- (9) To expend such public funds as may be necessary for the planning, execution and implementation of the business district plans.
- (10) To establish by ordinance or resolution procedures for the planning, execution and implementation of business district plans.
- (11) To create a Business District Development and Redevelopment Commission to act as agent for the municipality for the purposes of business district development and redevelopment.

- (12) To impose a retailers' occupation tax and a service occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for business district project costs as set forth in the business district plan approved by the municipality.
- (13) To impose a hotel operators' occupation tax in the business district for the planning, execution, and implementation of business district plans and to pay for the business district project costs as set forth in the business district plan approved by the municipality.
- (14) To issue obligations in one or more series bearing interest at rates determined by the corporate authorities of the municipality by ordinance and secured by the business district tax allocation fund set forth in Section 11-74.3-6 for the business district to provide for the payment of business district project costs.

This amendatory Act of the 91st General Assembly is declarative of existing law and is not a new enactment.

(Source: P.A. 93-1053, eff. 1-1-05.)

65 ILCS 5/11-74.3-4 [Home Rule Municipalities]

Sec. 11-74.3-4. The powers granted to municipalities in this Division shall not be construed as a limitation on the powers of a home rule municipality granted by Article VII of the Illinois Constitution.

(Source: P.A. 78-793.)

65 ILCS 5/11-74.3-5 [Business District Sales & Hotel Tax Provisions]

Sec. 11-74.3-5. Business district; additional procedures for designation of district and approval of development or redevelopment plan. If the corporate authorities of a municipality desire to impose a tax by ordinance pursuant to subsection (12) or (13) of Section 11-74.3-3, the following additional procedures shall apply to the designation of the business district and the approval of the business district development or redevelopment plan:

- (1) The corporate authorities of the municipality shall hold public hearings at least one week prior to designation of the business district and approval of the business district development or redevelopment plan.
- (2) The area proposed to be designated as a business district must be contiguous and must include only parcels of real property directly and substantially benefited by the proposed business district development or redevelopment plan.
- (3) The corporate authorities of the municipality shall make a formal finding of the following:
 - (i) the business district is a blighted area that, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other

causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; and

- (ii) the business district on the whole has not been subject to growth and development through investment by private enterprises or would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan.
- (4) The proposed business district development or redevelopment plan shall set forth in writing:
- (i) a specific description of the proposed boundaries of the district, including a map illustrating the boundaries;
 - (ii) a general description of each project proposed to be undertaken within the business district, including a description of the approximate location of each project;
 - (iii) the name of the proposed business district;
 - (iv) the estimated business district project costs;
 - (v) the anticipated source of funds to pay business district project costs;
 - (vi) the anticipated type and terms of any obligations to be issued; and
 - (vii) the rate of any tax to be imposed pursuant to subsection (12) or (13) of Section 11-74.3-3 and the period of time for which the tax shall be imposed.

(Source: P.A. 93-1053, eff. 1-1-05.)

65 ILCS 5/11-74.3-6

Sec. 11-74.3-6. Business district revenue and obligations.

- (a) If the corporate authorities of a municipality have approved a business district development or redevelopment plan and have elected to impose a tax by ordinance pursuant to subsections (b), (c), or (d) of this Section, each year after the date of the approval of the ordinance and until all business district project costs and all municipal obligations financing the business district project costs, if any, have been paid in accordance with the business district development or redevelopment plan, but in no event longer than 23 years after the date of adoption of the ordinance approving the business district development or redevelopment plan, all amounts generated by the retailers' occupation tax and service occupation tax shall be collected and the tax shall be enforced by the Department of Revenue in the same manner as all retailers' occupation taxes and service occupation taxes imposed in the municipality imposing the tax and all amounts generated by the hotel operators' occupation tax shall be collected and the tax shall be enforced by the municipality in the same manner as all hotel operators' occupation taxes imposed in the municipality imposing the tax. The corporate authorities of the municipality shall deposit the proceeds of the taxes imposed under subsections (b), (c), and (d) into a special fund held by the corporate authorities of the municipality called the Business District Tax Allocation Fund for the purpose of paying business district project costs and obligations incurred in the payment of those costs.
- (b) The corporate authorities of a municipality that has established a business district under this Division 74.3 may, by ordinance or resolution, impose a Business District Retailers' Occupation Tax upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency

of this State's government, at retail in the business district at a rate not to exceed 1% of the gross receipts from the sales made in the course of such business, to be imposed only in 0.25% increments. The tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a disabled person, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use.

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

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

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

The Department shall immediately pay over to the State Treasurer, ex officio, as trustee, all taxes, penalties, and interest collected under this subsection for deposit into the business district retailers' occupation tax fund. On or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to named municipalities from the business district retailers' occupation tax fund, the municipalities to be those from which retailers have paid taxes or penalties under this subsection to the Department during the second preceding calendar month. The amount to be paid to each municipality shall be the amount (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department plus an amount the Department determines is necessary to offset any amounts that were erroneously paid to a different taxing body, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department, less 2% of that amount, which shall be deposited into the Tax Compliance and Administration Fund and shall be used by the Department, subject to appropriation, to cover the costs of the

Department in administering and enforcing the provisions of this subsection, on behalf of such municipality, and not including any amount that the Department determines is necessary to offset any amounts that were payable to a different taxing body but were erroneously paid to the municipality. Within 10 days after receipt by the Comptroller of the disbursement certification to the municipalities provided for in this subsection to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in the certification. The proceeds of the tax paid to municipalities under this subsection shall be deposited into the Business District Tax Allocation Fund by the municipality.

An ordinance or resolution imposing or discontinuing the tax under this subsection or effecting a change in the rate thereof shall either

- (i) be adopted and a certified copy thereof filed with the Department on or before the first day of April, whereupon the Department, if all other requirements of this subsection are met, shall proceed to administer and enforce this subsection as of the first day of July next following the adoption and filing; or
- (ii) be adopted and a certified copy thereof filed with the Department on or before the first day of October, whereupon, if all other requirements of this subsection are met, the Department shall proceed to administer and enforce this subsection as of the first day of January next following the adoption and filing.

The Department of Revenue shall not administer or enforce an ordinance imposing, discontinuing, or changing the rate of the tax under this subsection, until the municipality also provides, in the manner prescribed by the Department, the boundaries of the business district in such a way that the Department can determine by its address whether a business is located in the business district. The municipality must provide this boundary information to the Department on or before April 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following July 1 and on or before October 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following January 1. The Department of Revenue shall not administer or enforce any change made to the boundaries of a business district until the municipality reports the boundary change to the Department in the manner prescribed by the Department. The municipality must provide this boundary change information to the Department on or before April 1 for administration and enforcement by the Department of the change beginning on the following July 1 and on or before October 1 for administration and enforcement by the Department of the change beginning on the following January 1. The retailers in the business district shall be responsible for charging the tax imposed under this subsection. If a retailer is incorrectly included or excluded from the list of those required to collect the tax under this subsection, both the Department of Revenue and the retailer shall be held harmless if they reasonably relied on information provided by the municipality.

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

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

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

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

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

The tax imposed under this subsection and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Department of Revenue. The certificate of registration which is issued by the Department to a retailer under the Retailers' Occupation Tax Act or under the Service Occupation Tax Act shall permit such registrant to engage in a business which is taxable under any ordinance or resolution enacted pursuant to this subsection without registering separately with the Department under such ordinance or resolution or under this subsection. The Department of Revenue shall have full power to administer and enforce this subsection; to collect all taxes and penalties due under this subsection; to dispose of taxes and penalties so collected in the manner hereinafter provided; and to determine all rights to credit memoranda arising on account of the erroneous payment of tax or penalty under this subsection. In the administration of, and compliance with this subsection, the Department and persons who are subject to this subsection shall have the same rights, remedies, privileges, immunities, powers and duties, and be subject to the same conditions, restrictions, limitations, penalties, exclusions, exemptions, and definitions of terms and employ the same modes of procedure as are prescribed in Sections 2, 2a through 2d, 3 through 3-50 (in respect to all provisions therein other than the State rate of tax), 4 (except that the reference to the State shall be to the business district), 5, 7, 8 (except that the jurisdiction to which the tax shall be a debt to the extent indicated in that Section 8 shall be the municipality), 9 (except as to the disposition of taxes and penalties collected, and except that the returned merchandise credit for this tax may not be taken against any State tax), 10, 11, 12 (except the reference therein to Section 2b of the Retailers' Occupation Tax Act), 13 (except that any reference to the State shall mean the municipality), the first paragraph of Section 15, and Sections 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all provisions of the Uniform Penalty and Interest Act, as fully as if those provisions were set forth herein.

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

Whenever the Department determines that a refund should be made under this subsection to a claimant instead of issuing credit memorandum, the Department shall notify the State Comptroller, who shall cause the order to be drawn for the amount specified, and to the

person named, in such notification from the Department. Such refund shall be paid by the State Treasurer out of the business district retailers' occupation tax fund.

The Department shall forthwith pay over to the State Treasurer, ex-officio, as trustee, all taxes, penalties, and interest collected under this subsection for deposit into the business district retailers' occupation tax fund. On or before the 25th day of each calendar month, the Department shall prepare and certify to the Comptroller the disbursement of stated sums of money to named municipalities from the business district retailers' occupation tax fund, the municipalities to be those from which suppliers and servicemen have paid taxes or penalties under this subsection to the Department during the second preceding calendar month. The amount to be paid to each municipality shall be the amount (not including credit memoranda) collected under this subsection during the second preceding calendar month by the Department, less 2% of that amount, which shall be deposited into the Tax Compliance and Administration Fund and shall be used by the Department, subject to appropriation, to cover the costs of the Department in administering and enforcing the provisions of this subsection, and not including an amount equal to the amount of refunds made during the second preceding calendar month by the Department on behalf of such municipality. Within 10 days after receipt, by the Comptroller, of the disbursement certification to the municipalities, provided for in this subsection to be given to the Comptroller by the Department, the Comptroller shall cause the orders to be drawn for the respective amounts in accordance with the directions contained in such certification. The proceeds of the tax paid to municipalities under this subsection shall be deposited into the Business District Tax Allocation Fund by the municipality.

An ordinance or resolution imposing or discontinuing the tax under this subsection or effecting a change in the rate thereof shall either

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

The Department of Revenue shall not administer or enforce an ordinance imposing, discontinuing, or changing the rate of the tax under this subsection, until the municipality also provides, in the manner prescribed by the Department, the boundaries of the business district in such a way that the Department can determine by its address whether a business is located in the business district. The municipality must provide this boundary information to the Department on or before April 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following July 1 and on or before October 1 for administration and enforcement of the tax under this subsection by the Department beginning on the following January 1. The Department of Revenue shall not administer or enforce any change made to the boundaries of a business district until the municipality reports the boundary change to the Department in the manner prescribed by the Department. The municipality must provide this boundary change information to the Department on or before April 1 for administration and enforcement by the Department of the change beginning on the following July 1 and on or before October 1 for administration and enforcement by the Department of the change beginning on the following January 1. The retailers in the business district shall be responsible for charging the tax imposed under this subsection. If a retailer is incorrectly included or excluded from the list of those required to collect the tax under this subsection, both the Department of Revenue and the retailer shall be held harmless if they reasonably relied on information provided by the municipality.

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

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

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

- (d) By ordinance, a municipality that has established a business district under this Division 74.3 may impose an occupation tax upon all persons engaged in the business district in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act, at a rate not to exceed 1% of the gross rental receipts from the renting, leasing, or letting of hotel rooms within the business district, to be imposed only in 0.25% increments, excluding, however, from gross rental receipts the proceeds of renting, leasing, or letting to permanent residents of a hotel, as defined in the Hotel Operators' Occupation Tax Act, and proceeds from the tax imposed under subsection (c) of Section 13 of the Metropolitan Pier and Exposition Authority Act.

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

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

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

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

- (e) Obligations issued pursuant to subsection (14) of Section 11-74.3-3 shall be retired in the manner provided in the ordinance authorizing the issuance of those obligations by the receipts of taxes levied as authorized in subsections (12) and (13) of Section 11-74.3-3. The ordinance shall pledge all of the amounts in and to be deposited in the Business District Tax Allocation Fund to the payment of business district project costs and obligations. Obligations issued pursuant to subsection (14) of Section 11-74.3-3 may be sold at public or private sale at a price determined by the corporate authorities of the municipality and no referendum approval of the electors shall be required as a condition to the issuance of those obligations. The ordinance authorizing the obligations may require that the obligations contain a recital that they are issued pursuant to subsection (14) of Section 11-74.3-3 and this recital shall be

conclusive evidence of their validity and of the regularity of their issuance. The corporate authorities of the municipality may also issue its obligations to refund, in whole or in part, obligations previously issued by the municipality under the authority of this Code, whether at or prior to maturity. All obligations issued pursuant to subsection (14) of Section 11-74.3-3 shall not be regarded as indebtedness of the municipality issuing the obligations for the purpose of any limitation imposed by law.

- (f) When business district costs, including, without limitation, all municipal obligations financing business district project costs incurred under Section 11-74.3-3 have been paid, any surplus funds then remaining in the Business District Tax Allocation Fund shall be distributed to the municipal treasurer for deposit into the municipal general corporate fund. Upon payment of all business district project costs and retirement of obligations, but in no event more than 23 years after the date of adoption of the ordinance approving the business district development or redevelopment plan, the municipality shall adopt an ordinance immediately rescinding the taxes imposed pursuant to subsections (12) and (13) of Section 11-74.3-3.

(Source: P.A. 93-1053, eff. 1-1-05; 93-1089, eff. 3-7-05)