

**QUINCY DOWNTOWN II
TAX INCREMENT FINANCING
REDEVELOPMENT PLAN AND PROGRAM**

City of Quincy, Illinois

DRAFT – December 2009

Teska Associates, Inc.

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INTRODUCTION

This report documents the Tax Incremental Redevelopment Plan and Program (the "Redevelopment Plan") for the Downtown II Redevelopment Project Area (the "Project Area"). Known as the "Gem City", Quincy is the county seat of Adams County, and as such, City officials recognize that the appearance and commercial strength of the City, and particularly the historic downtown, is essential to maintain. Consisting of a mix of traditional downtown uses including commercial, institutional, light industrial, and framed by the Mississippi River, the downtown creates a strong sense of place for the community, and presents residents and visitors a grand historic building stock. However, due to vacancies, attributable to recent economic conditions, and the presence of deterioration of buildings and sites, the historic downtown has seen a lack of private investment. This study and plan is indicative of a strong commitment and desire on the part of the City to improve and revitalize the downtown. This document is intended to provide a framework for improvements and reinvestment within the Project Area over the next 23 years. The goal of the Redevelopment Plan is to encourage the redevelopment of existing obsolete and deteriorating buildings and sites, including municipal owned parking lots, and the revitalization of vacant and underutilized buildings for uses that will contribute to the economic strength and vitality of the surrounding community.

Over the past couple of decade, efforts have been made to revitalize the area with limited success. While some of the properties have been partially reutilized for various uses, much of the area remains underutilized or vacant. With the recognized goals of conserving the taxable value of land and buildings and protecting the character and the stability of the commercial, institutional, light industrial, and residential opportunities in the downtown Quincy, the City has decided to take direct action to encourage redevelopment efforts within the Project Area. City officials have determined that, without direct municipal involvement and financial assistance, the City's goals and objectives for this area cannot be met. To encourage new investment in the Downtown TIF II area, the City of Quincy has created the following Downtown TIF II Redevelopment Plan and Program (the "Redevelopment Plan") to identify an effective approach to facilitate development.

REDEVELOPMENT PROJECT AREA DESCRIPTION

The Project Area is generally bounded by 9th Street on the east, Broadway Street on the north, 5th Street on the west and York Street on the south. The Project Area also includes the parcels on the south side of Maine Street from 5th Street to 4th Street. Consisting of 185 parcels with a total of 145 buildings, the Project Area supports a mixture of land use types including commercial, mixed use (ground floor commercial w/residential above), industrial, institutional, parking, and office uses. The Project Area occupies approximately 49.42 acres, exclusive of right-of-way. Due to various factors, substantial private investment has not occurred in the Project Area.

Tax increment financing is permitted in Illinois under the "Tax Increment Allocation Redevelopment Act" (Chapter 65 ILCS 5/11-74.4-1, et seq.) of the Illinois Statutes as amended (hereinafter referred to as the "Act"). This financing mechanism is only applicable in areas that meet certain specifications outlined in the Act.

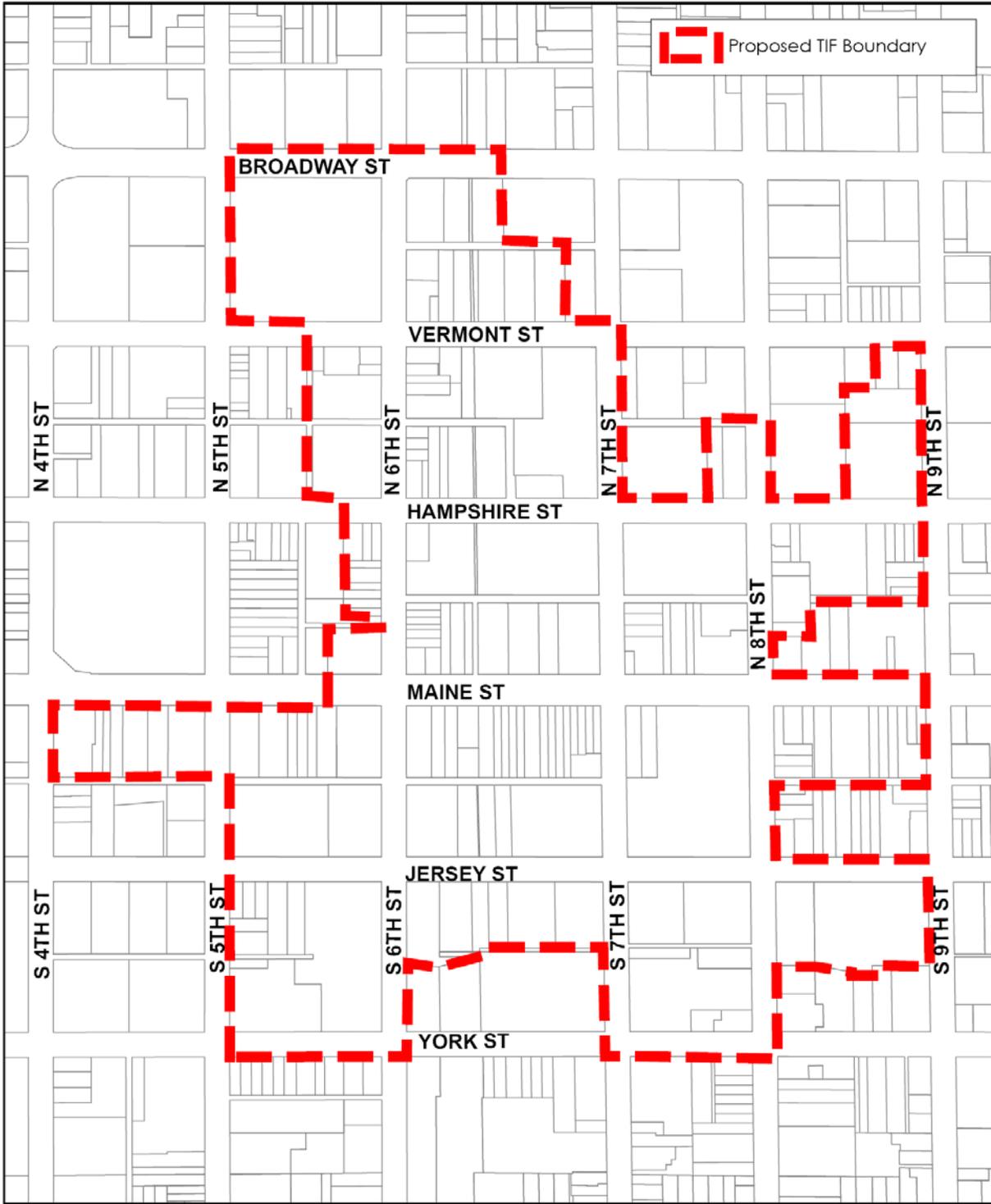
Commencing in December of 2008, a study was undertaken, consistent with the Act and related procedural guidelines, to determine the eligibility of the proposed redevelopment project area. Determination of eligibility of the Downtown II TIF Redevelopment Project Area for tax increment financing was based on a comparison of data gathered through field observation by Teska Associates, Inc. (TAI), document and archival research, and information provided by the City of Quincy, against the eligibility criteria set forth in the Act. As detailed in Appendix A of this Redevelopment Plan, the Project Area is eligible for designation as a "conservation area" due to the predominance and extent of the following factors:

- Age;
- Deterioration of sites and buildings;
- Excessive vacancies; and
- Lag in growth of EAV.

The legal description of the Project Area boundary is as follows:

LEGAL DESCRIPTION

<INSERT>



Proposed TIF Boundary

Quincy Downtown II TIF Redevelopment Plan
 City of Quincy, Illinois

November 2009



REDEVELOPMENT GOALS AND OBJECTIVES

The Redevelopment Plan seeks to respond to a number of issues and market conditions within the Project Area that have contributed to the inability to achieve the vision established by the City outlined in the 1996 Plan for the Central Business District. Consistent with the Central District Plan, this Redevelopment Plan is indicative of a strong commitment on the part of the City to continue the revitalization of the Downtown area by capitalizing on redevelopment opportunities. The goal of the Redevelopment Plan is to strengthen the residential, employment, and commercial components of the Project Area, through the improvement of existing utilities and facilities, including municipal owned parking lots, and induce the redevelopment of existing deteriorated, underutilized, and vacant buildings and sites for new and/or improved uses. This plan is intended to provide a framework for improvements within the Project Area over the 23-year life of a TIF district, including redevelopment goals, recommended land uses, and a budget of estimated project costs.

These overall goals and objectives are intended to guide redevelopment decisions within the Project Area. The goals and objectives of the Redevelopment Plan are both those articulated in the Illinois Tax Allocation Redevelopment Act, and those stated in the 1996 Plan for the Central Business District that are applicable to the Redevelopment Project Area. They are summarized below:

- *Promote downtown Quincy as a center of business activity and economic growth both locally and regionally.*
- *Purchase new, and expand and upgrade existing city facilities, particularly the four at-grade City parking lots within the Project Area, to provide the necessary infrastructure for redevelopment as well as encourage private investment.*
- *Encourage private investment to upgrade existing deteriorated buildings and sites.*
- *Encourage the reutilization of upper floor residential to provide a diversity of housing types throughout the City, which satisfy a wide-range of needs for all persons, regardless of age, race, religion, gender, national origin, physical ability, and economic level.*
- *Encourage private investment to redevelop vacant and underutilized buildings and sites.*
- *Explore carefully selected and positive financial and regulatory incentives that support the retention, expansion, and relocation of businesses to and within Quincy.*
- *Promote, retain, and attract businesses that provide a diverse base of employment opportunities.*

- *Provide the necessary beautification improvements to attract and encourage private investment.*

REDEVELOPMENT PLAN

The revitalization of the Project Area is a large and complex undertaking that presents many challenges and opportunities for the City. The success of this effort will depend on the cooperation between the private sector and the local government. Public and private development efforts have not, as yet, been able to stimulate the comprehensive revitalization of the designated Project Area. The adoption of this Redevelopment Area Plan and Program will aid in the implementation of the goals and objectives of the City and will assist in stimulating redevelopment and rehabilitation in this area which otherwise could not reasonably be anticipated to develop without the adoption of this Plan and Program. Through public investment, the area will become an environment and setting that will attract private investment.

The Act describes the Redevelopment Plan as “the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions, the existence of which qualified the redevelopment project area as a blighted area or conservation area, and thereby serves to enhance the tax bases of the taxing districts which extend into the redevelopment project area.”

The successful implementation of the Redevelopment Area Plan and Program requires that the City take full advantage of the real estate tax increment attributed to the Project Area as provided for by the Act. The Project Area would not reasonably be developed and improved without the use of such incremental revenues.

Purpose of the Redevelopment Plan

Pursuant to the Act, the purpose of a Redevelopment Plan for a Project Area is to promote the health, safety, morals, and welfare of the general public by:

1. Eradicating blighting conditions and instituting conservation measures;
2. Removing and alleviating adverse conditions by encouraging private investment of underutilized and vacant properties which will strengthen the economy, tax base, business environment, and living environment;
3. Improving existing public utilities within the area; and
4. Enhancing the overall quality of the City of Quincy.

Redevelopment Project Activities

The focus of the Project Area redevelopment is to provide the necessary infrastructure for redevelopment as well as encourage private investment in the Project Area in order to encourage redevelopment of underutilized and vacant buildings and parcels. In order to encourage private investment and redevelopment, the Plan encourages the purchasing of new, and expansion and upgrading of existing city facilities, particularly the four existing municipal parking lots in the Project Area. Improvements of such facilities will provide the necessary infrastructure to spur private investment in the surrounding area. In addition, to encourage private investment of underutilized and vacant building and sites, as well as a reinvestment into the existing building stock, this plan will allow for the use of funds to reduce the private interest costs.

The TIF will allow for the continued redevelopment of the downtown area by stimulating the creation of new municipal facilities, as well as reinvestment to the existing building stock, and vacant property. The redevelopment projects will have the extra advantage of the availability of vacant, as well as underutilized, land adjacent to downtown, in addition to the typical economic tools available. Overall, the following redevelopment activities will contribute to the long-term economic health and vitality of the City of Quincy.

It must be noted that the Redevelopment Land Use Plan shall serve as a guideline for the Project Area. It is not meant to establish specific requirements and should not be rigidly interpreted. Adjustments may be made in response to market conditions and other key factors as long as they remain consistent with the City's overall goals and objectives. The 1996 Plan for the Central Business District has been used as a foundation for the redevelopment activities and the Redevelopment Plan reflects the latest interpretations of the desired goals for the Project Area.

This section of the redevelopment plan describes the preferred redevelopment opportunities for the primary locations within the Project Area. These redevelopment opportunities include projects that may require assemblage of property, the demolition of existing buildings, rehabilitation of existing structures and/or the construction of new buildings. The following describes redevelopment activities intended for each individual area.

Residential – Vermont Street Methodist Church Site

Currently, the half-city-block adjacent to 9th street between Vermont and Hampshire street is undeveloped, as all buildings and/or other structures were removed from this site years ago. The four parcel, site is approximately 1.64 acres. The site is envisioned as one of the first opportunities to compliment the existing downtown with a new development that provides both the modern amenities that urban dwellers are attracted to while complimenting and not competing with existing retailers.

The site's location next to the Vermont Street Methodist Church, proximity to the downtown commercial district, and adequate size make this a prime site for a medium density residential development. The type of the residential should be in the form of 3-story row-house with a base density of 12 units to an acre. If a mixed-use concept for the site is desired, a condominium building with, retail commercial on the ground floor would suffice. The retail mix should include retailers that compliment the existing downtown. Parking should be provided on-site for both the residents and customers of the retail commercial uses, and should be located the rear of buildings. On-street parking along 9th street should be encouraged. If a mixed use building is provided, the commercial parking standards should reflect the urban nature of the development and allow for shared parking between commercial uses and account for other downtown parking opportunities in close proximity to the site. The buildings should front on Vermont, 9th, or Hampshire with a zero or minimal setback. All public right-of-ways adjacent to the development should be enhanced with a pedestrian streetscape that encourages walking from the site to adjacent downtown uses.

Residential – Ameren Site-Southside of Jersey Street between 8th and 9th Street

The former industrial user Ameren occupied the half-city-block along Jersey Street from 8th to 9th Street. While the 2-parcel, 2.09-acre site currently is occupied by an older industrial type warehouse and gravel parking lot, the site is planned for full environmental remediation, including the removal of the top 25 feet of dirt from all portions of the site. The remediation will be up to residential cleanup standards. Similar to the Vermont Street Church Site, this site is a second opportunity to compliment the existing downtown with a new development that provides both the modern amenities that urban dwellers are attracted to while complimenting and not competing with existing retailers.

The location of this site on the periphery of the central business district and the transition to more both industrial loft style buildings and single family uses, make this a prime site for 3-story row-house, or a mixed use development. With a base density of 12 units to an acre, this site could accommodate between 22 and 25 units.

If a mixed use building is desired, the building could range between 3 and 4 stories in height; however, a taller mixed use building could be constructed this site if so desired. The retail uses, located on the first floors, can attract from the surrounding residential uses and should bring new customers into the downtown area and not necessarily directly compete with the existing uses. The new developments have the potential to introduce downtown Quincy to new customers with its mix of retail opportunities that new development can attract. The upper floors of the buildings should be built as residential with a mix of unit types from one-bedroom to three and four bedroom units.

The buildings should front on Jersey Street and wrap around 9th street with a zero or minimal setback. All public right-of-ways adjacent to the development should be enhanced with a pedestrian streetscape that encourages walking from the site to adjacent downtown uses. Parking should be located on site to the rear of buildings and on-street parking should compliment existing downtown parking character and style.

City Parking Lots-At-grade.

Distributed around the study area, are four City parking lots that are in need of repair and beautification. Such improvements of landscaping, signage, layout, and lighting shall increase the viability of these sites to serve the existing commercial and office uses, and will provide the necessary infrastructure to spur private investment in the surrounding area.

Commercial – Northwest Corner of York St and 7th St; Northwest Corner of Jersey St and 6th St; South Side of Hampshire between 7th St and 8th St.

While, currently these three properties occupy various uses, it is anticipated that they will develop in the future as commercial, with retail uses on the first floor and office uses on the second. In order to create uniform building form and match the existing downtown character, all buildings should be built with a zero setback. All public right-of-ways adjacent to the development should be enhanced with a pedestrian streetscape that encourages walking from the site to adjacent downtown uses. Parking should be located on site to the rear of buildings and on-street parking should compliment existing downtown parking character and style.

Commercial/Office – First Floor

Many of the current spaces along the first floors streets within the Project Area are underutilized or vacant commercial. It will take a concerted effort on behalf of both of the City as well as private property owners to revitalize these spaces. The City can assist in the redevelopment of these properties. Through developer incentives programs, redevelopment opportunities of these commercial spaces can be induced. The redevelopment of these properties should include internal improvements, as well as external improvements including an attractive design, use of quality materials, and attention to architectural details such as signage, lighting and overhangs.

Residential-Upper Floors

Along many streets within the Project Area, the upper floor consists of residential units. These upper floor residential units are particularly prevalent along Maine, Hampshire and 6th Street. Many of these spaces are currently vacant because they are outdated due to lack of owner investment. However, with access to public transportation, proximity to employment, and the ability to walk to get daily needs, downtown living is an appealing market for many individuals. These spaces should be targeted to a young professional and elderly population. Through

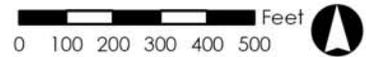
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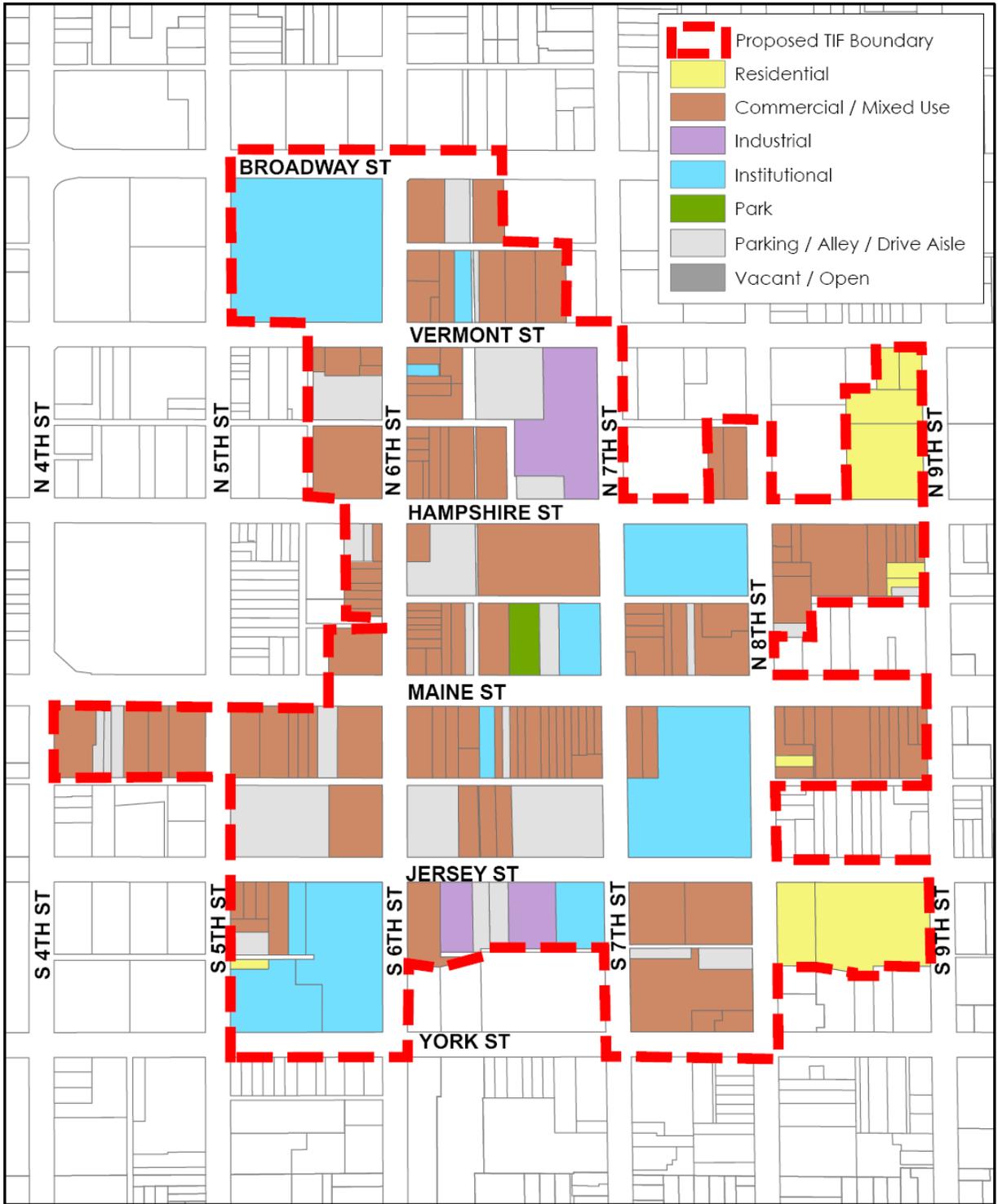


Existing Land Uses

Quincy Downtown II TIF Redevelopment Plan
 City of Quincy, Illinois

November 2009

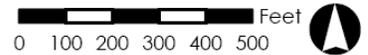




Future Land Use Recommendations

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Quincy Downtown II TIF Redevelopment Plan
 City of Quincy, Illinois



Eligible Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the Redevelopment Plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services;
2. The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
3. Property assembly costs including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation and site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
4. Costs of rehabilitation, reconstruction, repair, or remodeling of existing private or public buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
5. Costs of the construction of public works or improvements;
6. Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the Project Area, and costs of advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, as provided in the Act;
7. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued, and not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan;

9. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units as provided in the Act;
10. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law;
11. Payment in lieu of taxes;
12. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act;
13. Up to 50% of the cost of construction, renovation, and/or rehabilitation of all low- and very low-income housing units as defined in Section 3 of the Illinois Affordable Housing Act, as provided by the Act.

Acquisition and Clearance

To meet redevelopment objectives, it may be necessary, though not anticipated, for the City of Quincy to acquire properties in the Project Area. Ideally, redevelopment or rehabilitation can be encouraged to be undertaken by the private market. The City will help to market and promote such redevelopment opportunities. The City may elect to acquire property through a direct market transaction. However, under exceptional circumstances, the City Council may choose to exercise its power of eminent domain, including appropriate compensation for property acquisition. It is not the intent of the City to acquire properties unless, on a site-by-site basis, the City Council determines acquisition to be necessary to implement this Redevelopment Plan. Such determination may be made without further amendment to this Plan.

The redevelopment project activities identified in this plan have emphasized the improvement of municipality parking facilities, as well as the development and revitalization of underutilized and vacant building and sites. It is the intent of the City that less than ten (10) residential units are removed as a result of this redevelopment plan. If, over the lifetime of this plan, up to nine (9) residential units are removed as a result of redevelopment activity, the City certifies that no additional redevelopment activity will occur within the redevelopment project area that results in the removal of any additional units.

Land Disposition

Property, which may be acquired by the City, may be assembled into appropriate redevelopment or rehabilitation sites. These properties may be sold or leased by the City to other public bodies or to private developers, in whole or in part. Terms of conveyance may be incorporated into appropriate disposition documents or agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of the land. The City reserves the right to sell or lease any property acquired within the TIF District during the 23-year duration of the TIF. Any future modifications to the

stated disposition actions of this Plan will be in accordance with the objectives of this Redevelopment Plan and Program, and will not require any amendment to the Plan.

No conveyance, lease, mortgage, disposition of land or other property, or agreement relating to the development of property will be made except upon the adoption of an ordinance by the City. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made without providing reasonable opportunity for the submission of alternative proposals or bids.

Public Improvements

The City of Quincy will provide public improvements in the Project Area to facilitate redevelopment and support the Redevelopment Plan, and to serve the needs of Quincy's residents. Appropriate public improvements may include, but are not limited to, the following:

1. vacation, removal, resurfacing, widening, reconstruction, and other improvements to rights-of-way, streets, alleys, pedestrianways, and pathways;
2. development of or improvements to public open space;
3. relocation expenses;
4. improvement of public utilities such as sewer and water lines, sidewalks, curbs and gutters, storm water detention facilities;
5. beautification improvements, including streetscape, lighting, signage, and landscaping of the project area;
6. grants or loans to private property owners for eligible property improvements, including building rehabilitation, façade restoration or enhancements; and
7. demolition of obsolete structures.

Recommended public improvements anticipated to be undertaken include certain improvements to municipal parking facilities; however, other improvements might include streetscape and other infrastructure improvements, as well as assistance to property owners for facade improvements and building rehabilitation. The costs associated with these improvements, other than municipal parking facilities, may be shared by the City of Quincy and individual developers, pursuant to an agreement between the parties. The City may determine at a later date that certain listed improvements are no longer needed or appropriate and may

remove them from the list, or may add new improvements to the list that are consistent with the objectives of this Redevelopment Plan.

Phasing of Project

The Redevelopment Projects anticipated in this plan may commence immediately. The major projects may be completed within twelve (12) years. Facade improvements, building rehabilitations, and other activities on individual properties may occur throughout the life of the Tax Increment Financing District. The City may undertake additional public improvements as necessary throughout the life of the project.

Estimated Project Costs

The following table outlines the estimated costs of the Redevelopment Project:

Table 1: Estimated Redevelopment Project Costs

Expense Categories	Amount
Property assembly and acquisition	\$500,000
Environmental and planning studies, surveys, development of engineering and architectural plans, specifications, implementation and administration fees	\$500,000
Costs of construction of public works including: street improvements, public and private utility improvements, and municipal facility improvements	\$4,000,000
Interest costs incurred by redeveloper, not to exceed 30% of the annual interest costs	\$2,000,000
Financing costs, related to the issuance of obligations not exceeding 36 months.	\$1,000,000
Job training and retraining projects for implemented by businesses within redevelopment project area	\$10
Job training and retraining projects for taxing body within redevelopment project area	\$10
Relocation costs	\$10
Payment in lieu of taxes	\$1,000,000
Elementary, secondary, or unit school district’s increased costs attributable to assisted housing units as provided in the Act	\$10
Rehabilitation, reconstruction, repair, or remodeling of	\$10

existing public or private buildings and fixtures through loans, grants, interest subsidy or other financial assistance	
Total Estimated Project Costs	\$9,000,050

Financing costs during construction (not to exceed 36 months) may also be included. Over the lifetime of the plan, redevelopment project costs may fluctuate and necessitate a modest change to the individual line items, however such changes will not result in an increase of the total estimated project costs. Such modifications may be made without further amendment to this Plan so long as there is not an overall increase in the total estimated project costs.

Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs. Total Project Costs are inclusive of redevelopment project costs in contiguous project areas or those separated by only a public right-of-way that are permitted under the Act to be paid from incremental property taxes generated in the Project Area, but do not include redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous project areas or those separated only by a public right-of-way. The amount of revenue from the Project Area made available to support such contiguous project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the Redevelopment Plan.

Sources of Funds

Funds necessary to pay redevelopment project costs may be derived from a number of authorized sources. These may include, but are not limited to, the following:

1. Real property tax increment revenues from the Project Area;
2. Tax revenues resulting from the establishment of any Special Service Area districts within the Project Area;
3. Interest earned on temporary investments;
4. Gifts, grants, and contributions;
5. Bond proceeds;
6. Sale or lease of land proceeds;
7. User fees;

8. Municipal sales taxes; and
9. The City's general revenue fund.

The principal source of funds will be the incremental increase in real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the project area over the initial equalized assessed value of each such lot, block, tract or parcel. There may be other eligible local sources of revenue that the City determines are appropriate to allocate to the payment of redevelopment project costs.

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

Nature and Term of Obligations to Be Issued

The financial plan of this Redevelopment Plan is intended to establish a conservative public expenditure approach. Revenues will be accumulated in the special tax allocation fund to pay for public purpose expenditures identified in this Redevelopment Plan, and whenever practical, expenditures will be made on a cash basis. This method of financing shall not preclude the City from undertaking initiatives designed to stimulate appropriate private investment in the Project Area.

Certain redevelopment projects may be of such a scale or on such a timetable as to preclude financing on a cash basis. These projects may be funded by the use of tax increment revenue obligations issued pursuant to the Act for a term not to exceed December 31st of the year after the 23rd year. Consistent with the conservative nature of the financial plan for this Redevelopment Program, the highest priority for the issuance of tax increment revenue obligations shall occur when the commitment is in place for private sector investment necessary to fund the amortization of such obligations.

All obligations are to be covered after issuance by projected and actual tax increment revenues and by such debt service reserved and sinking funds as may be provided by ordinance. Revenues not required for the retirement of obligations providing for reserves, sinking funds, and anticipated redevelopment project costs may be declared surplus and become available for distribution annually to the taxing districts in the Project Area.

One or more issues of obligations may be sold at one or more times in order to implement this plan, as now or hereafter amended, in accordance with law.

The City may, by ordinance, in addition to obligations secured by the special tax allocation fund provided by law, pledge for a period not greater than the term of the obligations any part or any combination of the following:

1. net revenues of all or part of a Redevelopment Project;
2. taxes levied and collected on any or all property in the municipality;
3. the full faith and credit of the municipality;
4. a mortgage on part or all of the Redevelopment Project;
5. any other taxes or anticipated receipts that the municipality may lawfully pledge.

Equalized Assessed Valuation

Table 2 lists the most recent (2008) equalized assessed valuation of properties in the Project Area by block. The total 2008 equalized assessed valuation of the Project Area is \$6,522,241.

Table 2: Project Area EAVs

Section	2008 Equalized Assessed Value
101	\$487,660
102	\$442,970

103	\$1,738,581
105	\$1,691,200
106	\$1,238,560
107	\$372,540
108	\$526,500
702 / 790	\$24,230
Total	\$ 6,522,241

Upon the completion of the Redevelopment Project it is estimated that the equalized assessed valuation of real property within the Project Area will be in excess of \$36 million in 2008 dollars. This figure is based upon estimates of value for the rehabilitation and redevelopment projects that are anticipated.

Payment in Lieu of Taxes

No payments in lieu of taxes are anticipated for this project.

Provision for Amending the Redevelopment Plan Objectives and Project

The Redevelopment Plan objectives and project may be amended pursuant to provisions of the Act.

FINDINGS OF NEED FOR TAX INCREMENT FINANCING

On the basis of the Quincy Downtown TIF II Redevelopment Project Area Eligibility Study and this Redevelopment Plan, the City Council of Quincy, Illinois, can adopt the following findings pursuant to Section 11-74.4-3(n) of the Act.

Project Area Not Subject to Growth

The City finds that the Project Area on the whole has not been subject to growth and redevelopment through investment by private enterprise, based on the physical condition and the lag in growth in property values as follows:

- As described in the Eligibility Study, the physical condition of the Project Area testifies to the lack of maintenance and improvement activities. In particular, the Eligibility Study identifies a prevalence of deterioration both of buildings and surface improvements. Such deterioration is a direct consequence of a lack of investment in the Project Area. While each individual property may not be deteriorated, the Project Area as a whole is

characterized by a reasonable extent and meaningful distribution of this lack of investment.

- The project area exhibits a substantial amount of building and parcel vacancies. This distribution of vacancies exerts significant blighting affect throughout the Project Area to the point that it will begin to negatively impact adjacent properties and uses. The continued dispersal of vacancies could begin to indicate that a significant portion of the Project Area is underutilized, and the appearance of vacancies would exert a further drain upon the vitality of the community. Given the propensity of this characteristic and its potential to spread further throughout the Project Area, this characteristic is a major contributing factor to the conservation area designation of the Project Area.
- The total Equalized Assessed Value (EAV) of the Project Area has consistently lagged that of the balance of the City of Quincy between 2004, 2005, 2006, 2007, and 2008. Relative to the immediate surroundings, the Project Area has not experienced appropriate growth in the tax base or shown evidence of private investment that increases the value of properties. Further, this is a significant trend that has persisted over a majority of the time period under analysis.

Therefore, the City of Quincy finds that the Project Area is not subject to appropriate growth and development, and is not reasonably anticipated to be developed without adoption of this Redevelopment Plan.

Conformance with Comprehensive Plan

This Redevelopment Plan and Program is consistent with the Quincy Central Business District Revitalization Plan, which was adopted by the Mayor and City Council in 1996. The goals of the 1996 Revitalization Plan were:

- Economic Vitality: financial success, high productivity and quality performance;
- Sense of Place: an attractive and memorable physical image;
- Spirit of Community: that which brings people together for the common good; and
- Neighborhood Integrity: a complete and unimpaired (appealing) living environment.

Date of Completion

The estimated year of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs under no circumstances shall extend beyond December 31, 2033 (The year after the 23rd year from the date of adoption of the ordinance approving the Project Area).

FINANCIAL IMPACT OF REDEVELOPMENT

Without the adoption of the Redevelopment Plan and Project, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment, there is a prospect that blighting factors will continue and spread to the adjacent residential neighborhoods and the area as a whole will become less attractive for the maintenance and improvement of existing buildings and sites. Erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Implementation of the Redevelopment Plan is expected to have significant short and long-term positive financial impacts on the taxing districts affected by this Redevelopment Plan. In the short term, the City's effective use of tax increment financing can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long term, after the completion of all redevelopment improvements and activities, the completion of Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in equalized assessed valuation caused by the Redevelopment Plan.

Specifically, the following taxing districts cover the proposed redevelopment project area:

1. Adams County
2. Quincy Township
3. City of Quincy
4. Quincy Park District
5. John Wood Community College
6. Quincy School District 172

Impact On Adams County

As a result of new residential development in the Project Area, Adams County may experience increased demand for services. This increased demand should not be so substantial that, on its own, warrants the hiring of additional staff or the need to increase services. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

Impact On Quincy Township

The Redevelopment Plan is not anticipated to increase the demands of the current services that the Township offers. The increased demand for any Quincy Township provided services resultant from the Redevelopment Plan set forth in this document will be incidental in relation to the total operations of the Township. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

Impact On City Of Quincy

As a result of new development in the Project Area, the City of Quincy may experience increased demand for services such as police protection and fire protection. This increased demand

should not be so substantial that, on its own, warrants the hiring of additional police officers or the purchasing of additional fire trucks and related equipment. Therefore, no redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

Impact On Quincy Park District

Any increased demands for recreational services resultant from the anticipated commercial and office development should have minimal impacts on the Park District – any increase would only account for a small percentage of the total demands required of the District. As a result of new residential development in the Project Area, the Park District may experience increased demand for services. However, it is anticipated that the recreational opportunities within close proximity to the Project Area will meet the general recreational needs for any new residents. No redevelopment projects or direct mitigations are set forth in the Redevelopment Plan.

Impact On John Wood Community College

Given the nature and limited type of residential development proposed, the impact on John Wood Community College will be incidental, as it is likely that a majority of these residents already have obtained the skills they require for their foreseeable future. No program is set forth in the Redevelopment Plan.

Impact On Quincy School District 172

Due to the type of proposed residential units including upper floor rental and townhomes, it is not anticipated that this type of development will lend itself to large increase in school age children. Any additional school children introduced into the school district is not anticipated to have a significant impact. If the school district provides reasonable evidence to support a claim for reimbursement as required under Section 11-74.4-3.q.(7.5) the appropriate level of reimbursement will be provided from the collected tax increment as required by the Act. No specific program is set forth in the Redevelopment Plan.