

LAKEFRONT TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA

Redevelopment Plan & Program



Fox Lake, IL

PUBLIC HEARING

July 2022

**LAKEFRONT TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AREA
REDEVELOPMENT PLAN & PROGRAM**



June 2022

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INTRODUCTION

This report documents the Tax Increment Redevelopment Plan and Program (the “Redevelopment Plan”) for the Village of Fox Lake Lakefront Tax Increment Financing Redevelopment Project Area (the “Project Area”). The Redevelopment Plan has been prepared for use by the Village of Fox Lake (the “Village”) by Teska Associates, Inc. The proposed Redevelopment Plan seeks to respond to a number of deficiencies, challenges and needs within the Project Area, and is indicative of a strong commitment and desire on the part of the Village to improve and revitalize the Project Area. This document is intended to provide a framework for improvements and reinvestment within the Project Area over the next 23 years.

The Village’s current comprehensive plan, which was adopted in 2012, encourages continued economic development within the Village, and highlights specific recommendations for the Project Area. The comprehensive plan identifies the “Route 12 Bridge Gateway” as a ‘priority site’ within the Village of Fox Lake.

The Project Area generally includes properties located on IL Route 12, consisting primarily of a marina and boat repair facility. Due to the unique nature of the property located on an island connected by the Route 12 bridge, and the extraordinary challenges necessary for redevelopment in such a location, the Village is exploring tax increment financing. To this end, the Village retained the planning consulting firm Teska Associates, Inc. to assist the Village in the creation of a new Redevelopment Project Area (also referred to as a “TIF District”) covering these properties. Teska has conducted the necessary field surveys, site evaluations, and identified key redevelopment opportunities and necessary public improvements within the Project Area, and this Redevelopment Plan summarizes the analyses and findings of the consultant’s work. The Village is entitled to rely on the findings and conclusions of this Redevelopment Plan in designating the Project Area as a “redevelopment project area” under the **State of Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 as amended**, the “Act”. Teska has prepared this Redevelopment Plan and the related Eligibility Study with the understanding that the Village would rely on: (a) the findings and conclusions of the Redevelopment Plan and associated Eligibility Report in proceeding with the designation of the Project Area and the adoption and implementation of the Redevelopment Plan; and (b) the fact that Teska has obtained the necessary information so that the Redevelopment Plan and the related Eligibility Study will comply with the requirements of the Act.

Tax Increment Financing

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 the "Act"). Only areas which meet certain specifications outlined in the Act are eligible to use this financing mechanism. In addition to describing the redevelopment objectives, this Redevelopment Plan report sets forth in general terms the overall program to be undertaken to achieve these objectives.

The Act permits municipalities to improve eligible "conservation" or "blighted" areas in accordance with an adopted Redevelopment Plan over a period not to exceed 23 years. The municipal cost of certain public improvements and programs can be repaid with the revenues generated by increased assessed values of private real estate within a designated project area. This taxing power is only applied to the increase in equalized assessed valuation generated within the designated project area during the limited term of the Redevelopment Plan, principally increased equalized assessed valuation from new private development.



REDEVELOPMENT PROJECT AREA DESCRIPTION

The boundaries of the Project Area were carefully established in adherence to the eligibility criteria and include only those parcels which would benefit by the proposed Redevelopment Plan. The Project Area generally consists of the marina property and adjacent associated commercial properties on IL Route 12, and consists of eight (8) parcels totaling approximately thirty (40) acres. Existing land uses within the Project Area are illustrated in "Figure B Existing Land Uses."

Table 1: Existing Land Use	
Existing Land Use	Land Area (Acres)
Commercial	25
Rights-of-way	15
TOTAL	40

Table 2: Existing Housing Units *	
Type	Units
Single-Family	0
Multi-Family	0
TOTAL	0

** The intended relocation of ten (10) or more residential units, or the presence of seventy-five (75) or more residential units requires the preparation of a Housing Impact Study. Therefore, a Housing Impact Study is not required to be included in this report.*

Figure A – Boundary Map



Figure B – Existing Land Use



Figure C – Residential Units



Summary of the Eligibility of the Proposed Project Area TIF District

In the spring of 2022, a study was undertaken, consistent with the Act and related procedural guidelines, to determine the eligibility of the Project Area. These “Eligibility Findings” indicate that the proposed Project Area meets the statutory requirements of a “conservation area” and is therefore eligible for designation as a Redevelopment Project Area as defined in the Act.



As detailed in Appendix B – Tax Increment Financing Eligibility Report of this Redevelopment Plan, the Project Area is eligible for designation as a “conservation area” due to the predominance and extent of the following characteristics:

1. Deterioration;
2. Obsolescence;
3. Inadequate Utilities; and
4. Lack of Planning.

Each of these factors contributes significantly to the eligibility of the Project Area as a ‘conservation area.’ These characteristics point towards the need for designation of the Project Area as a “conservation area” to be followed by public intervention in order that redevelopment might occur.

REDEVELOPMENT PLAN & PROGRAM

The revitalization of the Project Area presents challenges and opportunities for the Village of Fox Lake. The success of this effort will depend upon cooperation between private investment and local government. Public and private development efforts have not yet been able to stimulate the comprehensive revitalization of the Project Area. The adoption of this Redevelopment Plan is intended to assist with the rehabilitation of the existing marina and ancillary uses, as well as implementation of the goals and objectives of the Village's Comprehensive Plan, which otherwise could not reasonably be anticipated to occur without the adoption of this Redevelopment Plan. Through public investment, the area will become more attractive to 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 Lakefront Redevelopment Project Area Plan & Program requires that the Village take full advantage of the real estate tax increment attributed to the Project Area as provided for by the Act. The Project Area will 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 is to promote the health, safety, morals, and welfare of the general public by:

- < Eradicating blighting conditions and instituting conservation measures;
- < 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;
- < Improving existing public utilities and infrastructure within the area; and
- < Enhancing the overall quality of the business environment in the Village of Fox Lake.

Redevelopment Plan Goals and Objectives

The aim of the Redevelopment Plan is the revitalization of the Project Area as a strong and attractive marina and associated commercial area on the shore of the Fox Lake, which will contribute to the health and vitality of the Village of Fox Lake. The goals and objectives of the Redevelopment Plan include those articulated in the Act, and those stated in the Village of Fox Lake Comprehensive Plan. The goals and objectives outlined in the Comprehensive Plan which relate to this Redevelopment Plan are summarized below:

The marina property is identified as a 'key redevelopment site' (page 46) and a 'priority place' (page 72)

Private sector redevelopment of the marina property and municipal development of the community park has the potential to define the image of the Village of Fox Lake as viewed and entered from the north" (page 68)

Pedestrian accessibility can also be improved in conjunction with redevelopment opportunities on the existing marina property (page 72)

Coordinate with private property owners to redevelop vacant or underutilized properties and consolidate parking (page 121)

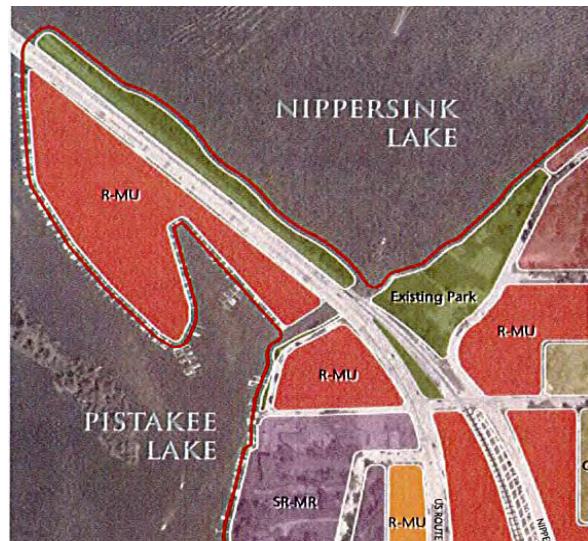
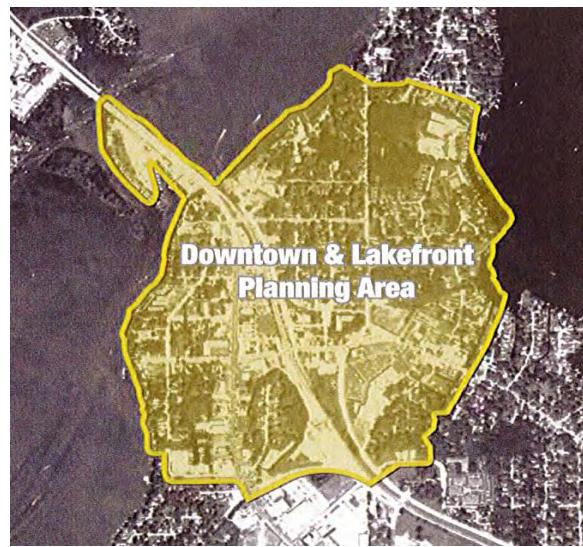


Figure D – Future Land Use

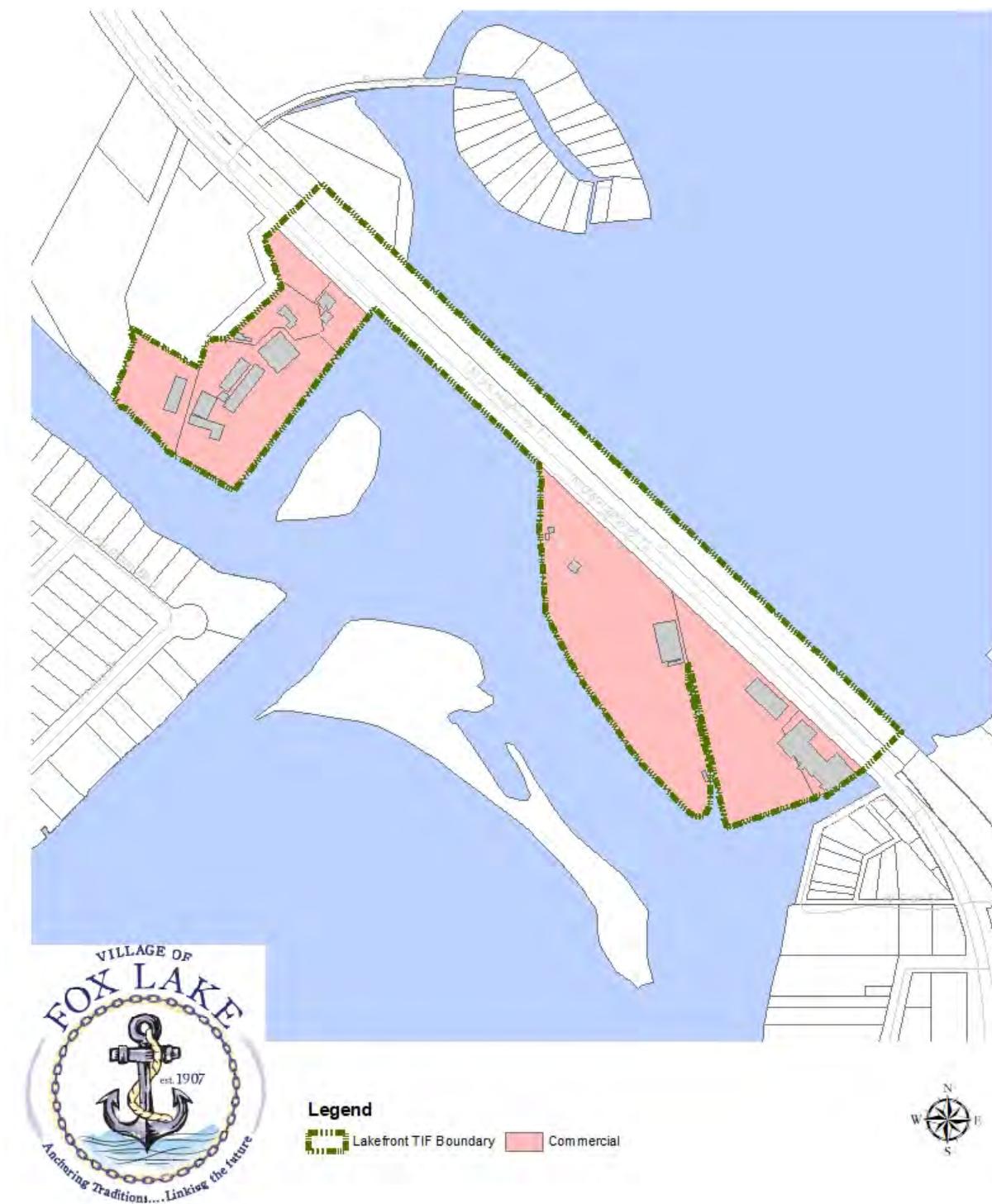
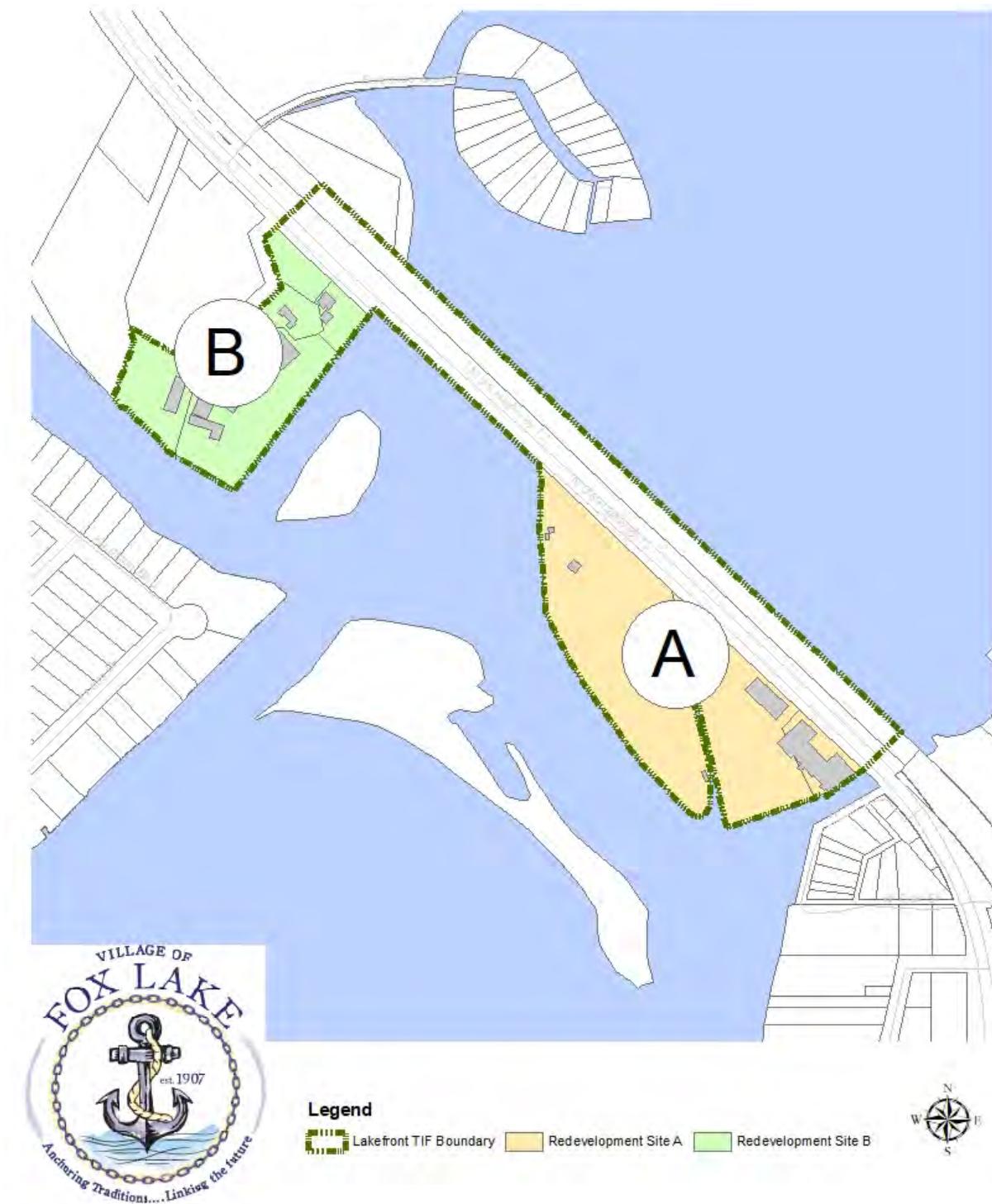


Figure E – Redevelopment Sites



Future Land Use Plan

The recommended land uses, redevelopment opportunities, and public improvements of this Redevelopment Plan are based upon the guidelines and development opportunities presented in the Village of Fox Lake Comprehensive Plan.

The intent of the Future Land Use Plan is to provide a long-range guide for determining the uses to which the land should eventually be put, and to direct subsequent zoning decisions as redevelopment occurs within the Project Area. The designation of an existing use as a redevelopment site is not intended to suggest any immediate requirement for redevelopment. Rather, these sites are identified as a way of planning for their future redevelopment only if and when a property owner pursues a development project, or an existing business or resident vacates a property.

The Future Land Use Plan (Figure D) shows anticipated land uses at completion of project activities. The marina site is anticipated to remain but be rehabilitated/redeveloped. General land use descriptions are as follows:

Commercial

The Commercial category includes the existing marina and associated commercial uses appropriate for the Route 12 corridor lakefront area, including commercial uses as permitted in the Village of Fox Lake zoning ordinance. Ancillary uses to the primary commercial use, including parking and detention/open space, is also permitted.



Redevelopment Opportunity Sites

The Project Area includes multiple redevelopment opportunity sites, as identified in (Figure E - Redevelopment Sites). Recommendations for these sites, including land uses, design guidelines, and conceptual site designs, are derived from the Village's Comprehensive Plan, and discussions with Village staff.

Table 3 indicates the potential future opportunity sites, existing land uses, and potential future land uses. Although the first use is shown on the Future Land Use Plan described in the previous section, any land use described in Table 3 is appropriate and within the intent of this Redevelopment Plan.

The Redevelopment Plan shall serve as a guideline for the Project Area but is not intended to establish specific requirements. Adjustments may be made in response to market conditions and other key factors as long as they remain faithful to the Village's overall goals and objectives for the Project Area, and for Village of Fox Lake in general. Therefore, this Redevelopment Plan is consistent with the Village's Comprehensive Plan and is intended to be a key vehicle for implementation of that plan.

<i>Table 3: Redevelopment Opportunity Sites</i>			
Site	Approx. Area (Acres)	Existing Land Use	Future Land Use
A	16	Commercial/boat repair	Commercial
B	9	Marina/boat repair	Commercial
Total	25		

The Village may determine that other redevelopment opportunities, where consistent with the land use designations on the Future Land Use Plan, are within the intent of this Redevelopment Plan.

As indicated by Figure E, the Project Area parcels are planned primarily for commercial. In addition to these opportunity sites, the Redevelopment Plan also anticipates activities may be undertaken by the public sector, which are identified in the Public Improvements section of this report. All of these future redevelopment opportunities and public improvements should be conducted with the guidance of the Village's Comprehensive Plan.

Undertaking these redevelopment activities will generate increased tax revenues, encourage ancillary commercial opportunities, upgrade public improvements such as roadways, parking areas, sidewalks, etc., and provide a stimulus for additional development in surrounding areas. Through these improvements, the character and economic viability of the Lakefront Project Area, and the area in general will be improved over time.

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 the Redevelopment Plan and Program. As provided by the Act, other eligible project costs may include, without limitation, the following:

- < 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;
- < The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
- < 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;
- < Costs of rehabilitation, reconstruction, repair, or remodeling of existing public or private 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;
- < Costs of the construction of public works or improvements;
- < 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;
- < 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;
- < To the extent the Village 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;

- < To the extent the Village by written agreement accepts and approves the same, an elementary, secondary, or unit school district's increased costs attributable to assisted housing units as provided in the Act;
- < Relocation costs to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law;
- < Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act.

Acquisition and Clearance

In order to facilitate coordinated redevelopment and meet redevelopment objectives, it may be necessary for the Village to assemble individual properties into unified sites which can be developed in their entirety. Any clearance of existing structures will be scheduled to minimize the adverse effects of rehabilitation or clearance activities.

Land Disposition

Property which may be acquired by the Village may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the Village to other public bodies or to private developers, in whole or in part. The Village may in the future modify this disposition plan in accordance with the objectives of this Redevelopment Plan and Program, without amending the Plan. 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.

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 Village.

Public Improvements

The Village of Fox Lake will continue to provide public improvements in the Project Area to stimulate development and redevelopment in a manner consistent with this Redevelopment Plan. Some public improvements may be provided in partnership with the Illinois Department of Transportation (Route 12), or other governmental agencies as applicable. Public improvements may include, but are not limited to, the following:

- < Vacation, removal, resurfacing, widening, reconstruction, and other improvements to rights-of-way, streets, alleys, bridges, pedestrian ways, and pathways.
- < Development of or improvements to public open space.
- < Construction of off-street parking facilities and structures.

- < Improvement of public utilities such as sewer and water lines, electric lines, sidewalks, curbs and gutters, storm water detention facilities. Such improvement may include relocation and/or burial of existing overhead lines.
- < Demolition and rehabilitation of obsolete structures.
- < Beautification and safety improvements, including streetscape, lighting, signage, and landscaping of public properties.

Public improvement activities which are planned as part of this Redevelopment Plan are based upon recommendations contained in the Comprehensive Plan and through meetings and conversations with the Village staff. A summary of recommended public improvements includes the following:

- < Access improvements (defining access points and consolidating points of access) and parkway enhancements;
- < Right-of-way improvements;
- < Improvements to landscaping and landscape buffers;
- < Parking lot improvements;
- < Improvements to pedestrian lake access.

The costs associated with the public improvements described in this Redevelopment Plan may be shared by the Village of Fox Lake, other governmental agencies, and individual developers and property owners, pursuant to an agreement between the parties. The Village may determine in the future 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 which are consistent with the objectives of this Redevelopment Plan. Such additions shall not require plan amendment provided they are for eligible public improvements and will not require an increase to the total estimated project costs in Table 4.

Phasing of Project

Redevelopment projects anticipated in this Plan may commence immediately. Most of the development and redevelopment projects are anticipated to be completed within twenty-three (23) years. Facade improvements, building rehabilitations, and other activities on individual properties will be encouraged throughout the life of the TIF. The Village may undertake additional public improvements or development projects as appropriate throughout the life of the Redevelopment Plan and Program.

Estimated Project Costs

Estimated public project costs are listed in Table 4. These costs are based on 2022 dollars and are therefore subject to inflation. Increases in estimated Total Redevelopment Project Costs of more than five percent (5%), after adjustment for inflation from the date of the Redevelopment Plan adoption, are subject to amendment procedures as provided under the Act.

Table 4: Estimated Redevelopment Project Costs

Category	Cost
Property Assembly including Acquisition, Site Preparation and Demolition, Environmental Remediation	\$8,000,00
Environmental, market and planning studies, surveys, development of engineering and architectural plans, specifications, implementation and administration fees	\$8,000,000
Rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings and fixtures	\$1,000,000
Construction or improvement of public improvements (1)	\$10,000,000
Job training/retraining and relocation costs	\$1,000,000
Developer Interest Costs, taxing districts eligible reimbursement and capital costs	\$1,000,000
Total Estimated Project Costs (2) (3)	\$29,000,000

- (1) *Public improvements may also include capital costs of taxing districts and other costs allowable under the Act. Specifically, public improvements as identified in the Redevelopment Plan and as allowable under the Act may be made to property and facilities owned or operated by the Village or other public entities. As provided in the Act, Redevelopment Project Costs may include, to the extent the Village 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.*
- (2) *Actual costs for each category identified above may vary provided that the total estimated project costs may not be exceeded by more than 5%, after adjustment for inflation, without amendment to this Redevelopment Plan.*
- (3) *This table does not include costs associated with the issuance of municipal obligations, capitalized interest, reimbursement for a portion of privately issued obligations, financing costs during construction (not to exceed 36 months), or other eligible project costs. Such additional costs may or may not be incurred and cannot be estimated at this time.*

Sources of Funds

The Act provides a way for municipalities to finance public redevelopment costs with incremental real estate tax revenues. Incremental tax revenue is derived from the increase in the current equalized assessed valuation (EAV) of real property within the Project Area over and above the certified initial EAV of the real property. Any increase in EAV is then multiplied by the current tax rate, resulting in the tax increment revenue.

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:

- < Real property tax increment revenues from the Project Area;
- < Tax revenues resulting from the establishment of any Special Service Area districts within the Project Area;
- < Interest earned on temporary investments;
- < Gifts, grants, and contributions;
- < Sale or lease of land proceeds;
- < User fees;
- < Transfer from a contiguous redevelopment project area created under the Act.

The principal source of funds to undertake redevelopment activities 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 also be other eligible local sources of revenue, such as the sale or lease of Village owned property, that the Village determines are appropriate to allocate to the payment of redevelopment project costs.

The Village 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 those obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the 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 with the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the 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 Village from undertaking initiatives designed to stimulate appropriate private investment within the Project Area.

Certain redevelopment projects may be of such a scale or on such a time-table 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 twenty (20) years. 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 within 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 Village 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:

- < Net revenues of all or part of a Redevelopment Project,
- < The full faith and credit of the municipality.
- < A mortgage on part or all of a Redevelopment Project.
- < Any other taxes or anticipated receipts that the municipality may lawfully pledge.

Initial Equalized Assessed Valuation

Table 5 lists the equalized assessed valuation of properties in the Project Area. The total 2021 equalized assessed valuation of the Project Area is **\$1,441,350**.

Table 5: Project Area Equalized Assessed Valuation (2021)

PIN	VALUE
0504304005	\$363,159
0504304004	\$112,060
0504304006	\$69,254
0504304009	\$41,223
0504304007	\$67,975
0504400010	\$502,776
0504400011	\$131,290
0504400012	\$153,613
TOTAL	\$1,441,350

Anticipated Equalized Assessed Valuation

Upon the completion of anticipated redevelopment projects, it is estimated that the equalized assessed valuation of real property within the Project Area will be approximately **\$19,000,000**. This figure is based upon estimates of value for the anticipated rehabilitation and redevelopment projects described in this report.

Payment in Lieu of Taxes

No payments in lieu of taxes are anticipated as part of the Redevelopment Plan and Program.

Provision for Amending the Redevelopment Plan and Program

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



FINANCIAL IMPACT OF REDEVELOPMENT

Without the adoption of the Redevelopment Plan, development and redevelopment projects within the Project Area are not reasonably expected to be undertaken by private enterprise. In the absence of Village-sponsored redevelopment, there is a prospect that blighting factors will continue to exist and spread, and the Project Area on the whole, as well as adjacent properties, will become less attractive for the maintenance and improvement of existing buildings and sites. Erosion of the assessed valuation of property in the Project Area has already occurred and could lead to further reductions 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 Village's effective use of tax increment financing can be expected to arrest the ongoing decline of 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, and the payment of all redevelopment project costs and municipal obligations, the taxing districts will benefit from the enhanced tax base which results from the increase in equalized assessed valuation caused by the Redevelopment Plan and Program.

The following taxing districts cover the proposed Project Area:

1. Village of Fox Lake
2. Grant Township
3. Lake County
4. Lake County Forest Preserve
5. Fox Lake Fire Protection
6. Fox Lake Public Library
7. Fox Lake School District #114
8. Grant Community High School District #124
9. College of Lake County #532

This Redevelopment Plan contemplates rehabilitation and/or redevelopment of specific opportunity sites primarily with rehabilitation/redevelopment of the marina. Given the small size of the study area (roughly 40 acres), impact on individual taxing districts and taxing districts in general, will be minimal, but also dependent on the specific nature of any future (re)developments.

Impact on Village of Fox Lake

Fox Lake provides a variety of services, including planning and zoning, building, water, and sanitation. Redevelopment of underutilized commercial property may cause a minimal increase in demand for the services and programs provided by the Village. Due to the small size of the Project Area in relation to the Village, services provided to residents will likely not be affected, and the impact is anticipated to be minimal. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Grant Township

Grant Township provides a variety of services, including the Township Assessor and road maintenance. Redevelopment of underutilized commercial property should have little impact on the demand for the services and programs provided by the Township. No Township roads are included within the Project Area. Due to the small size of the Project Area in relation to the Township, services provided to residents will not be affected, and any impact is anticipated to be minimal. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Lake County

Lake County provides a variety of services, including the County Court system, health services and maintenance of open space and recreational activities. Redevelopment of underutilized commercial property should have no impact on demand for the services and programs provided by the County. Due to the small size of the Project Area in relation to the County, services provided to residents will likely not be affected, and the impact is anticipated to be minimal. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Lake County Forest Preserve

The Lake County Forest Preserve District manages natural areas, open spaces, and provides educational and recreational opportunities for residents of Lake County. Redevelopment of underutilized commercial property should have no impact on demand for the services and programs provided by the forest preserve. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Fox Lake Fire Protection

The Fox Lake Fire Protection District serves Fox Lake and surrounding communities. Redevelopment of underutilized commercial property should have no impact on demand for the services and programs provided by the fire district. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Fox Lake Library District

The Fox Lake Library District is located on Grand Avenue and provides library and related services to the residents of Fox Lake. Redevelopment of underutilized commercial property will have no impact on demand for the services and programs provided by the library district. Therefore, no specific program is set forth in this Redevelopment Plan. In addition, the Act defines a clear formula for repayment of fees to the district for any documented increased demand for services directly generated by TIF supported projects. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Fox Lake School District #114

Fox Lake School District #114 provides elementary school services to the residents of Fox Lake. Redevelopment of underutilized commercial property should have no impact on the demand for the services and programs provided by the school district, aside from potential programs such as training programs to serve new businesses and educational services for new employees. However, any impact is anticipated to be minimal given the commercial nature of anticipated future development. In addition, the Act defines a clear formula for repayment of fees to the district for any documented increased demand for services directly generated by TIF supported projects. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on Grant Community High School District #124

Grant Community High School District #124 provides elementary school services to the residents of Fox Lake, Ingleside, Lake Villa, Round Lake, Round Lake Heights, Round Lake Beach, Volo, Lakemoor, and Spring Grove. Redevelopment of underutilized commercial property should have no impact on the demand for the services and programs provided by the school district, aside from potential programs such as training programs to serve new businesses and educational services for new employees. However, any impact is anticipated to be minimal given the commercial nature of anticipated future development. In addition, the Act defines a clear formula for repayment of fees to the district for any documented increased demand for services directly generated by TIF supported projects. Therefore, no specific program is set forth in this Redevelopment Plan.

Impact on College of Lake County #532

The College of Lake County has campuses in Grayslake, Lakeshore and Southlake. The college offers educational and community programs for residents of the district. Redevelopment of underutilized commercial property may cause a small increase to demand for the services and programs provided by the college, including training programs to serve new businesses and educational services for new employees. However, any impact is anticipated to be minimal given the commercial nature of anticipated future development, and the small size of the Project Area in comparison to the size of the district. Therefore, no specific program is set forth in this Redevelopment Plan.

FINDINGS OF NEED FOR TAX INCREMENT FINANCING

Based on the findings of this Redevelopment Plan and Program, the Village President and the Village Board of Fox Lake, Illinois, adopt the following findings pursuant to **Section 11-74.4-3(n)** of the Act.

Project Area Not Subject to Growth

The Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without adoption of this Redevelopment Plan. Substantial evidence supports this conclusion.

First, the Village finds that the Project Area on the whole has not been subject to growth and redevelopment through investment by private enterprise, based on the following evidence as outlined in the Eligibility Findings Report in Appendix B:

1. Deterioration;
2. Obsolescence;
3. Inadequate Utilities; and
4. Lack of Planning.



Secondly, the Village finds that the Project Area would not reasonably be anticipated to be developed without adoption of this Redevelopment Plan. This conclusion is based upon the findings of this report and the Village of Fox Lake Comprehensive Plan:

1. Extraordinary development costs related to building and site improvements, rehabilitation and redevelopment on the lakefront;
2. Proposed redevelopment sites indicate a financial gap without public resources, grants or other incentives to promote redevelopment;
3. The need for public – private partnerships to support future redevelopment; and
4. The need for future infrastructure improvements to support future redevelopment.

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

Conformance with Comprehensive Plan

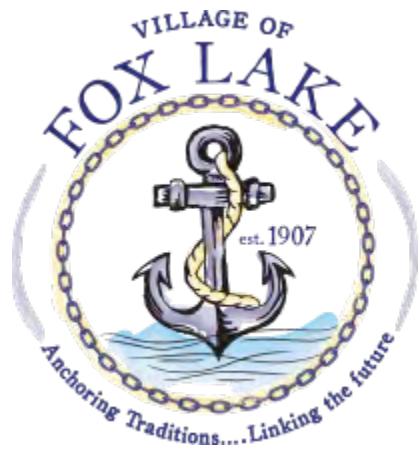
This Redevelopment Plan conforms to and is based upon the recommendations of the Village of Fox Lake Comprehensive Plan, including the goals and objectives therein, as well as future land uses and anticipated redevelopment activities.

Date of Completion

The Redevelopment Project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the municipal treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year following the year in which the ordinance approving this Project Area is adopted (December 31, 2045).

APPENDIX A

LAKEFRONT REDEVELOPMENT PROJECT AREA
LEGAL DESCRIPTION



ALL THAT PART OF EAST HALF OF THE SOUTHWEST QUARTER AND ALL THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 4, IN TOWNSHIP 45 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN AS DESCRIBED BELOW:

PIN: 05-04-304-004, 05-04-304-005, 05-04-304-006, 05-04-304-007 & 05-04-304-009

ALL OF PARCELS 1 AND 4 AND THAT PART OF PARCEL 2 LYING SOUTHEASTERLY OF UN-NAMED ROADWAY IN WATTS ISLAND SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 45 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 2, 1958, AS DOCUMENT 1012773, IN BOOK 34 OF PLATS, PAGE 90, IN LAKE COUNTY, ILLINOIS. ALSO THAT PART OF SAID PARCEL 2 IN WATTS ISLAND SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 45 NORTH, RANGE 9 WEST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 2, 1958, AS DOCUMENT 1012773, IN BOOK 34 OF PLATS, PAGE 90, IN LAKE COUNTY, ILLINOIS, ALONG WITH ALL THAT PART OF PUBLIC ROADWAY (ILLINOIS ROUTE 12) LYING NORTHEASTLY OF AND ADJOINING SAID PARCELS; ALSO THAT PART OF SAID PARCEL 2 DESCRIBED AS FOLLOWS: BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID PARCEL 2 IN WATTS ISLAND SUBDIVISION; AND RUNNING THENCE NORTH 16 DEGREES 08 MINUTES 30 SECONDS EAST ALONG THE EASTERN LINE OF PARCEL 2, A DISTANCE OF 250.0 FEET; THENCE NORTHWESTERLY ALONG A LINE PASSING THROUH A POINT WHICH IS 200.0 FEET NORTH 19 DEGREES 17 MINUTES EAST FROM THE SOUTHWEST CORNER OF SAID PARCEL 2, A DISTANCE OF 223.0 FEET. MORE OR LESS, TO A POINT ON THE WESTERLY LINE OF SAID PARCEL 2; THENCE SOUTH 10 DEGREES 43 MINUTES EAST ALONG SAID WESTERLY LINE, A DISTANCE OF 42.FEET, MORE OR LESS, TO A POINT WHICH IS 166.51 FEET NORTH 19 DEGREES 17 MINUTES EAST FROM THE SOUTHWEST CORNER OF PARCEL 2 AFORESAID; THENCE SOUTH 19 DEGREES 17 MINUTES WEST, A DISTANCE OF 166.51 FEET TO SAID SOUTHWEST CORNER OF PARCEL 2; THENCE SOUTH 43 DEGREES EAST ALONG THE SOUTHERLY LINE OF PARCEL 2, A DISTANCE OF 162.41 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 59 DEGREES EAST, A DISTANCE OF 70.52 FEET , MORE OR LESS, TO THE POINT OF BEGINNING, IN FOX LAKE, LAKE COUNTY, ILLINOIS.

PIN: 05-04-400-010, 05-04-400-011 & 05-04-400-012

THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF FRACTIONAL SECTION 4, TOWNSHIP 45 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 4; THENCE NORTH 37 DEGREES 49 MINUTES WEST, A DISTANCE OF 483.5 FEET TO A POINT 50 FEET SOUTHWESTERLY FROM THE CENTER LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILWAY COMPANY'S TRACK AS LAID (SAID POINT BEING THE POINT OF BEGINNING); THENCE SOUTH 54 DEGREES 36 MINUTES WEST, A DISTANCE OF 178.2 FEET ALONG A NORTHERLY BANK OF THE ARTIFICIAL CHANNEL BETWEEN NIPPERSINK LAKE AND PISTAKEE LAKE; THENCE NORTH 37 DEGREES 47 MINUTES WEST, A DISTANCE OF 11.51 FEET TO A LINE BEARING SOUTH 58 DEGREES, 17 MINUTES WEST (SAID LINE BEING A NORTHERLY BANK OF SAID ARTIFICIAL CHANNEL BETWEEN NIPPERSINK LAKE AND PISTAKEE LAKE) OF SAID POINT OF BEGINNING; THENCE SOUTH 58 DEGREES, 17 MINUTES WEST, A DISTANCE OF 29.15 FEET ALONG SAID NORTHERLY BANK TO A POINT BEARING SOUTH 58 DEGREES, 17 MINUTES WEST, A DISTANCE OF 208.2 FEET OF SAID POINT OF BEGINNING; THENCE SOUTH 71 DEGREES, 16 MINUTES WEST, A DISTANCE OF 265.0 FEET; THENCE

NORTH 12 DEGREES, 42 MINUTES WEST, A DISTANCE OF 710.14 FEET; THENCE NORTH 43 DEGREES, 17 MINUTES EAST, A DISTANCE OF 40.0 FEET TO THE GOVERNMENT MEANDER LINE AND THE CENTER LINE OF U.S. ROUTE 12 (SAID POINT BEING 50 FEET SOUTHWESTERLY FROM SAID CENTER LINE OF TRACK); THENCE SOUTH 46 DEGREES, 34 MINUTES EAST, A DISTANCE OF 766.8 FEET, MORE OR LESS, ALONG A LINE 50 FEET SOUTHWESTERLY FROM SAID CENTER LINE OF TRACK, TO THE POINT OF BEGINNING, , IN LAKE COUNTY, ILLINOIS.

ALSO: THAT PART OF THE SOUTHEAST QUARTER OF SECTION 4 (EXCEPT THOSE PARTS THEREOF CONVEYED BY LAKE COUNTY TO HERMAN A. MEYER BY QUIT-CLAIM DEED RECORDED AS DOCUMENT 289238; RIVERSIDE ISLAND AND EXCEPT THE RIGHT-OF-WAY OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY) LYING NORTH AND WEST OF THE GOVERNMENT MEANDER LINE ESTABLISHED IN TOWNSHIP 45 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN LAKE COUNTY, ILLINOIS.

ALSO KNOWN AS: THAT PART OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF FRACTIONAL SECTION 4, TOWNSHIP 45 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: BEGINNING AT A POINT BEARING SOUTH 58 DEGREES 17 MINUTES WEST A DISTANCE OF 208.2 FEET OF A POINT BEARING NORTH 37 DEGREES 49 MINUTES WEST, A DISTANCE OF 483.5 FEET FROM THE SOUTHEAST CORNER OF THE AFORESAID SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH 71 DEGREES 16 MINUTES WEST A DISTANCE OF 265.0 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 12 DEGREES 42 MINUTES WEST, A DISTANCE OF 710.14 FEET; THENCE NORTH 43 DEGREES 17 MINUTES EAST, A DISTANCE OF 40.00 FEET TO THE GOVERNMENT MEANDER LINE AND THE CENTERLINE OF U.S. ROUTE 12; THENCE NORTH 49 DEGREES 42 MINUTES WEST ALONG SAID CENTERLINE, A DISTANCE OF 417.29 FEET; THENCE SOUTH 6 DEGREES 48 MINUTES WEST, A DISTANCE OF 332.62 FEET; THENCE SOUTH 28 DEGREES 12 MINUTES EAST, A DISTANCE OF 340.00 FEET; THENCE SOUTH 41 DEGREES 42 MINUTES EAST, A DISTANCE OF 487.14 FEET TO THE PLACE OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

ROADWAY

ALSO; THAT PART OF U.S. ROUTE 12, LYING NORTHEASTERLY OF AND ADJOINING AND THAT PART OF PARCEL 2 LYING SOUTHEASTERLY OF UN-NAMED ROADWAY IN WATTS ISLAND SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 45 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 2, 1958, AS DOCUMENT 1012773, IN BOOK 34 OF PLATS, PAGE 90, IN LAKE COUNTY, ILLINOIS, AND BEING 50 FEET SOUTHWESTERLY FROM SAID CENTER LINE OF TRACK, ALONG WITH THAT PART U.S. ROUTE 12 BETWEEN PARCELS AS DESCRIBED ABOVE, ALL IN LAKE COUNTY, ILLINOIS.