

**ORDINANCE NO. 19-018**

**AN ORDINANCE ESTABLISHING AND DESIGNATING THE W. 11TH AVENUE/U.S. HIGHWAY 67 BUSINESS DISTRICT AND APPROVING THE W. 11TH AVENUE/U.S. HIGHWAY 67 BUSINESS DISTRICT DISTRICT PLAN WITHIN THE CITY OF MONMOUTH, ILLINOIS**

**WHEREAS**, the City of Monmouth, Warren County, Illinois (the “City”), is authorized under and pursuant to Division 74.3, the Business District Development and Redevelopment Law, 65 ILCS 5-11-74.3-1 through 3-7 (“the Business District Law”), to establish a business district to be named “**W. 11th Avenue/U.S. Highway 67 Business District**” (the “**Business District**”) and adopt and approve the related business district plan for said Business District (the “**Business District Plan**”); and

**WHEREAS**, the purpose of the Business District Plan and the designation of the Business District is to eradicate the blighting conditions that exist and to assure opportunities for development or redevelopment, encouraging private investment, and attracting sound and stable business and commercial growth to the Business District; and

**WHEREAS**, on June 25, 2019 and July 2, 2019 notice of a public hearing to consider the establishment of the W. 11th Avenue/U.S. Highway 67 Business District and adoption of the Business District Plan, dated June 7, 2019 were published in the Warren County Journal; and

**WHEREAS**, the City conducted a public hearing on July 15, 2019. At the public hearing, all interested persons were given the opportunity to be heard with respect to the subject matter of the public hearing.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS**, as follows:

**Section 1.** The City Council of the City of Monmouth makes the following additional findings:

- a. That the W. 11th Avenue/U.S. Highway 67 Business District, 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 or redeveloped without the adoption of the Business District Plan.
- b. That the Business District Plan conforms to the comprehensive plan for the development of the City of Monmouth as a whole
- c. There exist conditions that cause the area located within the W. 11th Avenue/U.S. Highway 67 Business District to be classified as a

“blighted area” as defined in Section 11-74.3-5 of the Business District Law.

- d. The W. 11th Avenue/U.S. Highway 67 Business District is a contiguous area and includes only parcels of real property directly and substantially benefited by the proposed Business District Plan.

**Section 2.** The City hereby designates the area described in the attached **Exhibit A** as the **W. 11th Avenue/U.S. Highway 67 Business District**.

**Section 3.** The City hereby adopts and approves the **Business District Plan for the W. 11th Avenue/U.S. Highway 67 Business District**, dated June 7, 2019, attached hereto as **Exhibit B**.

**Section 5.** The City Clerk shall file a certified copy of this ordinance and attached exhibits with the Illinois Department of Revenue along with a current list of business addresses for the businesses located within the Business District.

**Section 6.** If any portion of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the remaining portions of this ordinance.

**Section 7.** This ordinance shall be in full force and effect immediately upon its passage, approval and publication as provided by law.

**PASSED AND APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2019.

YEAS:

NAYS:

ABSENT:

\_\_\_\_\_  
Rod Davies, Mayor

ATTEST:

\_\_\_\_\_  
Susan Trevor, City Clerk

**Attachments:**

**Exhibit A:** Boundary Description of the W. 11th Avenue/U.S. Highway 67 Business District

**Exhibit B:** Business District Plan, W. 11th Avenue/U.S. Highway 67 Business District, dated June 7, 2019

**Exhibit A**  
**Boundary Description of the W. 11th Avenue/U.S. Highway 67 Business District**  
**Business District**

A TRACT OF LAND BEING PART OF THE SOUTHEAST AND SOUTHWEST QUARTERS OF SECTION 31, TOWNSHIP 11 NORTH, RANGE 2 WEST OF THE FOURTH PRINCIPAL MERIDIAN, WARREN COUNTY, ILLINOIS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT A FOUND SURVEY SPIKE AT THE CENTER QUARTER CORNER OF SAID SECTION 31; THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, NORTH 87 DEGREES 51 MINUTES 13 SECONDS EAST, 501.11 FEET; THENCE LEAVING SAID NORTH LINE, SOUTH 00 DEGREES 02 MINUTES 44 SECONDS WEST, 820.00 FEET TO A SET IRON ROD; THENCE NORTH 89 DEGREES 57 MINUTES 16 SECONDS WEST, 537.62 FEET TO A SET IRON ROD; THENCE NORTH 00 DEGREES 39 MINUTES 55 SECONDS WEST, 578.51 FEET TO A SET IRON ROD; THENCE NORTH 04 DEGREES 45 MINUTES 05 SECONDS EAST, 143.59 FEET TO A SET IRON ROD; THENCE NORTH 24 DEGREES 52 MINUTES 57 SECONDS WEST, 100.36 FEET TO A SET IRON ROD; THENCE NORTH 00 DEGREES 39 MINUTES 55 SECONDS WEST, 28.77 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 31; THENCE ALONG SAID NORTH LINE, SOUTH 87 DEGREES 40 MINUTES 12 SECONDS EAST, 74.97 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED TRACT OF LAND CONTAINING 10.35 ACRES IS BASED UPON AN ACTUAL BOUNDARY SURVEY COMPLETED BY THE JONES SURVEYING AND ENGINEERING CORPORATION, DURING THE MONTH OF MARCH, 2019 AND IS SUBJECT TO ALL ROAD RIGHT-OF-WAYS, EASEMENTS OF RECORD AND/OR PRESCRIPTION, RESTRICTIONS, RESERVATIONS AND CONDITIONS OF RECORD, IF ANY.

PLUS THE RIGHT-OF-WAY OF W. 11<sup>TH</sup> AVENUE FROM EASTERN RIGHT-OF-WAY LINE OF U.S. HIGHWAY 67 TO A POINT ONE THOUSAND SIX HUNDRED (1,600) FEET FROM SAID EASTERN RIGHT-OF WAY LINE.

**Exhibit B**

**Business District Plan  
W. 11th Avenue/U.S. Highway 67 Business District  
Dated June 7, 2019**

# **Business District Plan**

W. 11<sup>th</sup> Avenue/U.S. Highway 67 Business District

Prepare for

**City of Monmouth, Illinois**

Prepared by

**PGAV PLANNERS LLC**

June 7, 2019

## **ACKNOWLEDGEMENTS**

### **MAYOR**

Rod Davies

### **CITY COUNCIL**

Tony Cook, 1<sup>st</sup> Ward Alderman  
Justin Thomas, 1<sup>st</sup> Ward Alderman  
Brian Daw, 2<sup>nd</sup> Ward Alderman  
Susan Twomey, 2<sup>nd</sup> Ward Alderwoman  
Juan Pinedo, 3<sup>rd</sup> Ward Alderman  
Bob Wells, 3<sup>rd</sup> Ward Alderman  
Dan Heatherly, 4<sup>th</sup> Ward Alderman  
Mary Kelly, 4<sup>th</sup> Ward Alderman

### **CITY CLERK**

Susan Trevor

### **CITY ADMINISTRATOR**

Lew Steinbrecher

### **CITY ATTORNEY**

Marcum Spears

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### APPENDIX

- Attachment A – City of Monmouth Resolution 18-011
- Attachment B – W. 11<sup>th</sup> Avenue/U.S. Highway 67 Business District Boundary Description
- Attachment C – Letter, dated December 14, 2018, from Loran R. Rains, P.E., IMEG Corp.
- Attachment D – Photographs of Existing Conditions

## SECTION 1

### INTRODUCTION

#### BACKGROUND

The City recognizes that its long-term viability depends, in part, on strengthening its tax base by diversifying its economic base. The City has determined that it is essential to its economic and social welfare to identify and promote opportunities for development and private investment in order to attract sound and stable commercial growth.

The purpose of this document is to set forth a plan to induce the commercial development of approximately 12.8 acres (10.35 net acres) located east of the intersection of U.S. Highways 34/67 and W. 11<sup>th</sup> Avenue. This will include the financial assistance to help offset some of the costs associated with the upgrade of existing public streets and extension of utilities to support such development. Recently, the City has been approached by a developer wishing to build a travel stop serving the traveling public along U.S. Highways 34/67 (the "Project"). However, the developer will not proceed with the Project absent financial incentives to help offset development costs.

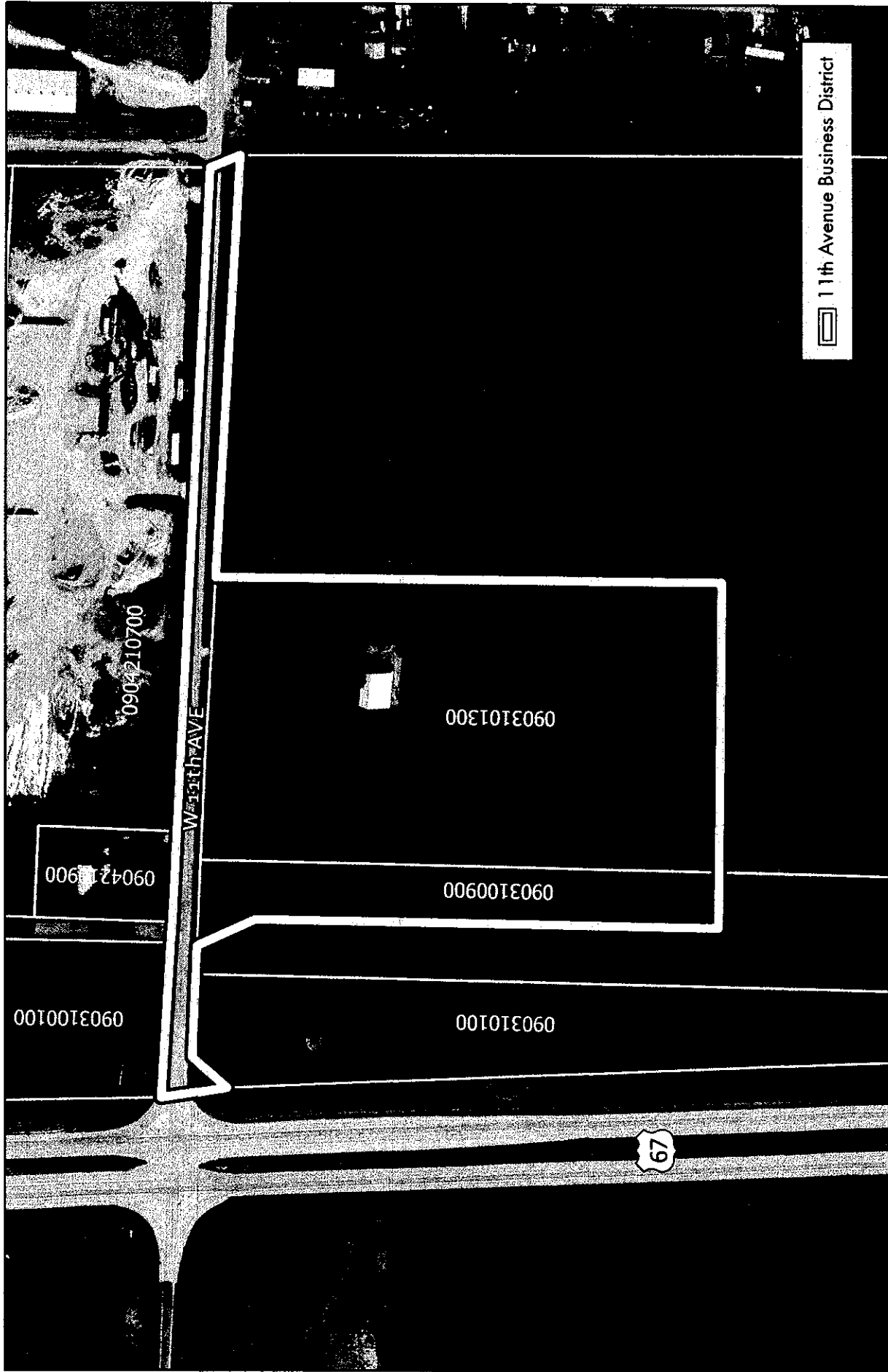
The City has determined that the Business District Development and Redevelopment Law (65 ILCS 5/11-74.3-1, et. seq.) (the "Business District Law") is an appropriate vehicle to be used as an inducement for funding a portion of the costs associated with providing the necessary street improvements, water and sewer lines, and storm water handling facilities that are required to serve this property. On November 5, 2018, the City passed **Resolution 18-011** stating its intent to designate a business district, to impose business district sales taxes and to induce development in such district. A copy of this resolution is included in the **Appendix** as **Attachment A**.

Designating the area as a Business District will advance the City's goal of strengthening its commercial base. This, in turn, will bolster both the real property and sales tax base of the City.

#### AREA BOUNDARY AND NEED FOR THE BUSINESS DISTRICT

The boundaries of the area to be addressed in this Plan are delineated on **Exhibit A, Boundary Map - W. 11th Avenue/U.S. Highway 67 Business District** and a **boundary description** is located in **Attachment B** of the **Appendix** of this Plan. The business district will be named the **W. 11th Avenue/U.S. Highway 67 Business District** and is referred to herein as "the Business District". The Business District contains approximately 12.8 acres of land, including street rights-of-way.





**Exhibit A**  
**11th Avenue / US Highway 67 Business District Boundary**

City of Monmouth, Illinois  
 April 2019

The purpose of the Business District is to induce the construction of a new approximately 8,000 to 11,000 square foot Love's Travel Stop, including food service and other site improvements by Love's Travel Stops & Country Stores, Inc. (hereafter referred to as the "Developer").

In order to construct the Project, certain public improvements, costing approximately \$1.6 million have to be made to serve said Project. This includes extension of water and sewer utilities to the site and upgrading W. 11<sup>th</sup> Avenue to accommodate Class 1 (80,000 lb.) traffic, from U.S. Highway 34/67 to S. D Street. These costs may increase if there becomes a need to signalize the intersection of 11<sup>th</sup> Avenue and U.S. Highway 34/67.

The Developer has demonstrated to the City satisfaction that the total of the costs associated with the developing and serving the 12 acre is economically infeasible without another source of funding. When the level of costs required to develop an area equals or exceeds the income potential, the developer's ability to make a profit is reduced (or eliminated) and therefore the development does not occur. The Business District is needed to help overcome this economic gap.

## **MUNICIPAL AUTHORITY**

The Business District Law authorizes Illinois municipalities to designate an area within the municipality as a business district. A business district must be established in conformance with a specific plan officially approved by the corporate authorities of the municipality after a public hearing. A business district must also conform to the municipality's comprehensive plan.

The exercise of the powers provided for in the Business District Law 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 Business District Law, the City may exercise the following powers:

- "(1) To make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan. A contract by and between the municipality and any developer or other nongovernmental person to pay or reimburse said developer or other nongovernmental person for business district project costs incurred or to be incurred by said developer or other nongovernmental person shall not be deemed an economic incentive agreement under Section 8-11-20, notwithstanding the fact that such contract provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes (including, without limitation, taxes imposed pursuant to subsection 10) the municipality receives from the development or redevelopment of properties in the business district. Contracts entered into pursuant to this subsection shall be binding upon successor corporate*

*authorities of the municipality and any party to such contract may seek to enforce and compel performance of the contract by civil action, mandamus, injunction, or other proceeding.*

- (2) Within a business district, to acquire by purchase, donation, or lease, and to own, convey, lease, mortgage, or dispose of land and other real or personal property or rights or interests therein; and to grant or acquire licenses, easements, and options with respect thereto, all in the manner and at such price authorized by law. No conveyance, lease, mortgage, disposition of land or other property acquired by the municipality or agreement relating to the development of property, shall be made or executed except pursuant to prior official action of the municipality. No conveyance, lease, mortgage, or other disposition of land owned by the municipality, and no agreement relating to the development of property, within a business district shall be made without making public disclosure of the terms and disposition of all bids and proposals submitted to the municipality in connection therewith.*
- (2.5) To acquire property by eminent domain in accordance with the Eminent Domain Act.*
- (3) To clear any area within a business district by demolition or removal of any existing buildings, structures, fixtures, utilities, or improvements, and to clear and grade land.*
- (4) To install, repair, construct, reconstruct, or relocate public streets, public utilities, and other public site improvements within or without a business district which are essential to the preparation of a business district for use in accordance with a business district plan.*
- (5) To renovate, rehabilitate, reconstruct, relocate, repair, or remodel any existing buildings, structures, works, utilities, or fixtures within any business district.*
- (6) To construct public improvements, including but not limited to buildings, structures, works, utilities, or fixtures within any business district.*
- (7) To fix, charge, and collect fees, rents, and charges for the use of any building, facility, or property or any portion thereof owned or leased by the municipality within a business district.*
- (8) To pay or cause to be paid business district project costs. Any payments to be made by the municipality to developers or other nongovernmental persons for business district project costs incurred by such developer or other nongovernmental person shall be made only pursuant to the prior official action of the municipality evidencing an intent to pay or cause to be paid such business district project costs. A municipality is not required to obtain any right, title, or interest in any real or personal property in order to pay business district project costs associated with such property. The municipality shall adopt such accounting*

*procedures as shall be necessary to determine that such business district project costs are properly paid.*

- (9) *To apply for and accept grants, guarantees, donations of property or labor or any other thing of value for use in connection with a business district project.*
- (10) *If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, 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.*
- (11) *If the municipality has by ordinance found and determined that the business district is a blighted area under this Law, 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."*

#### **ADDITIONAL STATUTORY PROVISIONS**

In accord with the provisions of the Business District Law stated above, a municipality may enter into contracts necessary or incidental to the implementation and furtherance of a business district plan. This contracting power includes entering into an agreement with a developer or other nongovernmental person that provides for the sharing, rebate, or payment of retailers' occupation taxes or service occupation taxes the municipality receives from the development or redevelopment of properties in the business district.

Also, the corporate authorities of a municipality may impose a retailers' occupation tax, service occupation tax, or hotel operators' occupation tax by ordinance pursuant to subsection (10) or (11) of Section 11-74.3-3 of the Business District Law. However, in order to establish such taxes, the business district area must qualify as a "blighted area" as that term is defined in Section 11-74.3-5 of said law, to wit:

*"**Blighted area**" means an area that is a blighted area which, by reason of the predominance of defective, non-existent, 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, an economic underutilization of the area, or a menace to the public health, safety, morals, or welfare."*

Furthermore, a business district plan shall be prepared. As defined in Section 11-74.3-5 of the Business District Law, a "business district plan" is the written plan for the development or re-development of the area identified as the district and must contain the following information:

- "(i) a specific description of the boundaries of the proposed business 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 and a description of any developer, user, or tenant of any property to be located or improved within the proposed business district;*
- (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 (10) or (11) of Section 11-74.3-3 and the period of time for which the tax shall be imposed."*

This document constitutes the W. 11th Avenue/U.S. Highway 67 Business District Plan. It sets forth the necessity for the designation of the Business District, the qualifications of the Business District as a "blighted area", a statement of objectives and policies to achieve these objectives, and a description of proposed projects for the Business District.

## SECTION 2

### ANALYSIS OF BLIGHTING FACTORS

#### QUALIFICATIONS ANALYSIS FOR THE BUSINESS DISTRICT

Because the City intends to implement an additional retailers' occupation tax and service occupation tax of up to 1.0% in accord with the provisions of the Business District Law, an evaluation of the conditions within the Business District was conducted. Information gathered for this analysis was derived from research of Warren County property assessment records, including tax mapping showing the existing platting of the Business District, and information provided by the City. The following discussion in this section of the Plan summarizes the existing conditions within the Business District that allow it to qualify as a "blighted area" as defined by the Business District Law.

#### ***Non-Existent or Inadequate Street Layout***

In order to develop the Business District properly, it will be necessary to upgrade W. 11<sup>th</sup> Avenue to serve the District. W. 11<sup>th</sup> Avenue will be the primary street serving the proposed Project and will be taking on additional heavy truck traffic to/from U.S. Highway 34/67 and to/from the existing industrial areas to the north and northeast of the District. Currently, W. 11<sup>th</sup> Avenue has an average pavement section of a 3-inch bituminous surface over a 6-inch gravel base. The City retained a professional engineer to opine on the condition of the existing street to serve the proposed travel stop. Based on the Illinois Department of Transportation (IDOT) Bureau of Local Roads Manual, Chapter 44, the existing street will not support the increase in average daily traffic and/or the increased Equivalent Single Axle Loads. Attached as **Attachment C** in the **Appendix** is a **letter from Loren E. Rains, P.E. of IMEG Corp. summarizing the inadequacy of W. 11<sup>th</sup> Avenue** and the need to upgrade it to support no less than 80,000 lbs. per the IDOT form OPER-753. Attached as **Attachment D** in the **Appendix** are **photographs of the current conditions** of bituminous surface. It is concluded that W. 11<sup>th</sup> Avenue is a defective street currently and would become even more so with additional heavy truck traffic.

In addition to the above defective street conditions, there exists on the property located in the District a deteriorated farm equipment storage building and associated hardstand area. The presence of these site liabilities are a relatively minor impediment to the development of the District, but nonetheless exist. Photographs of the condition of these site improvements are also included in Attachment C in the Appendix.

**Economic Liability and Economic Underutilization**

Currently, the private property located within the proposed Business District generates relatively little in real property taxes. The 10.35 acres of private property located in the Business District straddles two County PINs, under the same ownership, totaling about 83.4 acres. The property taxes on proportionate value of the 10.35-acre tract amounted to about \$875 for the 2017 tax year (pay 2018). Based on the assessed values for the new Love's Travel Stop in Knoxville, Illinois, the proposed Project has the potential to generate between \$70,000 and \$95,000 in new property taxes, depending on the size of the building to be built as part of the Project (8,000 to 11,000 sq. ft.).

The overall goal of the City is for the Business District to develop into a commercial development anchored by a travel stop serving the over the road trucking industry and regular vehicular travel. In addition to property tax revenues, the commercial uses will generate sales-taxes as well. The proposed Project is predicated on the Business District being established.

**QUALIFICATION SUMMARY AND FINDINGS**

Based on the "blighted area" definition outlined in the Business District Law, there are enough conditions that represent the required qualifications. These include:

- Defective streets and non-existent utilities.
- The properties within the Business District produce relatively little property taxes and have the potential to generate considerably more such property taxes, plus sales taxes. This constitutes an economic underutilization of the properties within the Business District and thus creates an economic liability to the City and the taxing districts.

Therefore, the Business District meets the standards as a "blighted area" per Section 11-74.3-5(3) of the Business District Law for designation as a "Business District" for purposes of imposing a tax pursuant to subsections (10) or (11) of Section 11-74.3-3 of the Business District Law. The Business District represents an area of the City, which by reason of defective streets constitutes an economic or social liability and an economic underutilization of the area.

## SECTION 3

### BUSINESS DISTRICT PLAN

#### DESCRIPTION OF THE BUSINESS DISTRICT

As stated in Section 1 of this Plan, the W. 11th Avenue/U.S. Highway 67 Business District consists of approximately 10.35 net acres of private property. The boundaries of the Business District are delineated on **Exhibit A – Proposed W. 11th Avenue/U.S. Highway 67 Business District**, and a boundary description is attached in the **Appendix** as **Attachment B**. Included within the boundaries are the adjoining right-of-way of W. 11<sup>th</sup> Avenue.

#### PURPOSE OF THE PLAN

The purpose of establishing the Business District Plan (the “Plan”) is to induce private investment in construction of buildings and site improvements related to a Love’s Travel Stop. The Plan establishes the objectives and policies for development of the Business District.

Under the provision of the Illinois Business District Development and Redevelopment Law, the City intends to adopt each of the Business District sales taxes retailers’ and service operators’ occupation sales taxes as provided for in Section 11-74.3-3 (10) of the Business District Law at the rate of 1.0%. The Plan also describes the proposed uses of the revenue to be generated by the Business District tax and lays out policies for using Business District tax revenue to provide incentives to achieve the City’s objectives for the Business District.

#### BUSINESS DISTRICT OBJECTIVES

It is the overall objective of this Plan to induce the development of a Love’s Travel Stop. More specifically the objectives include:

**Objective #1: Expansion of Monmouth’s economic base.**

To use incentives to enhance the City’s commercial base by bringing new development at the intersection of U.S. Routes 34/67 and W. 11<sup>th</sup> Avenue. It is anticipated that the new Love’s Travel Stop will intercept more traffic that might otherwise bypass Monmouth. It will also serve nearby industrial business and industries in the City served by over the road logistics.



**Objective #2: Encourage investment and growth in areas outside the District.**

The location of the District is at the western growth zone of the City. Additional commercial development that offer goods and services and employment opportunities near the District may serve as a catalyst for residential growth as well.

**Objective #3: Remedy blighted conditions.**

To provide for the reconstruction of W. 11<sup>th</sup> Avenue and installation of utilities that will eliminate the conditions that caused the Business District to qualify as a blighted area as defined in Business District Law.

**GENERAL DESCRIPTION, LOCATION OF PROPOSED PROJECT AND DEVELOPER**

The developer proposing the redevelopment of the property within the Business District is Love's Travel Stops & Country Stores, Inc. ("Developer"), incorporated in the State of Oklahoma authorized to do business in Illinois. Below is a general description of the Project:

- Construction of between 8,000 and 11,000 square feet of building space to include a travel stop (country store) and a fast food restaurant.
- Eight (8) fueling stations.
- Six (6) diesel fueling bays.
- Installation of a CAT scale.
- Reconstruction of W. 11<sup>th</sup> Avenue between its intersection with U.S. Highway 34/67 east to South D Street.
- Extend City water and sewer services to the Project site.
- Installation of traffic signals on U.S. Highway 34/67 and W. 11<sup>th</sup> Avenue, if warranted by IDOT.

**BUSINESS DISTRICT POLICIES**

It is the intent of this Plan to foster development within the Business District in a manner that is consistent with good urban planning practices, the City's economic development goals and objectives, and all applicable codes and ordinances. The policies as set forth below are established to promote these objectives.

**Development Agreements or Other Such Instruments**

In order to ensure that development occurs in a manner consistent with this Plan, the City and the Developer are expected to enter into a development agreement or other such instrument

that will establish the terms and conditions under which Business District financial incentives are to be provided. Such instruments may establish, among other things:

- the development entity to receive the incentives;
- the public and/or private improvements to be built, and
- identification of the type and amount of project costs to be reimbursed from Business District sales taxes.

The City may enter into multiple development agreements or other such instruments with other developers in order to implement the Business District Plan.

### ***Development Policies***

Development within the Business District should occur in a planned fashion. To this end, this Plan provides the following policy guidelines:

- Development should take place in a planned scheme that allows for the proper access and circulation within the Project site.
- To the extent vehicular traffic generated by development projects within the Business District impacts U.S. Highway 34/67 and its intersection with W. 11<sup>th</sup> Avenue, provide for the necessary improvements thereto to adequately mitigate such impacts.
- Development should conform to contemporary development standards such as provision of adequate off-street parking and appropriate site landscaping.

### ***Economic Incentives Policies***

In order to induce private investment in the Business District, the City may provide certain economic incentives to private parties. In providing such incentives, it is not the policy or intent of the City to create an unfair advantage of one business over a like-kind business. Instead, incentives will be used to help make projects feasible by helping to offset extraordinary project costs that may include any costs as permitted in the Business District Law and as cited earlier in this Section.

## **BUSINESS DISTRICT PROJECT COSTS**

The following costs are anticipated to be incurred in implementing the W. 11th Avenue/U.S. Highway 67 Business District. The Business District projects described above may entail a

range of public and private activities and associated costs as provided for in Section 11-74.3-5 of the Business District Law, including without limitation the following:

- (1) costs of studies, surveys, development of plans and specifications, implementation and administration of a business district plan, and personnel and professional service costs including architectural, engineering, legal, marketing, financial, planning, or other professional services, provided that no charges for professional services may be based on a percentage of tax revenues received by the municipality;*
- (2) property assembly costs, including but not limited to, acquisition of land and other real or personal property or rights or interests therein, and specifically including payments to developers or other nongovernmental persons as reimbursement for property assembly costs incurred by that developer or other nongovernmental person;*
- (3) site preparation costs, including but not limited to clearance, demolition or removal of any existing buildings, structures, fixtures, utilities, and improvements and clearing and grading of land;*
- (4) costs of installation, repair, construction, reconstruction, extension, or relocation of public streets, public utilities, and other public site improvements within or without the business district which are essential to the preparation of the business district for use in accordance with the business district plan, and specifically including payments to developers or other nongovernmental persons as reimbursement for site preparation costs incurred by the developer or nongovernmental person;*
- (5) costs of renovation, rehabilitation, reconstruction, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures within the business district, and specifically including payments to developers or other nongovernmental persons as reimbursement for costs incurred by those developers or nongovernmental persons;*
- (6) costs of installation or construction within the business district of buildings, structures, works, streets, improvements, equipment, utilities, or fixtures, and specifically including payments to developers or other nongovernmental persons as reimbursements for such costs incurred by such developer or nongovernmental person;*
- (7) financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations, payment of any interest on any obligations issued under this Law that accrues during the estimated period of construction of any development or redevelopment project for which those obligations are issued and for not exceeding 36 months thereafter, and any reasonable reserves related to the issuance of those obligations; and*

- (8) *relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law."*

The City intends to provide limited economic development assistance through the funding of certain development costs to be incurred by the Developer under the terms and conditions of a separate development agreement in furtherance of the objectives of this Plan. Economic development assistance may include expenditures for public and private improvements as estimated on **Exhibit B, Estimated Business District Project Costs** below.

Exhibit B 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), property owner, or business tenant.

### **SOURCES OF FUNDS TO PAY BUSINESS DISTRICT PROJECT COSTS**

A portion of the funds necessary to pay for Business District project costs are to be derived from the following Business District Sales Taxes in accordance with Section 11-74.3-3 (10) of the Business District Law:

*"...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..." and "...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..."*

These taxes are to be imposed at the rate of 1% and are defined in Section 11-74.3-6 as follows:

*"(b) ...a Business District Retailers' Occupation Tax levied 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, and at retail in the business district at a rate of 1.0% of the gross receipts from the sales made in the course of such business... 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."*

**Exhibit B****ESTIMATED BUSINESS DISTRICT PROJECT COSTS**

W. 11th Avenue/U.S. Highway 67 Business District  
City of Monmouth, Illinois

Description	Estimated Cost
<b>A. Public Works</b>	\$1,250,000
<b>B. Planning, Legal &amp; Professional Services</b>	\$400,000
<b>C. General Administration</b>	\$25,000
<b>Total Estimated Costs</b>	<b>\$1,675,000</b>

**Notes:**

1. All costs shown are in 2019 dollars.
2. Adjustments may be made among line items.
3. Private redevelopment costs and investment are in addition to the above.
4. The total estimated business district project costs shall not be increased by more than 5% after adjustment for inflation from the date of the Business District Plan was approved, per subsection 11-74.3-2 (f) of the Business District Law.

*“(c) ...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, a rate of 1.0% of the selling price of tangible personal property so transferred within the business district,... 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 City shall deposit the proceeds of the above described taxes imposed into a special fund of the City named the **“W. 11th Avenue/U.S. Highway 67 Business District Tax Allocation Fund”**.

Other sources of funds that may be used to pay the costs of implementation of the Business District objectives include:

- Private capital which is available to the Developer through its own cash reserves or financing entities;

- Improvements funded by third party tenants; and
- Other sources of public financing that may be identified at such time in the future to fund project costs.

The City may issue obligations secured by the Business District Tax Allocation Fund to provide for the payment of Business District project costs. Those obligations, if so issued, shall be retired in the manner provided in the ordinance authorizing the issuance of those obligations and shall be for a term not later than 20 years after the date of issue or the dissolution date of the Business District, whichever is earlier.

## SECTION 4

### FINDINGS AND AMENDMENTS TO THE BUSINESS DISTRICT PLAN

#### 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. The Business District shall expire in accordance with the provisions of the Business District Law in Section 11-74.3-6 (f) that states:

*“When business district project costs, including, without limitation, all obligations paying or reimbursing business district project costs 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 general corporate fund of the municipality. Upon payment of all business district project costs and retirement of all obligations paying or reimbursing business district project costs, but in no event more than 23 years after the date of adoption of the ordinance imposing taxes pursuant to subsection (10) or (11) of Section 11-74.3-3, the municipality shall adopt an ordinance immediately rescinding the taxes imposed pursuant to subsection (10) or (11) of Section 11-74.3-3.”*

#### FINDINGS OF THE PLAN

The City hereby finds and determines as follows:

1. This Plan constitutes a specific plan for a business district named the W. 11th Avenue/U.S. Highway 67 Business District in the City of Monmouth, Warren County, Illinois.
2. The designation of the Business District as identified in this Plan and the boundaries thereof delineated on Exhibit A – W. 11th Avenue/U.S. Highway 67 Business District, and as described by the boundary description contained in the Appendix, will assure opportunities for development and attraction of quality commercial growth to the City.
3. The Business District is contiguous and includes only parcels of real property directly and substantially benefited by this Plan.
4. The City’s exercise of the powers provided in the Business District Law 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 is declared to be a public use essential to the public interest of the residents of the City of Monmouth, Warren County, Illinois.

5. The Business District qualifies as a blighted area because the District represents a portion of the City, which by reason of defective streets, constitutes an economic liability and an economic underutilization of the area.
6. The Business District, on the whole, has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of this Business District Plan. The Developer has stated that the projects will not take place absent the establishment of the Business District and using Business District sales tax revenue to reimburse the Developer for the extraordinary costs to develop the Project.
7. The Business District Plan conforms to the City of Monmouth's Comprehensive Plan 2007, which proposes "Industrial" use for the land located within the District. A Love's Travel Stop would be a compatible land use for the industrial use category.

#### **PLAN AMENDMENTS**

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



## APPENDIX

**Attachment A**  
**City of Monmouth Resolution 18-011**

RESOLUTION NO. 18-011

**RESOLUTION STATING THE CITY'S INTENT TO DESIGNATE OF A  
PORTION OF THE CITY OF MONMOUTH AS A BUSINESS DISTRICT, TO  
IMPOSE BUSINESS DISTRICT SALES TAXES  
AND  
TO INDUCE DEVELOPMENT INTEREST  
WITHIN SUCH DISTRICT**

(Proposed 11th Ave./Route 67 Business District)

**WHEREAS**, the City of Monmouth (the "City") is authorized under the provisions of the Illinois Business District Development and Redevelopment Law, *65 ILCS 11-74.3-3.1 et seq.*, (the "Business District Law"), to finance business district project costs in connection with business districts established in accordance with the conditions and requirements set forth in the Business District Law; and

**WHEREAS**, pursuant to the Business District Law, to designate a business district and to impose certain business district sales taxes, it is necessary for the City to adopt a business district plan, designate a business district on the basis of finding that the area qualifies pursuant to statutory requirements, and make a finding that the business district, on the whole, has not been subjected to growth and development through private enterprise and would not reasonably be anticipated to be developed or redeveloped without the adoption of business district plan; and

**WHEREAS**, the City desires to conduct an eligibility analysis to determine whether findings may be made with respect to an area of the City (referred to as the "11th Ave. / Route 67 Business District or the "Business District"), to designate it as a business district and qualify the said district as a "blighted area", as defined in the Business District Law, and conduct other research necessary to document the lack of growth and development through private enterprise; and

**WHEREAS**, the boundaries of the proposed Business District being considered are generally delineated on **Exhibit A** attached hereto, and the actual Business District to be designated may contain more less land than that shown on **Exhibit A**; and

**WHEREAS**, the City will be expending certain funds to determine if the proposed Business District can meet the definition of a blighted area and to prepare the business district plan (the "Plan") if the City decides to implement the Plan for all or a portion of the proposed Business District; and

**WHEREAS**, the City may expend other funds in furtherance of the objectives of the anticipated Plan; and

**WHEREAS**, it is the intent of the City to recover these expenditures from proceeds of the Business District, if established; and

**WHEREAS**, the City wishes to encourage Love's Travel Stops & Country Stores, Inc. ("Love's") to pursue plans for the redevelopment of a portion of the proposed Business District into a travel stop, convenience store and possibly a restaurant, and make such expenditures as are reasonably necessary in that regard with confidence that certain Business District project costs will be reimbursable costs under the Plan once adopted and subject to a written agreement between the City and Love's; and

**WHEREAS**, the purpose of the proposed Plan is to generate approximately \$9 million of private investment in the Business District, thereby eliminating or reducing blighted conditions and providing for the long-term sound growth of the community; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Monmouth, Illinois as follows:

1. That the City Council has examined the proposed area and circumstances and at this time believes that it is reasonable to believe that a business plan can be adopted and business taxes imposed for said district and expenditures of development costs incurred in furtherance of the Plan should be allowable project costs, provided that this resolution is not a guarantee that any such plan will be adopted, but rather an expression of the sense of the City at this time.

2. The person to contact for additional information about the proposed Business District and who should receive all comments and suggestions regarding the development of the district shall be:

Lew Steinbrecher  
City Administrator  
City of Monmouth  
100 E. Broadway St.  
Monmouth, IL 61462  
Telephone (309) 734-2141

3. The Mayor and appropriate City officials are hereby authorized and directed to negotiate the terms of a written business district incentive agreement between the City and Love's that is suitable to both parties and bring such agreement before the City Council for its consideration and approval, provided that any such agreement, including the imposition of business district sales taxes by the City, as may be contemplated therein, shall not be effective unless and until the City Council has so approved of such agreement, all applicable requirements under the Business District Law to render the same effective are met, and the agreement is duly executed by the City and Love's.

4. That this resolution does not constitute a financial obligation of the City with respect to Love's or the proposed project, but rather an expression of intent of the City at this time.

PASSED this 5<sup>th</sup> day of November 2018.

YEAS: 6  
NAYS: 0  
ABSENT: 1  
ABSTAIN:    

  
Rod Davies, Mayor

ATTEST:

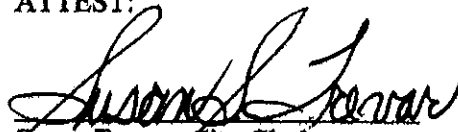
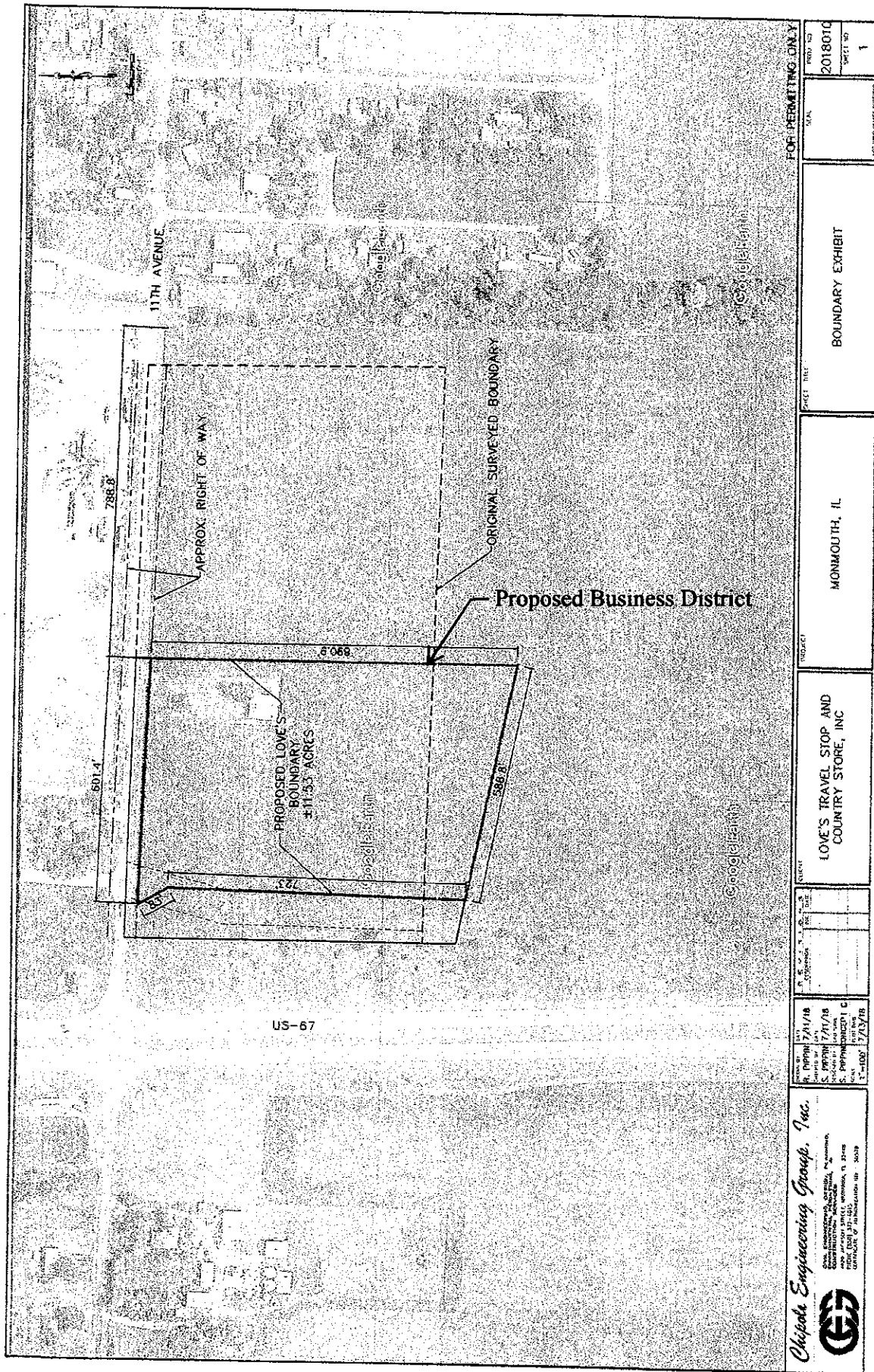
  
Susan Trevor, City Clerk

Exhibit A:  
Proposed Business District Boundary

Exhibit A  
Proposed 11th Ave. / Hwy. 67 Business District Boundary



US-67

FOR PERMITTING ONLY

<p><b>Chicago Engineering Group, Inc.</b>          2000 E. 11th Street, Suite 200          Monmouth, IL 61454          Phone: (815) 371-1111          Fax: (815) 371-1112          Website: www.chicagoeng.com</p>	<p>DATE: 7/11/18</p> <p>BY: [Signature]</p> <p>SCALE: 1"=100'</p>	<p>PROJECT: LOVE'S TRAVEL STOP AND COUNTRY STORE, INC</p> <p>DATE: 7/13/18</p>	<p>PROJECT TITLE: MONMOUTH, IL</p>	<p>PROJECT NO: 2018010</p> <p>SHEET NO: 1</p>
	<p>BOUNDARY EXHIBIT</p>			<p>DATE: 7/13/18</p>

**Attachment B**  
**Boundary Description**  
**W. 11<sup>th</sup> Avenue/U.S. Highway 67 Business District**

A TRACT OF LAND BEING PART OF THE SOUTHEAST AND SOUTHWEST QUARTERS OF SECTION 31, TOWNSHIP 11 NORTH, RANGE 2 WEST OF THE FOURTH PRINCIPAL MERIDIAN, WARREN COUNTY, ILLINOIS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BEGINNING AT A FOUND SURVEY SPIKE AT THE CENTER QUARTER CORNER OF SAID SECTION 31; THENCE ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, NORTH 87 DEGREES 51 MINUTES 13 SECONDS EAST, 501.11 FEET; THENCE LEAVING SAID NORTH LINE, SOUTH 00 DEGREES 02 MINUTES 44 SECONDS WEST, 820.00 FEET TO A SET IRON ROD; THENCE NORTH 89 DEGREES 57 MINUTES 16 SECONDS WEST, 537.62 FEET TO A SET IRON ROD; THENCE NORTH 00 DEGREES 39 MINUTES 55 SECONDS WEST, 578.51 FEET TO A SET IRON ROD; THENCE NORTH 04 DEGREES 45 MINUTES 05 SECONDS EAST, 143.59 FEET TO A SET IRON ROD; THENCE NORTH 24 DEGREES 52 MINUTES 57 SECONDS WEST, 100.36 FEET TO A SET IRON ROD; THENCE NORTH 00 DEGREES 39 MINUTES 55 SECONDS WEST, 28.77 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 31; THENCE ALONG SAID NORTH LINE, SOUTH 87 DEGREES 40 MINUTES 12 SECONDS EAST, 74.97 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED TRACT OF LAND CONTAINING 10.35 ACRES IS BASED UPON AN ACTUAL BOUNDARY SURVEY COMPLETED BY THE JONES SURVEYING AND ENGINEERING CORPORATION, DURING THE MONTH OF MARCH, 2019 AND IS SUBJECT TO ALL ROAD RIGHT-OF-WAYS, EASEMENTS OF RECORD AND/OR PRESCRIPTION, RESTRICTIONS, RESERVATIONS AND CONDITIONS OF RECORD, IF ANY.

PLUS THE RIGHT-OF-WAY OF W. 11<sup>TH</sup> AVENUE FROM EASTERN RIGHT-OF-WAY LINE OF U.S. HIGHWAY 67 TO A POINT ONE THOUSAND SIX HUNDRED (1,600) FEET FROM SAID EASTERN RIGHT-OF WAY LINE.

**Attachment C**  
**Letter, dated December 14, 2018,**  
**from**  
**Loren R. Rains, P.E.**  
**IMEG Corp.**





December 14, 2018

Andy Jackson  
City of Monmouth  
100 East Broadway Avenue  
Monmouth, IL 61462

Re: West 11<sup>th</sup> Avenue

Dear Andy:

The proposed development at the southeast corner of US 34 and West 11th Avenue in Monmouth, IL will increase the Average Daily Traffic (ADT) on West 11th Avenue. West 11th Avenue will need to be designed to support no less than 80,000 lbs. per the Illinois Department of Transportation form OPER-753. This development is likely to have occasional permit loads (loads greater than 80,000-lbs) in addition to the Class I traffic. The City of Monmouth has taken multiple pavement and subbase cores which resulted in the average pavement section of 3" of a bituminous mix and 6" of a gravel subbase. Based on the Bureau of Local Roads Manual, Chapter 44, this existing road section will not support the assumed increase in ADT and/or the increased Equivalent Single Axle Loads (ESAL's).

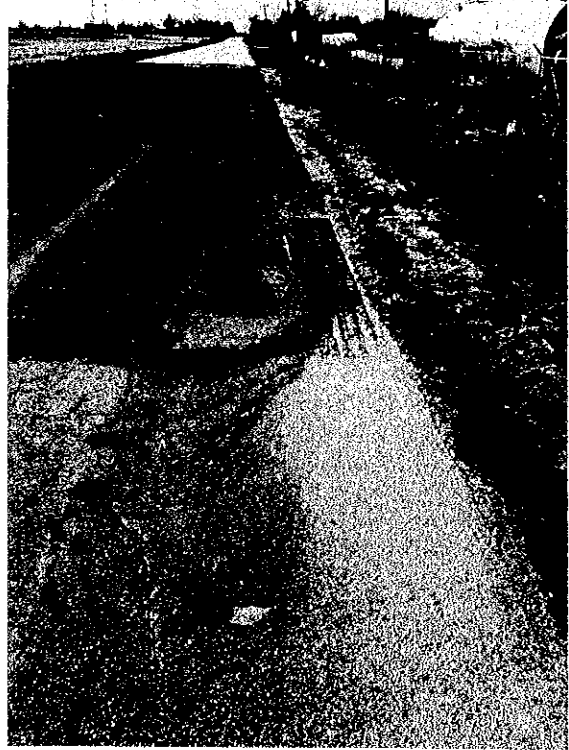
Sincerely,

IMEG Corp.

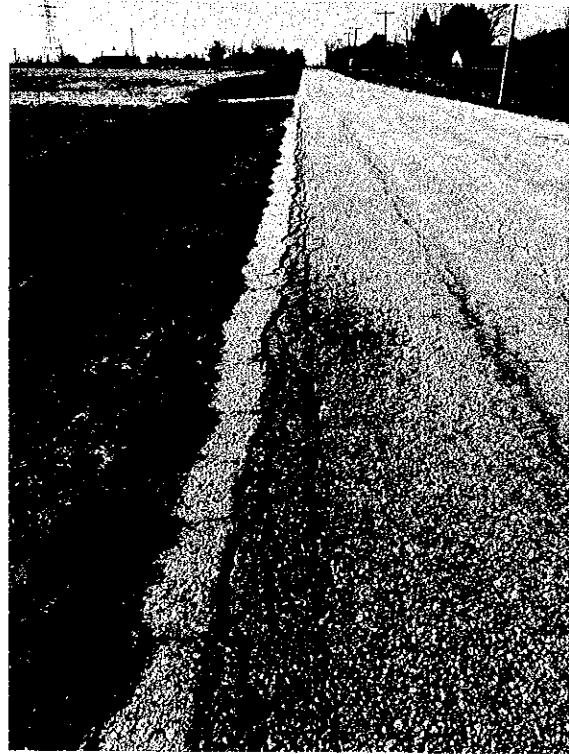
A handwritten signature in black ink, appearing to read "Loren R. Rains".

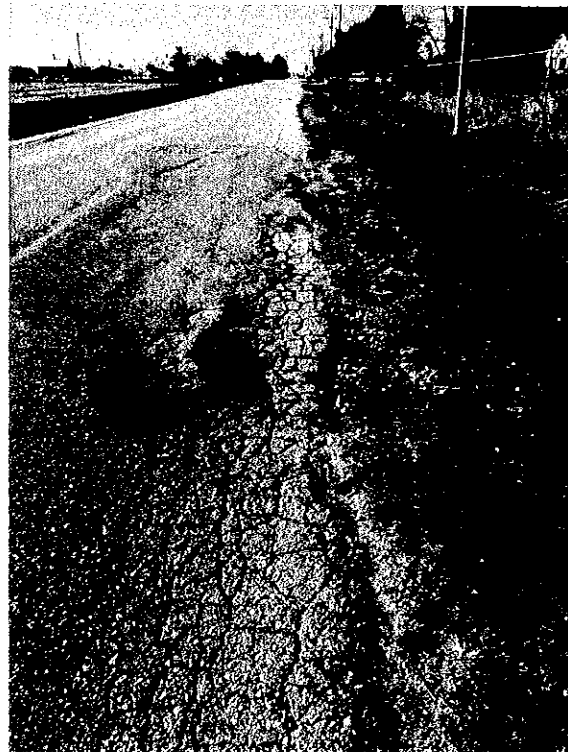
Loren R. Rains, P.E.  
Senior Civil Engineer III

**Attachment D**  
**Photographs of Existing Conditions**



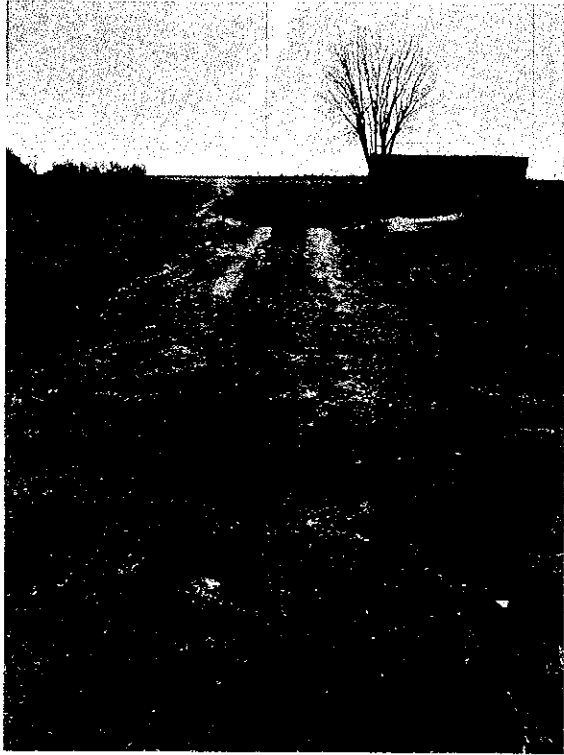
W. 11th Avenue between Route 34/67 and approximately 200' west of S. E Street





W. 11th Avenue between Route 34/67 and approximately 200' west of S. E Street





Deteriorated buildings and site improvements on  
farmstead property

