

Ordinance 2023-67

An Ordinance Approving a Tax Increment Financing Redevelopment Plan and Project for the Northbrook Court II Redevelopment Project Area

Passed by the Board of Trustees, 10/30/2023
Printed and Published 10/31/2023

Printed and Published in Pamphlet Form
by Authority of the
President and Board of Trustees
VILLAGE OF NORTHBROOK
COOK COUNTY, ILLINOIS

I hereby certify that this document
was properly published on the date
stated above.

/s/ Debra J. Ford
Village Clerk

Ordinance 2023-67

BE IT ORDAINED by the President and Board of Trustees of the Village of Northbrook, County of Cook and State of Illinois THAT:

An Ordinance Approving a Tax Increment Financing Redevelopment Plan and Project for the Northbrook Court II Redevelopment Project Area

shall be, and is hereby, adopted as follows:

Section 1. RECITALS.

The Village of Northbrook is an Illinois home rule municipal corporation operating in accordance with Article VII, Section 6 of the Illinois Constitution, and with the Illinois Municipal Code, 65 ILCS 5/1-1-1 *et seq.*

The Village's economic development strategy is to make Northbrook a resilient community, inclusive of economically sound, sustainable and livable place making that supports the location, improvement, and/or modernization of mixed residential, retail, commercial, and institutional uses within designated areas of the Village.

The approximately 104.12-acre area commonly known as the Northbrook Court Shopping Mall, which is legally described in ***Exhibit A*** and depicted in ***Exhibit C*** attached to this Ordinance ("***Redevelopment Project Area***"), had been a commercial anchor for the Village that generated a significant portion of the Village's sales and property tax base.

Due to changing market conditions and shifts in consumer behavior, the existing single-use regional shopping center is an outmoded type of development. The Northbrook Court Shopping Mall is significantly challenged by its configuration as well as the difficulties in accessing much of the mall given the decline and closure of two of the four traditional fashion anchor tenants, impairing access and activation. Oversized, inflexible space requires significant capital investment to activate. This rigid format and building vintage create insurmountable challenges given the pace of changing preferences of retailers who seek more adaptability to

respond to market trends and consumer demands, which impedes the feasibility for the Northbrook Court Shopping Mall to regain vibrance as a retail destination in its current configuration as an enclosed regional shopping mall surrounded by large parking fields.

The Redevelopment Project Area suffers from a variety of impediments to economic development, including obsolescence, deterioration, excessive vacancies, inadequate utilities, and lack of community planning.

The Village does not anticipate that the Redevelopment Project Area will be redeveloped without the implementation by the Village of a new comprehensive plan for the economic redevelopment of the Redevelopment Project Area.

The Village has explored various methods by which sufficient private investment can be attracted to the Redevelopment Project Area so that the Redevelopment Project Area can be redeveloped for the long-term growth and benefit of the Village and its residents.

One means by which the Village could attract the private investment necessary for the redevelopment of the Redevelopment Project Area is the use of tax increment financing (“**TIF**”) and the establishment of a newly-designated redevelopment project area (“**TIF District**”) as authorized under the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.* (“**TIF Act**”).

The Village President and Board of Trustees (“**Corporate Authorities**”) have commissioned a study by financial consultant Michio Murakishi of Chicago, IL (“**Murakishi**”) to determine whether the Redevelopment Project Area meets the qualifications for designating a new TIF District.

After extensive review of the Redevelopment Project Area, Murakishi delivered to the Village a report dated June 16, 2023 in which Murakishi concludes that the Redevelopment Project Area qualifies as a TIF District under the TIF Act (“**Eligibility Report**”).

In light of its review of the Redevelopment Project Area and pursuant to extensive discussions with Village officials and stakeholders in the Redevelopment Project Area, Murakishi has also prepared a plan for the redevelopment of the Redevelopment Project Area in accordance with the TIF Act (“**Redevelopment Plan and Project**”).

The Eligibility Report and Redevelopment Plan and Project set forth the qualification factors that make the Redevelopment Project Area eligible for consideration as a “blighted area” under Section 11-74.4-3 of the TIF Act.

The Eligibility Report and the Redevelopment Plan and Project have been on file and available at the Village Hall since June 16, 2023.

Pursuant to Section 11-74.4-5 of the TIF Act, the Corporate Authorities convened a meeting of the joint review board on July 18, 2023.

At its meeting on July 18, 2023, the joint review board: (i) reviewed the public record, planning documents, and proposed ordinances approving the Redevelopment Plan and Project;

and (ii) approved a resolution recommending to the Corporate Authorities the establishment of a newly-designated TIF District for the Redevelopment Project Area (the “***JRB Resolution***”).

Pursuant to Section 11-74.4-5 of the TIF Act, the Corporate Authorities held a public hearing relative to the Redevelopment Plan and Project and Redevelopment Project Area on August 22, 2023 (“***Public Hearing***”), at which hearing the Corporate Authorities: reviewed the Redevelopment Plan and Project, the information contained in the Eligibility Report, and the JRB Resolution; (ii) heard testimony and received written information concerning the Redevelopment Plan and Project; and (iii) reviewed other information, documentation, and studies so as to be generally informed about the conditions of the Redevelopment Project Area.

The Corporate Authorities have reviewed the information concerning the factors presented at the Public Hearing and are generally informed of the conditions in the Redevelopment Project Area that cause the Redevelopment Project Area to be a “blighted area” as defined in the TIF Act.

The Corporate Authorities have reviewed the conditions pertaining to real property in the Redevelopment Project Area to determine whether contiguous parcels of real property and improvements thereon in the Redevelopment Plan and Project would be substantially benefited by the Redevelopment Plan and Project improvements.

The Corporate Authorities have reviewed the Redevelopment Plan and Project and the existing comprehensive planning process for development of the Village as a whole to determine whether the Redevelopment Plan and Project conforms to the existing comprehensive planning process of the Village.

All notices required pursuant to the TIF Act were provided in accordance with the TIF Act.

Pursuant to the TIF Act, the Village has waited at least 14 days, but not more than 90 days, from the Public Hearing to introduce this Ordinance approving the Redevelopment Plan and Project.

Pursuant to the findings and determinations as provided in this Ordinance, the Corporate Authorities have determined that it is desirable and in the best interest of the public and the Village to approve the Redevelopment Plan and Project.

Section 2. FINDINGS.

The Corporate Authorities hereby find that the following facts have been established by the preponderance of the evidence:

- A. The Redevelopment Project Area is legally described in ***Exhibit A*** attached to and, by this reference, made a part of this Ordinance, and is greater than 1 and ½ acres in area. The general street location for the Redevelopment Project Area is described in ***Exhibit B*** attached to and, by this reference, made a part of this Ordinance. The map of the Redevelopment Project Area is depicted on ***Exhibit C*** attached to and, by this reference, made a part of this Ordinance.

- B. There exist conditions that cause the Redevelopment Project Area to be subject to designation as a new redevelopment project area under the TIF Act and to be classified as a blighted area as defined in the TIF Act.
- C. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan and Project.
- D. The Redevelopment Project Area would not reasonably be redeveloped without incremental ad valorem taxes, and the increment from such revenues will be exclusively utilized for the redevelopment as outlined in the Redevelopment Plan and Project within the Redevelopment Project Area except as provided in the TIF Act, including, without limitation, 65 ILCS 5/11-74.4-4(f) and (q).
- E. The Redevelopment Plan and Project conforms to the existing comprehensive planning process for the development of the Village as a whole.
- F. It is estimated that completion of the Redevelopment Plan and Project will occur no later than December 31st of the year in which the payment to the Village Treasurer, pursuant to the TIF Act, is to be made with respect to the ad valorem taxes levied in the twenty-third calendar year after the year in which the Redevelopment Project Area is designated, which is December 31, 2047, subject to receipt of 2047 incremental revenues during 2048.
- G. It is estimated that all obligations incurred to finance redevelopment project costs, if any, as defined in the Redevelopment Plan and Project, are to be retired no later than December 31st of the year in which the payment to the Village Treasurer, pursuant to the TIF Act, is to be made with respect to the ad valorem taxes levied in the twenty-third calendar year after the year in which the Redevelopment Project Area is designated, which is December 31, 2047, subject to receipt of 2047 incremental revenues during 2048.
- H. The parcels of real property in the Redevelopment Project Area are contiguous, and only those contiguous parcels of real property and improvements thereon that will be substantially benefited by the Redevelopment Plan and Project improvements are included in the Redevelopment Project Area.
- I. All other findings and certifications set forth in the Redevelopment Plan and Project are hereby adopted as the findings and certifications of the Corporate Authorities as if fully set forth in this Ordinance.

Section 3. ADOPTION OF REDEVELOPMENT PLAN AND PROJECT.

The Redevelopment Plan and Project, which was the subject matter of the Public Hearing, is hereby adopted and approved. A copy of the Redevelopment Plan and Project is set forth in **Exhibit D** attached to and, by this reference, made a part of this Ordinance.

Section 4. AUTHORIZATION FOR TRANSMITTALS AND OTHER ACTION.

The Corporate Authorities hereby authorize and direct the Village Manager to take any and all other statutorily required steps in connection with the approval of a Redevelopment Plan and Project, including, without limitation, the transmission of a certified copy of this Ordinance to the Cook County Clerk.

Section 5. SEVERABILITY.

If any provision of this Ordinance or part thereof is held invalid by a court of competent jurisdiction, the remaining provisions of this Ordinance will remain in full force and effect, and are to be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Ordinance to the greatest extent permitted by applicable law.

Section 6. EFFECTIVE DATE.

This Ordinance shall be in full force and effect only upon the occurrence of all of the following events:

- A. passage by the Village President and Board of Trustees by a majority vote in the manner required by law; and
- B. publication in pamphlet form in the manner required by law.

PASSED: This 30 day of October, 2023.

RESULT:	ADOPTED BY CONSENT VOTE [7 TO 0]
MOVER:	Bob Israel, Trustee
SECONDER:	Dan Pepoon, Trustee
AYES:	Ciesla, Israel, Collison, Ross, Hebl, Pepoon, Ebhomieien

ATTEST:

/s/ Debra J. Ford
Village Clerk

/s/ Kathryn L Ciesla
Village President

EXHIBIT A

LEGAL DESCRIPTION OF THE REDEVELOPMENT PROJECT AREA

EXHIBIT B

GENERAL STREET LOCATION OF THE REDEVELOPMENT PROJECT AREA

EXHIBIT C

MAP OF THE REDEVELOPMENT PROJECT AREA

EXHIBIT D

REDEVELOPMENT PLAN AND PROJECT