

DEMPSTER STREET TAX INCREMENT FINANCING REDEVELOPMENT AREA PLAN AND PROJECT

Village of Morton Grove, Illinois

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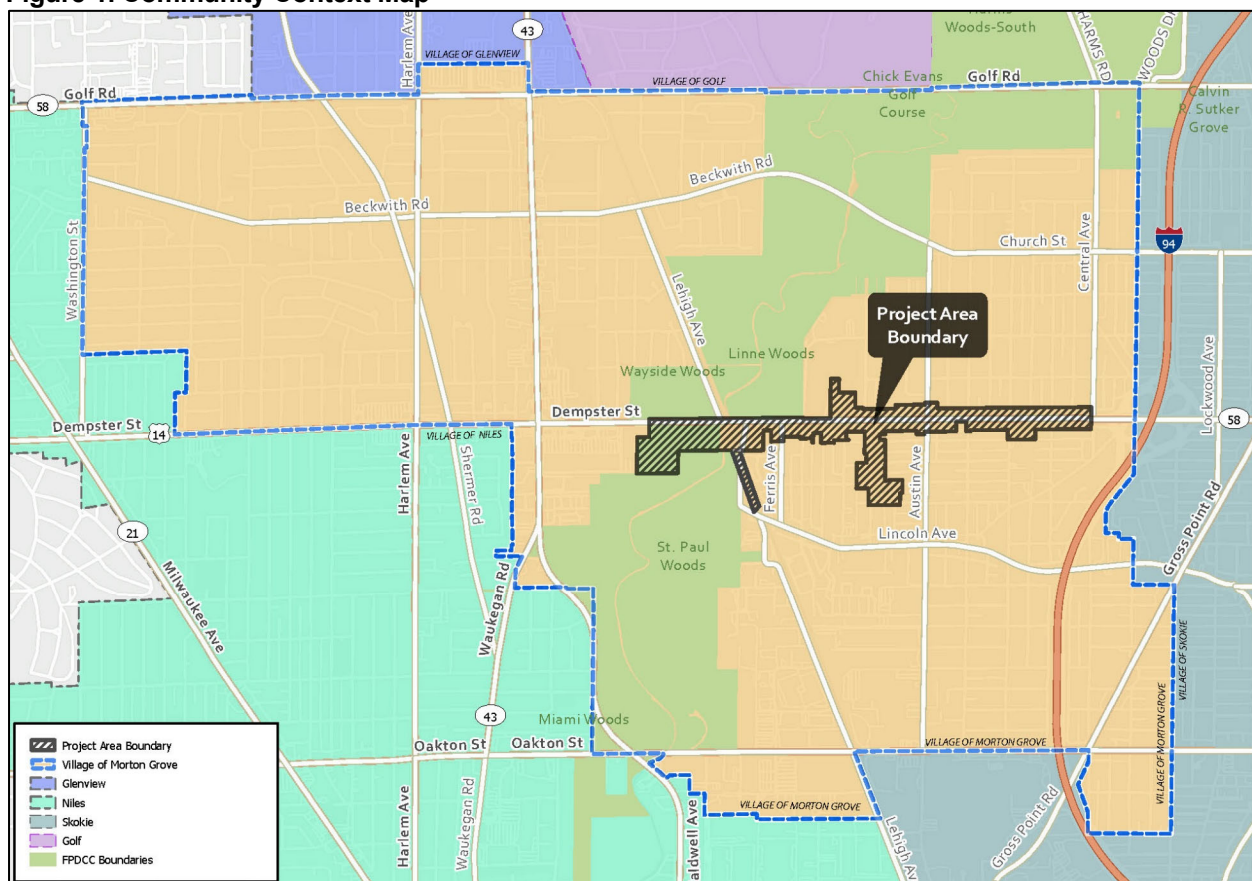
EXHIBIT III: DEMPSTER STREET TAX INCREMENT FINANCING ELIGIBILITY REPORT

I. INTRODUCTION

This document is to serve as the tax increment financing redevelopment plan and project (the “Redevelopment Plan”) for an area centrally located in the Village of Morton Grove (the “Village”), immediately west of the Edens Expressway (Interstate-94). The area includes the north and south frontage of Dempster Street generally bounded by Central Avenue on the east and the Cook County Forest Preserve on the west and also includes School Street frontage from Dempster Street on the north to South Park Avenue on the south where the Richard T. Flickinger Municipal Center is located. This area is referred to in this document as the Dempster Street Tax Increment Financing Redevelopment Project Area (the “Project Area”) and illustrated in *Figure 1. Community Context Map*.

In conjunction with the Village’s strategy to encourage managed growth and stimulate private investment within the Project Area, the Village engaged Johnson Research Group, Inc. (“JRG” or the “Consultant”) to study whether the Project Area of approximately 90.1 acres qualifies as a “conservation area,” a “blighted area,” or a combination of both under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended (the “Act”). The Project Area, described in more detail below as well as in the accompanying Dempster Street Tax Increment Financing Eligibility Report (the “Eligibility Report”), as a whole has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without public intervention and leadership by the Village.

Figure 1. Community Context Map



The Redevelopment Plan summarizes the analyses and findings of the Consultant's work, which, unless otherwise noted, is the responsibility of JRG. 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 Act. The Consultant has prepared this Redevelopment Plan and the related Eligibility Report with the understanding that the Village would rely: 1) on the findings and conclusions of the Redevelopment Plan and the related Eligibility Report in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Redevelopment Plan, and 2) on the fact that the Consultant has obtained the necessary information so that the Redevelopment Plan and the related Eligibility Report will comply with the Act.

A. Dempster Street Tax Increment Financing Redevelopment Project Area

The Project Area generally includes the north and south sides of the Dempster Street corridor from Central Avenue to the Cook County Forest Preserve and extends south along School Street to include the Morton Grove Village Hall and Police Department site. The Project Area is an improved area of approximately 90.1 acres, much of which was developed prior to 1970. The Project Area encompasses 223 tax parcels within 33 tax blocks in Niles Township. The Project Area boundaries are illustrated in *Figure 2. Project Area Boundary*. A legal description of the Project Area is referenced in *Section II* and included in *Exhibit I*.

The Village of Morton Grove was incorporated as a Village in 1895 and named after Levi Parsons Morton, a railroad financier responsible for bringing the Chicago, Milwaukee, and St. Paul Railroad through the Village. A single-track railroad was laid in 1872 and a second track, added in 1892, coincided with the development of the first residential subdivision. At that time, the Village encompassed 1,200 acres and served a population of 564. The Village grew in size and population slowly over the first half of the 20th Century but experienced its biggest growth in population after the opening of the Edens Expressway in 1951. Between 1950 and 1970, population grew rapidly, and retail development expanded along major east-west arterials—most notably Dempster Street (Illinois Route 58). The majority of structures in the Project Area were built between 1940 and 1970 and are characterized by single-story, small building footprints, and large window storefronts.

With two lanes in both directions and on-street parking, Dempster Street emerged as the Village's principal commercial corridor. In 1993, the Illinois Department of Transportation designated the corridor a Strategic Regional Arterial and identified roadway improvements to enhance public transportation, reduce congestion and accommodate commercial vehicular traffic. IDOT improvements were completed in 2011 including establishing a middle turning lane and removal of on-street parking. Average daily traffic on Dempster Street is 41,300 vehicles. As of 2025, the population of Morton Grove is 25,300 and the Village land area encompasses 5.09 square miles.

In addition to the Dempster Street frontage, the Project Area includes residential properties along School Street and the Richard T. Flickinger Municipal Center, where Village Hall and Police Department have operated since 1980. Originally constructed as a school in the 1890s, the building has been modified and added onto over the years. The building is highly inefficient, costly to maintain and insufficient for contemporary Village Administration and Police Department needs.

Although the Project Area benefits from good schools, stable housing stock, and excellent proximity to major roads, highways and commuter rail, the constraints and conditions that qualify the area as a redevelopment project area under the Act will cause the area to languish and adversely affect property values in the Project Area and beyond. Without the intervention of the Village and the adoption of Tax Increment Financing and this Redevelopment Plan, the Project Area overall would not reasonably be expected to be developed.

B. Tax Increment Financing

In January 1977, Tax Increment Financing (“TIF”) was authorized by the Illinois General Assembly through passage of the Act. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance eligible “redevelopment project costs” with incremental property tax revenues. “Incremental Property Tax” or “Incremental Property Taxes” are derived by applying the tax rate to the increase in the current Equalized Assessed Valuation (“EAV”) of real property within the redevelopment project area over and above the “Certified Initial EAV” of such real property. Incremental Property Taxes are reinvested in the area through rehabilitation, developer incentives, public improvements and other eligible redevelopment activities.

All taxing districts continue to receive property taxes levied on the Certified Initial EAV of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and redevelopment project costs have been paid. Taxing districts also benefit from the increased property tax base after the expiration or termination of the redevelopment project area.

C. The Redevelopment Plan for the Dempster Street Tax Increment Financing Redevelopment Project Area

The Village’s overall goals include a desire to stabilize and enhance the tax base and create shopping and employment opportunities that enhance the community’s appeal and sustainability. As evidenced in *Section VI*, the Project Area as a whole has not been subject to growth and development through private investment. Overall, it is not reasonable to expect that redevelopment and improvements will occur on a comprehensive and coordinated basis without the use of TIF.

This Redevelopment Plan has been formulated in accordance with the provisions of the Act and is intended to guide improvements and activities within the Project Area to stimulate economic growth and private investment in the Project Area in a manner that is consistent with the goals of the Village. The goal of the Village, through implementation of this Redevelopment Plan, is to redevelop the Project Area with adequate stormwater capacity and modernized infrastructure on a comprehensive and planned basis to ensure that private investment occurs:

1. on a coordinated rather than piecemeal basis to ensure that land use, access and circulation, parking, public services and urban design are functionally integrated and meet present-day principles and standards;
2. that meets modern requirements, increases property values, and eliminates conservation area factors; and
3. within a reasonable and defined time period so that the Project Area may contribute productively to the economic vitality of the Village.

Redevelopment of the Project Area will depend on the cooperation between the private sector and agencies of local government. Adoption of this Redevelopment Plan will enable the implementation of a comprehensive redevelopment program and coordinated private investment. Without public investment, the comprehensive redevelopment and coordinated improvements in the Project Area would not be expected to be realized by the private sector alone.

This Redevelopment Plan sets forth the overall “Redevelopment Project” to be undertaken to accomplish the Village’s above-stated goals. During implementation of the Redevelopment Project, the Village may, from time to time: (i) undertake or cause to be undertaken public improvements

and other redevelopment project activities authorized under the Act; and (ii) enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements and undertake other redevelopment project activities authorized under the Act on one or several parcels (items (i) and (ii) are collectively referred to as “Redevelopment Projects”).

This Redevelopment Plan specifically describes the Project Area and summarizes the criteria that qualify the Project Area as a “conservation area” as defined in the Act.

The use of Incremental Property Taxes will permit the Village to direct, implement, and coordinate public involvement and activities that are intended to stimulate private investment within the Project Area. These improvements, activities and investments will benefit the Village, its residents, and all taxing districts having jurisdiction over the Project Area. These anticipated benefits include:

- A strengthened tax base for affected taxing districts arising from new or rehabilitated commercial, residential and mixed-use development;
- Increased opportunities for a diversity of rental and for-sale housing within the Project Area;
- Provision of infrastructure and community facilities that support growth and development;
- Elimination of the problem conditions and development obstacles in the Project Area; and
- A stable and predictable environment that promotes economic growth.

II. LEGAL DESCRIPTION AND PROJECT BOUNDARY

The boundaries of the Project Area have been drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken as part of this Redevelopment Plan. The boundaries of the Project Area are illustrated in *Figure 2. Project Area Boundary* and are generally described below:

The Project Area is generally bounded on the east by Central Avenue, on the west by the western line of the Cook County Forest Preserve's St. Paul Woods (parcel 10-19-200-003-0000), on the north by the alley north of Dempster Street, and on the south by the alley south of Dempster Street. A portion of the Project Area extends south of Dempster Street to include properties on either side of School Street up to and including the Flickinger Municipal Center (6101 Capulina Avenue).

The legal description for the Project Area is found in *Exhibit I* at the end of this report.

III. ELIGIBILITY CONDITIONS

The results summarized in this section are more fully described in a separate report that presents the definition, application and extent of the conservation area factors in the Project Area. The report, prepared by JRG is entitled “Dempster Street Tax Increment Financing Eligibility Report,” (the “Eligibility Report”) and is attached as *Exhibit III* to this Redevelopment Plan.

A. Surveys and Analyses Conducted

The conditions documented in the Project Area are based upon surveys and analyses conducted by JRG. The surveys and analyses conducted for the Project Area include:

1. Exterior survey of the condition and use of all buildings and sites;
2. Field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences, and general property maintenance;
3. Analysis of the existing uses within the Project Area and their relationships to the surroundings;
4. Review of current land use to current zoning ordinance and the current zoning map;
5. Analysis of platting and current parcel size and layout;
6. Analysis of building floor area, site coverage, and parking areas/capacity;
7. Review of previously prepared plans, studies and data;
8. An assessment of storm, sanitary sewer lines and water supply lines within the Project Area, based on information provided by the Village Department of Public Works;
9. Analysis of building permit data from 2014 through 2025;
10. Analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 2018 through 2024;
11. Review of Cook County Treasurer property tax payment records for collection years 2019 through 2024; and
12. Research of tax maps and the history of PIN changes, online and with the assistance of staff at Cook County Assessor’s office.

B. Summary of Project Area Eligibility

Based upon surveys, inspections and analyses of the Project Area, the Project Area qualifies under the applicable criteria as a conservation area within the requirements of the Act.

Section 11-74.4.3 (b) of the Act defines the eligibility criteria for a conservation area. Specifically, an improved area qualifies as a conservation area if at least fifty percent (50%) of the structures in the Project Area are over 35 years old and a combination of three (3) or more of 13 conservation area factors listed in the Act are found meaningfully present and reasonably distributed throughout the Project Area.

Based on surveys and analyses documented in the Eligibility Report the Project Area qualifies as a conservation area under the criteria as set forth in the Act and summarized below.

Age

The Project Area meets the threshold criteria that fifty percent (50%) or more of buildings are 35 years of age or older. Ninety-two percent (92%) of the Project Area’s buildings are 35 years of age or older.

Conservation Area Factors

The meaningful presence and reasonable distribution of a minimum of three (3) of the 13 factors set forth in the Act are required for an improved area to qualify for designation as a conservation area. The analysis of the Project Area found a meaningful presence and a reasonable distribution of five (5) factors throughout the Project Area, including:

1. Obsolescence
2. Deterioration
3. Inadequate Utilities
4. Lack of Community Planning
5. Declining or Lagging Equalized Assessed Value (EAV)

IV. REDEVELOPMENT GOALS AND OBJECTIVES

Comprehensive and coordinated investment in new public and private improvements and facilities is essential for the successful redevelopment and public improvement of the Project Area. Redevelopment of the Project Area will benefit the Village through improvements in public infrastructure, new residential and mixed-use commercial/industrial development, and an increased tax base.

This section identifies the general goals and objectives adopted by the Village for redevelopment of the Project Area. *Section V* presents more specific objectives for development and design within the Project Area and the redevelopment activities that the Village plans to undertake to achieve the goals and objectives presented in this section.

A. General Goals

Listed below are the general goals adopted by the Village for redevelopment of the Project Area. These goals provide overall focus and direction for this Redevelopment Plan.

1. Provide a balance of land uses along Dempster Street which will enable the Village to be economically competitive and provide opportunities for commercial and mixed-use developments.
2. Promote the establishment of a civic district on Dempster at Fernald that unites various community activities and public buildings including Village, police, park, and American Legion Memorial Civic Center facilities.
3. Encourage redevelopment of the Flickinger Municipal Center with uses that will add to the taxable base of the Village and complement the character of the neighborhood.
4. Provide infrastructure that delivers safe, reliable, and efficient water, wastewater and stormwater services for all Village residents, businesses, and industries.

B. Redevelopment Objectives

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Provide public infrastructure and streets, including the storm water drainage system and a sufficiently sized water supply system.
2. Support modern, commercial developments that are designed to coexist with residential uses while enhancing the Village tax base and providing employment opportunities.
3. Encourage thoughtful design and best management practices for public and private improvements.

V. REDEVELOPMENT PROJECT

This section presents the Redevelopment Project anticipated to be undertaken by the Village and by other public and private entities on behalf of the Village in furtherance of this Redevelopment Plan. The Redevelopment Project, as outlined in this section conforms to the plans and policies in place within the Project Area including: the Dempster Corridor Plan Draft (2025); Village of Morton Grove Zoning Code (2007), and working documents for the Village of Morton Grove Comprehensive Plan Update (2025/2026).

The Redevelopment Project described in this Redevelopment Plan and pursuant to the Act includes: a) the land use plan; b) redevelopment goals and objectives; c) a description of redevelopment improvements and activities; d) estimated redevelopment project costs; e) a description of sources of funds to pay estimated redevelopment project costs; f) a description of obligations that may be issued; and g) identification of the most recent EAV of properties in the Project Area and an estimate of future EAV.

A. Land Use Plan

The land uses within the Project Area and their recommended uses within those land uses are listed and described below. The Land Use Plan is intended to direct Redevelopment Project Costs that support the redevelopment of the Project Area. The Village's Comprehensive Plan and Zoning Code form the primary bases for this land use plan and further define the guidelines for considering future development projects. The land uses are intended to provide flexibility and reflect the long-term objectives of the Redevelopment Plan and support the redevelopment of obsolete and underutilized properties consistent with the needs of the overall Project Area.

A summary description of the future land uses to be considered within the Project Area are described below and illustrated in *Figure 3. Land Use Plan*.

The Land Use Plan promotes the development of a modern and attractive mixed-use environment that will provide economically sustainable uses and new investment in the Project Area. As indicated in Figure 3, the Dempster Street portion of the Project Area is primarily designated as Mixed-Use which is intended to accommodate a greater variety and blend of commercial retail, service, and residential uses complemented by public and open space uses at key locations. New development and improvements to viable existing buildings should enhance the physical character and function of the Project Area. Attractive landscaping and streetscape treatments and improvements to infrastructure, vehicular access, parking, and signage are encouraged to give the corridor a coordinated and distinctive character.

Public uses identified in Figure 3 include a number of public parking sites scattered along the corridor as well as the much anticipated relocation of the Village Hall and Police Department to Dempster Street between Fernald and Georgiana. With the addition of this key public function in proximity to the existing Morton Grove American Legion Civic Center, Morton Grove Historical Museum, and Harrer Park and Pool, this area is intended to become the civic district of the Village. Site planning should incorporate pedestrian safety and connectivity enhancements.

The Richard T. Flickinger Municipal Building, which is expected to be vacated by the Village Administration and Police Department and redeveloped, is designated as Residential. Redevelopment of the site should strike a thoughtful balance of market-appropriate density and compatibility with the surrounding neighborhood. Utilization of the Village's Planned Development regulations will help ensure harmonious architecture and site design that is in line with overall scale and character of the area. Residential uses also apply to the existing homes along School Street where infrastructure improvements are encouraged to preserve and maintain the existing housing stock.

B. Redevelopment Goals and Objectives

Listed below are the specific redevelopment goals and objectives which will assist the Village in directing and coordinating public and private improvements and investment within the Project Area in order to achieve the general goals and objectives identified in *Section IV* of this Redevelopment Plan.

The Development and Design Objectives are intended to enhance and attract desirable uses such as new development coordinated with other nearby uses.

a) Land Use, Building, and Site Development

- Promote the most desirable use of land in accordance with the comprehensive plan for the Village.
- Encourage the retention and attraction of businesses that provide viable employment opportunities for Morton Grove residents and strengthen the Village's economic base.
- Promote the redevelopment of obsolete and underutilized buildings with commercial and mixed-uses which contribute to the tax base and provide employment opportunities.
- Encourage the clustering of similar and supporting commercial uses to promote cumulative attraction and multi-stop shopping.
- Ensure the provision of conveniently located off-street parking with enhanced signage for commercial uses.

b) Infrastructure and Circulation

- Install or upgrade public and private utilities and infrastructure as required, including lead pipe replacement, replacement of aging lines, and separation of combined storm/sanitary sewers.
- Enhance pedestrian safety and mobility along Dempster Street and at key crossings.
- Encourage the development of shared, off-street parking areas to maximize commercial parking opportunities.

c) Urban Design, Landscaping, and Open Space

- Promote landscaping and pedestrian oriented amenities that reinforce a civic identity.
- Ensure that architectural design of new developments is consistent with the standards established by the Village in order to establish an attractive, unified visual image.
- Encourage building design that provides façade articulation and visual interest.
- Ensure that all landscaping and design materials comply with the Village's ordinances and any applicable Planned Development requirements.

C. Redevelopment Improvements and Activities

The Village proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques such as tax increment financing to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The Village also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The Village may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, renovate or restore improvements on one or several parcels. Redevelopment agreements may contain terms and provisions that are more specific than the general principles set forth in this Redevelopment Plan.

1. Property Assembly and Site Preparation

The Village may facilitate property assembly in the Project Area, assist in the acquisition of land, provide for site preparation, demolition, and the clearing and grading of land.

2. Provision of Public Works or Improvements

The Village, or an agent of the Village, may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Redevelopment Plan and the comprehensive plan for development of the Village as a whole.

3. Taxing Districts Capital Costs

The Village may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Redevelopment Plan.

4. Interest Subsidies

Funds may be provided to developers for a portion of interest costs incurred by a developer related to the construction, renovation, or rehabilitation of a redevelopment project, subject to the limitations outlined in the next section.

5. Analysis, Administration, Studies, Surveys, Legal, etc.

Under contracts that will run for three years or less (excluding contracts for architectural and engineering services which are not subject to such time limits) the Village and/or private developers may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Redevelopment Plan.

D. Redevelopment Project Costs

The various redevelopment expenditures that are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs that are deemed to be necessary to implement this Redevelopment Plan (the “**Redevelopment Project Costs**”).

In the event the Act is amended after the date of the approval of this Redevelopment Plan by the Village of Morton Grove Board of Trustees to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11)), this Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the Redevelopment Plan to the extent permitted by the Act. In the event of such amendment(s) to the Act, the Village may add any new eligible redevelopment project costs as a line item in Table 1 or otherwise adjust the line items in Table 1 without amendments to this Redevelopment Plan, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total redevelopment project costs without a further amendment to this Redevelopment Plan.

1. Eligible Redevelopment Project Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) 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 (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
- c) 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, 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;
- d) Costs of rehabilitation, reconstruction or 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; including any direct or indirect costs relating to Green Globes or Leadership in Energy and Environmental Design (LEED) certified construction elements or construction elements with an equivalent certification;
- e) Costs of the construction of public works or improvements including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
- f) Costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the Project Area;
- g) 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 thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- h) 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 and project;
- i) An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
- j) 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 or by Section 74.4-3(n)(7) of the Act (see Section V.C.2 above);

- k) Payment in lieu of taxes, as defined in the Act;
- l) Costs of job training, retraining, 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, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Project Area; and (ii) when incurred by a taxing district or taxing districts other than the Village, are set forth in a written agreement by or among the Village and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;
- m) Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - 2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 - 4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the Village pursuant to the Act; and
 - 5. The cost limits set forth in paragraphs 2 and 4 above shall be modified to permit payment of up to 75 percent of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- n) Instead of the eligible costs provided for in (m) 2, 4 and 5 above, the Village may pay up to 50 percent of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act;

- o) The cost of daycare services for children of employees from low-income families working for businesses located within the Project Area and all or a portion of the cost of operation of day care centers established by Project Area businesses to serve employees from low-income families working in businesses located in the Project Area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80 percent of the Village, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development;
- p) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- q) If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 et. seq. then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the Project Area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

2. Estimated Redevelopment Project Costs

A range of redevelopment activities and improvements will be required to implement this Redevelopment Plan. The activities and improvements and their estimated costs are set forth in **Table 1. Estimated Redevelopment Project Costs**. All estimates are based on 2025 dollars. Funds may be moved from one line item to another or to an eligible cost category described in this Redevelopment Plan at the Village’s discretion.

Table 1. Estimated Redevelopment Project Costs

TIF EXPENSE CATEGORY	ESTIMATED COST
Analysis, Administration, Studies, Surveys, Legal, Marketing, etc.	\$3,600,000
Property Assembly including Acquisition, Demolition and Site Preparation	\$10,900,000
Rehabilitation, reconstruction or repair of public or private buildings	\$35,700,000
Public Works and Improvements, includes utilities, streets, curbs and gutter, and lighting	\$10,900,000
Relocation Costs	\$1,500,000
Financing Costs	\$2,200,000
Taxing Districts Capital Costs ^[1]	\$2,900,000
Affordable Housing	\$2,900,000
Interest Costs	\$2,200,000
TOTAL ESTIMATED COSTS	\$72,800,000 ^[2]

^[1] This category may also include paying for or reimbursing capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the Village by written agreement accepts and approves the same, the Village may pay, or reimburse all, or a portion of a taxing district’s capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

^[2] All costs are in 2025 dollars and may be increased by five percent (5%) after adjusting for inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U.S. Department of Labor.

Redevelopment Project Costs described in this Redevelopment Plan are intended to provide an upper estimate of expenditures that may be incurred over the life of the TIF. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the Village may deem appropriate. The Village may incur redevelopment project costs, which are paid for from funds of the Village other than incremental taxes, and the Village may then be reimbursed for such costs from incremental taxes. Also, the Village may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the Village may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

As of the date of this Redevelopment Plan, the Project Area is contiguous to the Sawmill Station TIF District and the Lincoln/Lehigh TIF District. The Project Area may, in the future, be contiguous to or separated by only a public right-of-way or separated by a forest preserve less than one mile from other redevelopment project areas created under the Act. 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 project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the Village finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the Project Area, the Village may determine that it is in the best interests of the Village and in furtherance of the purposes of the Redevelopment Plan that net revenues from the Project Area be made available to support any such redevelopment project areas, and vice versa. The Village therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in *Table 1. Estimated Redevelopment Project Costs*.

F. Issuance of Obligations

The Village may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the Village may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the Village may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

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 Village treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Project Area is adopted (i.e., December 31, 2050, assuming Village Board approval of the Project Area and Redevelopment Plan in 2026). Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

G. Valuation of the Project Area

1. Most Recent EAV of Properties in the Project Area

The purpose of identifying the most recent EAV of the Project Area is to provide an estimate of the initial EAV which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the Project Area. The 2024 EAV of all taxable parcels in the Project Area is approximately \$42,064,945. This total EAV amount by PIN is summarized in *Exhibit II*. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk and shall become the Certified Initial EAV from which all incremental property taxes in the Project Area will be calculated by Cook County. The Plan has utilized the most recent finalized EAVs for this report.

2. Anticipated Equalized Assessed Valuation

By tax year 2049 (collection year 2050) and following the substantial completion of the Redevelopment Project, the anticipated EAV of the Project Area could be as high as \$142,500,000. The estimate is based on potential improvements and redevelopment that could include new commercial, residential, and mixed-use development modeled by using an estimated annual inflation rate in EAV of 5% through 2049, realized annually; and applying the most recent tax rate of 9.576% and an equalization factor of 3.035 in all years to calculate estimated EAV.

VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in *Section III* of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the meaningful presence and reasonable distribution of five improved area factors. The presence of these blight factors within the Project Area impairs the value of private investments and threatens the sound growth and tax base of taxing districts. In order to promote a stable economic and physical development of the Project Area it is necessary to remove and eradicate adverse conditions before they lead to decline and deterioration of the area.

The lack of growth and private investment in the Project Area is evidenced by the following:

- A primary commercial corridor that is characterized by aging and obsolete commercial buildings on parcels with limited depth.
- Ninety-two percent (92%) of the buildings in the Project Area were built before 1990, a majority (77%) of which were built before 1970.
- Since 2015, only five new construction permits were issued for commercial development and permits overall have declined by nearly 50% in the last five years.
- Five eligibility factors are meaningfully present and reasonably distributed throughout the Project Area. These include:
 1. Obsolescence
 2. Deterioration
 3. Inadequate Utilities
 4. Lack of Community Planning
 5. Declining or Lagging EAV

In summary, the Project Area qualifies under the Act as a Conservation Area on the basis that it: 1) meets the age threshold; and 2) exhibits the meaningful presence and reasonable distribution of five of the 13 criteria listed in the Act for designation as a Conservation Area. Therefore, the Project Area qualifies as eligible under the TIF Act as a redevelopment project area, with blighted area conditions that are detrimental to sound growth of the taxing districts.

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 the adoption of the Redevelopment Plan and the use of TIF. In the absence of Village-sponsored redevelopment initiatives, there is a prospect that blighted area factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will languish or deteriorate, eventually becoming a blighted area. In the absence of Village-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

VII. FINANCIAL IMPACT ON TAXING DISTRICT SERVICES

Section V of this Redevelopment Plan describes the comprehensive, area-wide Redevelopment Project proposed to be undertaken by the Village to create an environment in which private investment can occur. The Redevelopment Project will be a multi-year endeavor tied to local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in privately and publicly-funded new construction of commercial, residential, mixed-use, and public developments consistent with the goals and objectives of the Village's comprehensive plan and other applicable adopted planning documents.

The Redevelopment Project 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 TIF, through the encouragement of new development and redevelopment, can be expected to enhance the assessed value of existing properties in and adjacent to the Project Area, thereby enhancing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment improvements and activities, Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts can be expected to benefit from the enhanced tax base that results from the increase in EAV caused by the Redevelopment Projects.

The Act requires an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Redevelopment Plan and a description of any program to address such financial impacts or increased demand. Public facilities within a half mile of the Project Area are illustrated in Figure 4. *Community Facilities*.

The following major taxing districts presently levy taxes against properties located within the Project Area.

Village of Morton Grove. The Village is responsible for the provision of a range of municipal services, including: police protection; fire protection and emergency medical services; and capital improvements and maintenance; sanitation service; family and senior services; and building, housing and zoning codes, etc.

Morton Grove Park District. General responsibilities include the provision, maintenance and operation of park and recreational facilities throughout the Village and for the provision of recreational programs.

Morton Grove School District 70. General responsibilities of the school district includes the provision, maintenance and operation of educational facilities and the provision of educational services for pre-school through eighth grade.

Niles Township School District 219. General responsibilities of the school district includes the provision, maintenance and operation of educational facilities and the provision of educational services for nine through twelfth grade.

Other Taxing Districts. Additional districts serving the Project Area include the Oakton College District 535, Morton Grove Library fund, Cook County, Cook County Forest Preserve District, Niles Township, Metropolitan Water Reclamation District of Chicago and North Shore Mosquito Abatement District - Northfield.

The amount and type of new private development is not known at this time. Therefore, no special programs are proposed for these taxing districts. The Village intends to monitor development in the

Project Area with the cooperation of the other affected taxing districts and will attempt to ensure that any increased needs are addressed in connection with any particular development.

Section 74.4-3 (q) (7.5) of the TIF Act requires that 40% of incremental revenue from TIF supported housing developments be set aside to assist with any increased costs to the schools, attributable to those units.

VIII. PROJECT AREA CONFORMS TO THE COMPREHENSIVE PLAN

This Redevelopment Plan and the Redevelopment Project described herein include land uses that are consistent with the uses set forth in the Morton Grove Comprehensive Plan.

IX. PHASING AND SCHEDULING

A phased implementation strategy may be utilized to achieve comprehensive and coordinated improvements in the Project Area, as well as to allow time for incremental revenues to accumulate.

It is anticipated that Village expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Property Taxes by the Village.

The estimated date for completion of Redevelopment Projects is no later than December 31 of the year in which the payment to the Village treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Project Area is adopted (i.e., December 31, 2050, assuming Village Board approval of the Project Area and Redevelopment Plan in 2026).

X. PROVISIONS FOR AMENDING THIS REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

XI. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION PLAN

The Village is committed to and will affirmatively implement the following principles with respect to this Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or housing status.
- B) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- C) Redevelopers will meet Illinois standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees

The Village shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

XII. HOUSING IMPACT

As set forth in the Act, if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and the Village is unable to certify that such displacement will not result from the Redevelopment Plan, the Village must prepare a housing impact study and incorporate the study in the redevelopment plan and project.

The Project Area includes 38 residential units, 37 of which are inhabited units. These include 14 apartment units above or behind commercial storefronts on Dempster Street and 23 single-family and duplex homes between Dempster and the Village Hall site.

The Village hereby certifies that there will not be displacement of 10 or more inhabited units within the redevelopment project area. As such, a full housing impact study is not required as part of this Redevelopment Plan.

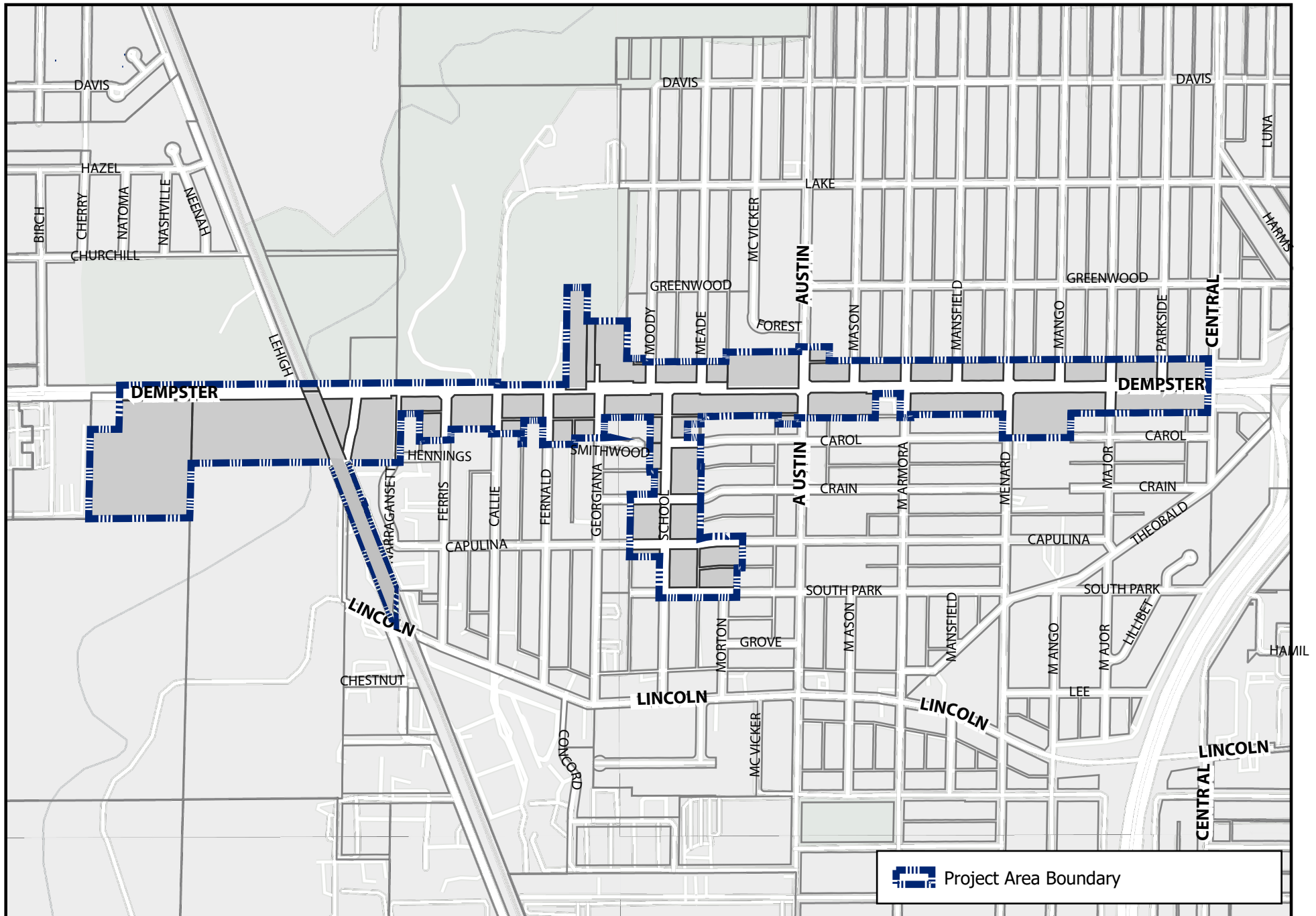


Figure 2: Project Area Boundary
DEMPSTER STREET TIF

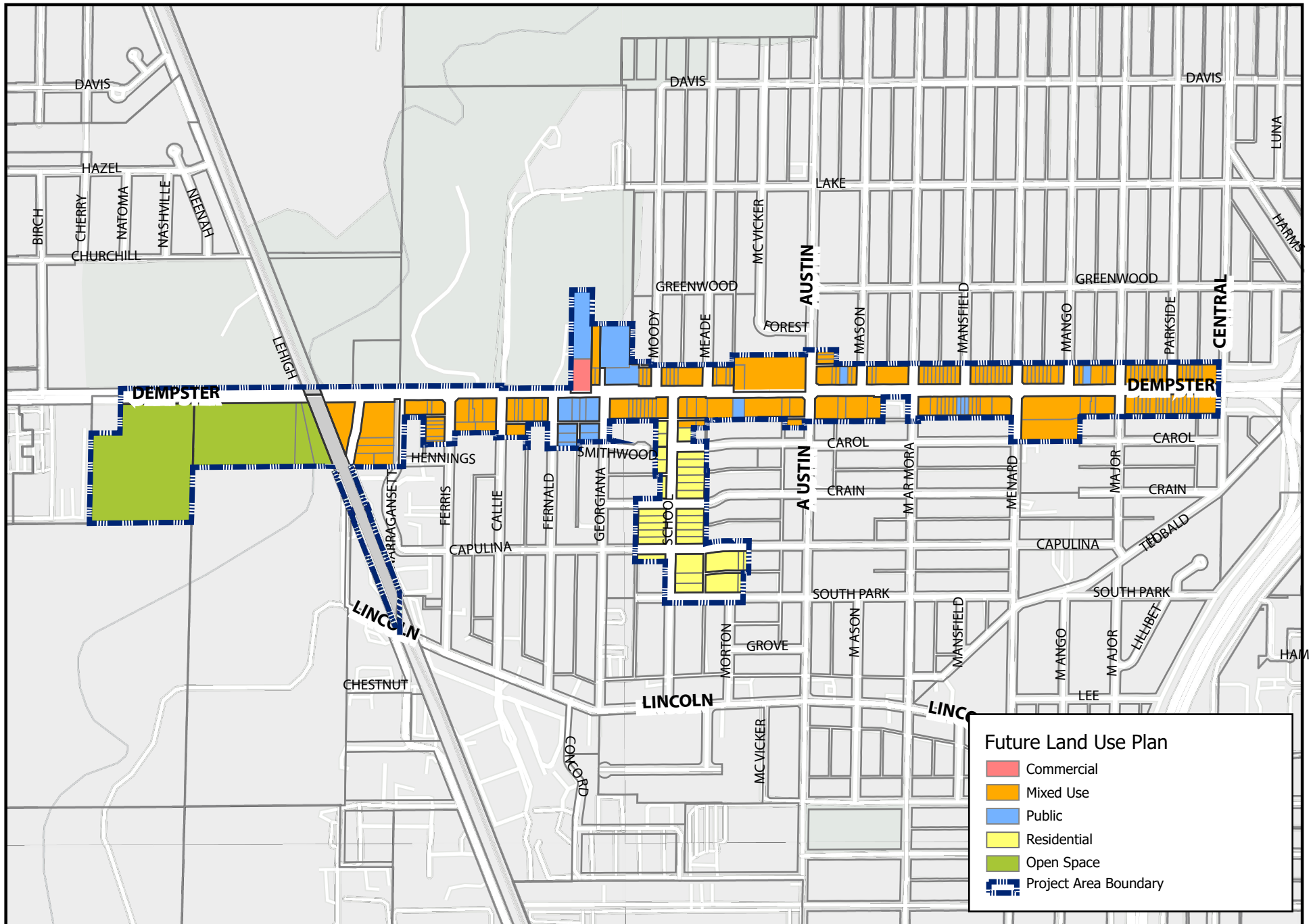


Figure 3: Future Land Use Plan
DEMPSTER STREET TIF

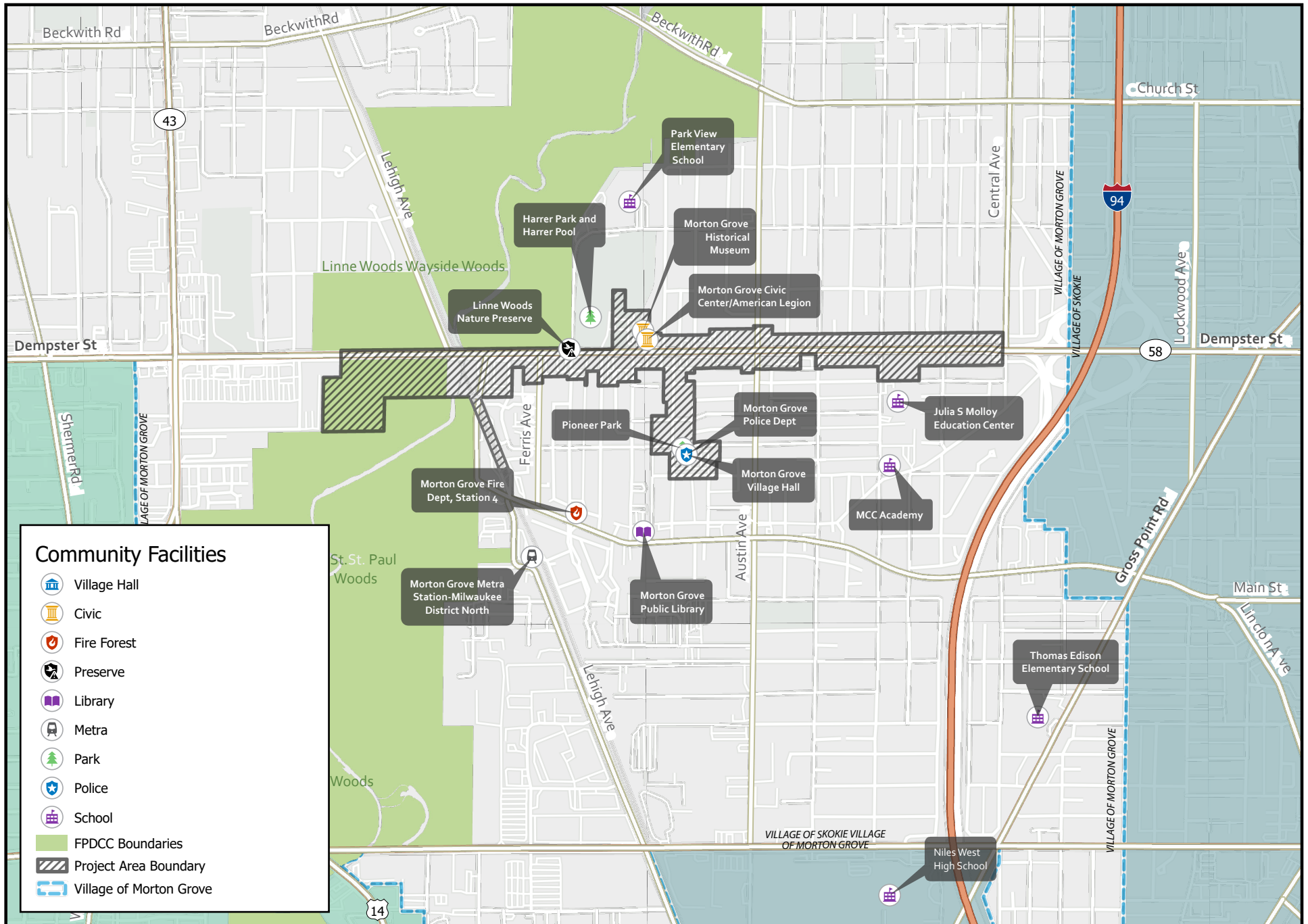


Figure 4: Community Facilities

**DEMPSTER STREET
TIE**

EXHIBITS

EXHIBIT I
LEGAL DESCRIPTION OF THE PROJECT AREA

THAT PART OF SECTIONS 17, 18, 19 AND 20, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN THE VILLAGE OF MORTON GROVE, COOK COUNTY ILLINOIS BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 13 IN HIELD & MARTIN'S DEMPSTER STREET TERMINAL SUBDIVISION IN SECTIONS 16 & 17, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID POINT OF BEGINNING IS LOCATED IN THE E ½ OF THE SE ¼ OF SECTION 17 AFORESAID AND BEING ON THE NORTH LINE OF AN EAST-WEST PUBLIC ALLEY;

THENCE WEST ALONG SAID NORTH LINE OF PUBLIC ALLEY TO THE SOUTHWEST CORNER OF LOT 25 IN BLOCK 3 IN NORTH SIDE REALTY COMPANIES ADDITION TO DEMPSTER "L" TERMINAL SUBDIVISION OF PART OF THE SE ¼ OF THE SE ¼ OF SECTION 17 AFORESAID;

THENCE WESTERLY TO THE SOUTHEAST CORNER OF LOT 34 IN BATES' SECOND "L" TERMINAL ADDITION BEING A SUBDIVISION OF PART OF THE SE ¼ OF SECTION 17 AFORESAID;

THENCE WEST ALONG THE SOUTH LINE OF LOTS 34 AND 35 AND CONTINUING WEST TO A POINT BEING THE SOUTHEAST CORNER OF LOT 102 IN BATES' SECOND "L" TERMINAL ADDITION AFORESAID, SAID POINT ALSO BEING ON THE NORTH LINE OF AN EAST-WEST PUBLIC ALLEY;

THENCE WEST ALONG SAID NORTH LINE OF THE PUBLIC ALLEY EXTENDED TO A POINT BEING 8 FEET WEST OF THE SOUTHWEST CORNER OF LOT 14 IN BLOCK 2 IN DEMPSTER TERMINAL GARDENS SECOND ADDITION BEING PART OF THE SW ¼ OF THE SE ¼ OF SECTION 17 AFORESAID, SAID POINT BEING ON THE CENTER LINE OF A VACATED NORTH-SOUTH ALLEY;

THENCE NORTH ALONG SAID CENTER LINE OF THE VACATED ALLEY TO A POINT OF INTERSECTION WITH THE NORTH LINE OF LOT 24 IN BLOCK 2 IN RESUBDIVISION OF LOTS 20 TO 42 OF BLOCK 1 AND LOTS 22 TO 38 OF BLOCK 2 IN DEMPSTER TERMINAL GARDENS SECOND ADDITION AFORESAID;

THENCE WEST ALONG THE EASTERLY EXTENSION OF LOT 24 IN BLOCK 2 AFORESAID TO THE NORTHWEST CORNER OF SAID LOT 24;

THENCE CONTINUING WEST ALONG THE NORTH LINE OF SAID LOT 24 EXTENDED TO THE WEST RIGHT OF WAY LINE OF AUSTIN AVENUE;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF AUSTIN AVENUE TO THE SOUTHEAST CORNER OF LOT 52 IN ALDRICH'S WILDWOOD ADDITION TO MORTON GROVE OF PART OF THE SW ¼ OF SECTION 17 AFORESAID;

THENCE WEST ALONG THE SOUTH LINE OF LOTS 46 TO 52 IN ALDRICH'S WILDWOOD ADDITION TO MORTON GROVE AND CONTINUING WEST ALONG THE WESTERLY EXTENSION TO THE EAST LINE OF LOT 100 IN OLIVER SALINGER & COMPANIES SECOND DEMPSTER STREET SUBDIVISION IN THE E ½ OF THE SW ¼ OF SECTION 17 AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF LOT 100 AND CONTINUING SOUTH TO THE SOUTHEAST CORNER OF LOT 99 IN OLIVER SALINGER & COMPANIES SECOND DEMPSTER STREET SUBDIVISION AFORESAID, SAID POINT ALSO BEING ON THE NORTH LINE OF AN EAST-WEST PUBLIC ALLEY;

THENCE WEST ALONG SAID NORTH LINE OF THE EAST-WEST PUBLIC ALLEY TO A POINT OF INTERSECTION WITH THE SOUTHEAST CORNER OF LOT 20 IN SUBDIVISION OF THE SOUTH 3 ACRES OF PART OF THE SW ¼ OF SECTION 17 AFORESAID;

THENCE NORTH ALONG THE EAST LINE OF LOT 20 A DISTANCE OF 23 FEET;

THENCE WEST ALONG A LINE BEING 23 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF LOT 20 TO THE WEST LINE OF SAID LOT 20;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 20 EXTENDED NORTH TO A POINT OF INTERSECTION WITH THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 19 IN SUBDIVISION OF THE SOUTH 3 ACRES OF PART OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID;

THENCE WEST ALONG THE NORTH LINE OF SAID LOT 19 EXTENDED WEST TO THE NORTHWEST CORNER OF LOT 1 IN SUBDIVISION OF THE SOUTH 3 ACRES OF PART OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID;

THENCE NORTH ALONG THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 1 TO A POINT BEING 660 FEET NORTH OF THE SOUTH LINE OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID;

THENCE WEST ALONG A LINE BEING 660 FEET NORTH OF THE SOUTH LINE OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID A DISTANCE OF 132 FEET;

THENCE SOUTH ALONG A LINE BEING 132 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF SUBDIVISION OF THE SOUTH 3 ACRES OF PART OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID TO A POINT BEING 33 FEET NORTH OF THE SOUTH LINE OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID;

THENCE WEST ALONG THE NORTH LINE OF THE SOUTH 33 FEET OF THE SW $\frac{1}{4}$ OF SECTION 17 A DISTANCE OF 442.77 FEET;

THENCE NORTH TO A POINT BEING 50 FEET NORTH OF THE SOUTH LINE OF THE SW $\frac{1}{4}$ OF SECTION 17 AFORESAID ALSO BEING THE NORTH LINE OF DEMPSTER STREET;

THENCE WEST ALONG THE NORTH LINE OF DEMPSTER STREET TO A POINT OF INTERSECTION WITH A LINE BEING THE NORTHERLY EXTENSION OF THE EAST LINE OF A ONE ACRE PARCEL LYING IN THE NORTHWEST CORNER OF THE EAST 12.15 ACRES OF LOT 1 IN WHITE'S SUBDIVISION OF THE W $\frac{1}{2}$ OF THE NE $\frac{1}{4}$ AND PART OF THE NW $\frac{1}{4}$ OF SECTION 19 AFORESAID;

THENCE SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF A ONE ACRE PARCEL LYING IN THE NORTHWEST CORNER OF THE EAST 12.15 ACRES OF LOT 1 IN WHITE'S SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF SAID 1 ACRE PARCEL;

THENCE WEST ALONG THE SOUTH LINE OF SAID ONE ACRE PARCEL TO THE EAST LINE OF LOT 5 IN KENSINGTON SUBDIVISION OF LOT 1 IN WHITE'S SUBDIVISION OF THE W $\frac{1}{2}$ OF THE NE $\frac{1}{4}$ AND PART OF THE NW $\frac{1}{4}$ OF SECTION 19;

THENCE SOUTH ALONG THE EAST LINE OF LOT 5 IN KENSINGTON SUBDIVISION OF LOT 1 IN WHITE'S SUBDIVISION OF THE W $\frac{1}{2}$ OF THE NE $\frac{1}{4}$ AND PART OF THE NW $\frac{1}{4}$ OF SECTION 19 TO THE SOUTHEAST CORNER OF SAID LOT 5 ALSO BEING A POINT ON THE SOUTH LINE OF LOT 1 IN WHITE'S SUBDIVISION AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF LOT 1 IN WHITE'S SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF SAID LOT 1;

THENCE NORTH ALONG THE EAST LINE OF SAID LOT 1 TO A POINT OF INTERSECTION WITH THE SOUTHWEST CORNER OF LOT 49 IN COUNTY CLERK'S DIVISION OF THE E $\frac{1}{2}$ OF THE NE $\frac{1}{4}$ OF SECTION 19 AND ALL OF SECTION 20 AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF LOT 49 IN COUNTY CLERK'S DIVISION AFORESAID TO THE SOUTHEAST CORNER OF SAID LOT 49 BEING THE WESTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD;

THENCE SOUTHEASTERLY ALONG THE WESTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD TO THE EAST LINE OF SECTION 19;

THENCE NORTH ALONG SAID EAST LINE OF SECTION 19 TO THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD;

THENCE NORTHWESTERLY ALONG THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD TO THE NORTHWEST CORNER OF LOT 1 IN THE CROSSINGS AT MORTON GROVE PLANNED UNIT DEVELOPMENT A SUBDIVISION OF PART OF THE NE $\frac{1}{4}$ OF SECTION 19 AND PART OF THE NW $\frac{1}{4}$ OF SECTION 20 AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 1 IN THE CROSSINGS AT MORTON GROVE PLANNED UNIT DEVELOPMENT AND ITS EASTERLY EXTENSION TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 17 IN LUMPP'S SUBDIVISION OF PART OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION;

THENCE NORTH ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 17 AND CONTINUING NORTH TO THE NORTHWEST CORNER OF LOT 24 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 24 TO THE NORTHEAST CORNER OF LOT 24 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 24 TO THE SOUTHEAST CORNER OF LOT 19 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE EAST ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 19 TO THE WEST LINE OF LOT 14 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 14 TO THE SOUTHWEST CORNER OF LOT 13 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 13 TO THE SOUTHEAST CORNER OF LOT 13 IN LUMPP'S SUBDIVISION AFORESAID;

THENCE EASTERLY TO THE SOUTHWEST CORNER OF LOT 4 IN BLOCK 4 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 4 TO THE NORTHWEST CORNER OF LOT 4 IN BLOCK 4 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF LOTS 4 AND 13 IN BLOCK 4 AFORESAID TO THE WEST RIGHT OF WAY LINE OF CALLIE AVENUE;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF CALLIE AVENUE TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 27 FEET OF LOT 5 IN BLOCK 5 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE EAST ALONG THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 27 FEET OF SAID LOT 5 TO THE EAST LINE OF LOT 5 IN BLOCK 5 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 5 TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 25 FEET OF LOT 15 IN BLOCK 5 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE EAST TO THE POINT OF INTERSECTION WITH THE WEST LINE OF LOT 15 AT A POINT BEING 25 FEET SOUTH OF THE NORTHWEST CORNER OF LOT 15 IN BLOCK 5 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 15 EXTENDED TO THE NORTHWEST CORNER OF LOT 17 IN BLOCK 5 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 17 TO A POINT OF INTERSECTION WITH THE WEST RIGHT OF WAY LINE OF FERNALD AVENUE;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF FERNALD AVENUE TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 1 IN

RESUBDIVISION OF LOTS 6 TO 9 OF RESUBDIVISION OF BLOCK 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE EAST ALONG THE WESTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 1 EXTENDED EAST TO THE WEST LINE OF LOT 15 IN BLOCK 6 IN SUBDIVISION OF LOTS 4, 5 & 6 OF HENNING'S SUBDIVISION OF LOTS 42, 33 AND PART OF 44 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF LOT 15 TO THE NORTHWEST CORNER OF SAID LOT 15 IN BLOCK 6;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 15 AND EXTENDED EAST TO A POINT OF INTERSECTION WITH THE NORTHERLY RIGHT OF WAY LINE OF SMITHWOOD DRIVE;

THENCE WESTERLY ALONG THE NORTHERLY RIGHT OF WAY LINE OF SMITHWOOD DRIVE TO A POINT OF INTERSECTION WITH THE EAST RIGHT OF WAY LINE OF GEORGIANA AVENUE;

THENCE NORTH ALONG THE EAST RIGHT OF WAY LINE OF GEORGIANA AVENUE TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 2 IN SMITHWOODS A SUBDIVISION OF THE NORTH 4 ACRES OF THE WEST 10 ACRES OF THE NE $\frac{1}{4}$ OF THE NW $\frac{1}{4}$ OF SECTION 20 AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF LOT 1 TO THE NORTHEAST CORNER OF LOT 8 IN BLOCK 2 IN SMITHWOODS AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 8 TO THE SOUTHEAST CORNER OF LOT 7 IN BLOCK 2 IN SMITHWOODS AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 8 TO THE SOUTHEAST CORNER OF LOT 7 IN BLOCK 2 IN SMITHWOODS AFORESAID;

THENCE SOUTHERLY TO A POINT OF INTERSECTION WITH THE NORTHWEST CORNER OF LOT 19 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION OF PART OF THE W $\frac{1}{2}$ OF THE NE $\frac{1}{4}$ OF SECTION 20 AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF LOT 19 TO THE EAST LINE OF THE WEST 30 FEET OF LOT 19 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID;

THENCE SOUTH ALONG THE EAST LINE OF THE WEST 30 FEET OF LOT 19 TO THE NORTH RIGHT OF WAY LINE OF CRAIN STREET;

THENCE WEST ALONG THE NORTH RIGHT OF WAY LINE OF CRAIN STREET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 26 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID;

THENCE SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 26 EXTENDED SOUTH TO THE SOUTHEAST CORNER OF LOT 51 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID;

THENCE EAST TO THE SOUTHEAST CORNER OF LOT 50 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID, ALSO BEING THE WEST RIGHT OF WAY LINE OF SCHOOL STREET;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF SCHOOL STREET TO THE POINT OF INTERSECTION WITH THE SOUTH RIGHT OF WAY LINE OF PARK AVENUE;

THENCE EAST ALONG THE SOUTH RIGHT OF WAY LINE OF PARK AVENUE TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 31 IN BLOCK 4 IN DEMPSTER'S AUSTIN HIGHLANDS IN THE E $\frac{1}{2}$ OF THE

NE $\frac{1}{4}$ OF THE NW $\frac{1}{4}$ OF SECTION 20 AFORESAID;

THENCE NORTH ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 31 TO THE NORTHWEST CORNER OF LOT 31 IN BLOCK 4 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 31 TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 8 IN BLOCK 4 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID;

THENCE NORTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 8 EXTENDED NORTH TO THE NORTH RIGHT OF WAY LINE OF CAPULINA AVENUE;

THENCE WESTERLY ALONG THE NORTHERLY RIGHT OF WAY LINE OF CAPULINA AVENUE TO THE SOUTHWEST CORNER OF LOT 38 IN BLOCK 3 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 38 EXTENDED NORTHERLY TO THE SOUTHWEST CORNER OF LOT 1 IN KAY MILLER'S SUBDIVISION OF PART OF THE NW ¼ OF SECTION 20 AFORESAID;

THENCE WEST A DISTANCE OF 6 FEET TO THE EAST LINE OF A DEDICATED NORTH-SOUTH ALLEY;

THENCE NORTH ALONG THE EAST LINE OF THE NORTH-SOUTH ALLEY EXTENDED NORTH TO THE NORTH RIGHT OF WAY LINE OF CAROL AVENUE;

THENCE WEST ALONG THE NORTH RIGHT OF WAY LINE OF CAROL AVENUE TO A POINT BEING 17 FEET WEST OF THE SOUTHEAST CORNER OF LOT 7 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID;

THENCE NORTH ALONG A LINE BEING 17 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF LOT 7 TO A POINT BEING 40 FEET SOUTH OF THE NORTH LINE OF SAID LOT 7;

THENCE EAST ALONG THE SOUTH LINE OF THE NORTH 40 FEET OF LOTS 6 AND 7 IN GEORGE FERNALD'S MORTON GROVE SUBDIVISION AFORESAID TO THE WEST LINE OF LOT 1 IN STAL SUBDIVISION OF PART OF LOT 23 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 1 TO THE NORTHWEST CORNER OF LOT 1 IN STAL SUBDIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 1 TO THE NORTHEAST CORNER OF LOT 3 IN STAL SUBDIVISION AFORESAID;

THENCE EAST TO THE NORTHWEST CORNER OF LOT 1 IN THE SUBDIVISION OF THE SOUTH 153.40 FEET OF PART OF THE NE ¼ OF THE NW ¼ OF SECTION 20 AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 1 AND CONTINUING EAST TO THE NORTHWEST CORNER OF LOT 12 IN BLOCK 1 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID;

THENCE SOUTH ALONG THE WEST LINE OF LOT 12 TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 14 IN BLOCK 1 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID;

THENCE EAST ALONG THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 14 IN BLOCK 1 IN DEMPSTER'S AUSTIN HIGHLANDS AFORESAID TO THE WEST RIGHT OF WAY LINE OF AUSTIN AVENUE;

THENCE NORTH ALONG THE WEST RIGHT OF WAY LINE OF AUSTIN AVENUE TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 11 IN BLOCK 1 IN LUMPP'S DEMPSTER STREET SUBDIVISION AFORESAID;

THENCE EAST ALONG THE WESTERLY EXTENSION OF THE NORTH LINE OF SAID LOT 11 ALSO BEING THE SOUTH LINE OF AN EAST-WEST ALLEY TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 1 IN OSCO MORTON GROVE RESUBDIVISION OF PART OF LOT 10 IN BLOCK 1 IN LUMPP'S DEMPSTER STREET SUBDIVISION AFORESAID;

THENCE NORTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 1 TO THE SOUTH RIGHT OF WAY LINE OF DEMPSTER STREET;

THENCE EAST ALONG THE SOUTH RIGHT OF WAY LINE OF DEMPSTER STREET TO THE WEST RIGHT OF WAY LINE OF MARMORA AVENUE;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF MARMORA AVENUE TO THE NORTHEAST CORNER OF LOT 34 IN NORTHWESTERN REALTY COMPANIES DEMPSTER TERMINAL SUBDIVISION OF PART OF W ½ OF THE NE ¼ OF SECTION 20 AFORESAID;

THENCE EAST TO THE WEST LINE OF LOT 35 IN NORTHWESTERN REALTY COMPANIES DEMPSTER TERMINAL SUBDIVISION AFORESAID;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 35 TO THE NORTHWEST CORNER OF LOT 35 IN NORTHWESTERN REALTY COMPANIES DEMPSTER TERMINAL SUBDIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 35 EXTENDED EAST TO THE WEST RIGHT OF WAY LINE OF MENARD AVENUE;

THENCE SOUTH ALONG THE WEST RIGHT OF WAY LINE OF MENARD AVENUE TO A POINT OF INTERSECTION WITH THE CENTER LINE OF CAROL AVENUE;

THENCE EAST ALONG THE CENTER LINE OF CAROL AVENUE TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 11 IN DEMPSTER GARDEN "L" TERMINAL SUBDIVISION OF PART OF LOT 1 IN CIRCUIT COURT PARTITION OF LOTS 2 & 3 IN COUNTY CLERK'S DIVISION AFORESAID;

THENCE NORTH ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 11 TO THE NORTHWEST CORNER OF LOT 11 IN DEMPSTER GARDEN "L" TERMINAL SUBDIVISION AFORESAID;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 11 AND CONTINUING EASTERLY TO THE WEST RIGHT OF WAY LINE OF CENTRAL AVENUE BEING 33 FEET WEST OF THE EAST LINE OF THE NE ¼ OF SECTION 20 AFORESAID;

THENCE NORTH ALONG A LINE BEING 33 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SECTIONS 17 AND 20 TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 13 IN HIELD & MARTIN'S DEMPSTER STREET TERMINAL SUBDIVISION SAID POINT BEING THE POINT OF BEGINNING.

EXHIBIT II
2024 EAV by PIN

PIN			PIN		
		2024 EAV			2024 EAV
1.	10-17-305-010-0000	-	41.	10-17-426-035-0000	99,094
2.	10-17-305-011-0000	-	42.	10-17-426-036-0000	97,764
3.	10-17-314-001-0000	-	43.	10-17-426-037-0000	97,764
4.	10-17-314-002-0000	-	44.	10-17-426-038-0000	228,558
5.	10-17-314-003-0000	-	45.	10-17-427-030-0000	133,844
6.	10-17-315-029-0000	55,768	46.	10-17-427-031-0000	118,284
7.	10-17-315-030-0000	72,233	47.	10-17-427-032-0000	97,704
8.	10-17-315-031-0000	80,756	48.	10-17-427-033-0000	97,701
9.	10-17-315-032-0000	-	49.	10-17-427-034-0000	97,831
10.	10-17-315-038-0000	3,518	50.	10-17-427-035-0000	53,762
11.	10-17-315-044-0000	-	51.	10-17-427-036-0000	53,759
12.	10-17-316-031-0000	219,039	52.	10-17-427-037-0000	94,847
13.	10-17-316-032-0000	167,590	53.	10-17-427-038-0000	94,847
14.	10-17-316-033-0000	167,590	54.	10-17-427-039-0000	124,984
15.	10-17-316-034-0000	239,006	55.	10-17-428-031-0000	71,304
16.	10-17-316-054-0000	430,786	56.	10-17-428-032-0000	55,471
17.	10-17-317-019-0000	92,935	57.	10-17-428-033-0000	55,471
18.	10-17-317-020-0000	92,935	58.	10-17-428-034-0000	55,471
19.	10-17-317-042-0000	100,172	59.	10-17-428-035-0000	136,904
20.	10-17-317-043-0000	219,606	60.	10-17-428-036-0000	203,976
21.	10-17-318-002-0000	234,371	61.	10-17-428-037-0000	203,976
22.	10-17-318-003-0000	1,487,483	62.	10-17-428-038-0000	370,525
23.	10-17-424-013-0000	69,926	63.	10-17-428-039-0000	191,552
24.	10-17-424-014-0000	70,360	64.	10-17-429-029-0000	197,125
25.	10-17-424-015-0000	70,360	65.	10-17-429-030-0000	149,592
26.	10-17-424-030-0000	511,124	66.	10-17-429-036-0000	57,483
27.	10-17-424-031-0000	54,809	67.	10-17-429-047-0000	609,407
28.	10-17-424-032-0000	54,809	68.	10-17-429-048-0000	-
29.	10-17-424-035-0000	189,206	69.	10-17-429-051-0000	283,977
30.	10-17-424-036-0000	244,746	70.	10-17-430-029-0000	102,400
31.	10-17-424-047-0000	3,394	71.	10-17-430-030-0000	73,784
32.	10-17-425-031-0000	69,653	72.	10-17-430-031-0000	73,784
33.	10-17-425-032-0000	397,787	73.	10-17-430-032-0000	73,784
34.	10-17-425-051-0000	538,173	74.	10-17-430-033-0000	73,784
35.	10-17-426-029-0000	141,211	75.	10-17-430-034-0000	73,784
36.	10-17-426-030-0000	111,679	76.	10-17-430-035-0000	73,043
37.	10-17-426-031-0000	111,679	77.	10-17-430-036-0000	73,043
38.	10-17-426-032-0000	134,066	78.	10-17-430-037-0000	233,348
39.	10-17-426-033-0000	133,826	79.	10-17-430-038-0000	250,760
40.	10-17-426-034-0000	133,826	80.	10-17-431-033-0000	240,366

PIN			2024 EAV		
PIN			2024 EAV		
81.	10-17-431-036-0000	151,769	124.	10-20-104-005-0000	135,371
82.	10-17-431-037-0000	134,521	125.	10-20-104-006-0000	135,371
83.	10-17-431-038-0000	59,314	126.	10-20-104-007-0000	54,973
84.	10-17-431-045-0000	464,274	127.	10-20-104-021-0000	135,371
85.	10-17-431-050-0000	167,517	128.	10-20-104-022-0000	135,371
86.	10-17-431-051-0000	188,972	129.	10-20-104-040-0000	253,892
87.	10-18-501-002-0000	-	130.	10-20-104-041-0000	142,325
88.	10-19-200-003-0000	-	131.	10-20-105-002-0000	391,910
89.	10-19-201-001-0000	-	132.	10-20-105-009-0000	60,579
90.	10-19-201-002-0000	-	133.	10-20-105-010-0000	59,635
91.	10-19-201-003-0000	-	134.	10-20-105-011-0000	80,766
92.	10-19-201-004-0000	768,777	135.	10-20-105-012-0000	126,641
93.	10-19-202-001-0000	1,418,067	136.	10-20-105-013-0000	126,641
94.	10-19-202-002-0000	222,314	137.	10-20-105-014-0000	126,641
95.	10-19-202-003-0000	231,882	138.	10-20-105-015-0000	59,763
96.	10-19-202-014-0000	208,827	139.	10-20-105-021-0000	97,136
97.	10-19-202-015-0000	206,787	140.	10-20-105-022-0000	100,172
98.	10-19-202-021-0000	-	141.	10-20-105-027-0000	277,372
99.	10-19-500-001-0000	-	142.	10-20-106-001-0000	458,269
100.	10-20-100-005-0000	73,772	143.	10-20-106-002-0000	466,912
101.	10-20-100-006-0000	212,998	144.	10-20-106-003-0000	312,150
102.	10-20-100-015-0000	102,211	145.	10-20-106-030-0000	-
103.	10-20-100-016-0000	102,214	146.	10-20-106-033-0000	87,656
104.	10-20-100-017-0000	104,379	147.	10-20-106-034-0000	46,668
105.	10-20-100-020-0000	223,422	148.	10-20-106-051-0000	16,999
106.	10-20-100-021-0000	22,183	149.	10-20-106-053-0000	326,316
107.	10-20-100-025-0000	190,848	150.	10-20-106-055-0000	135,417
108.	10-20-100-026-0000	426,673	151.	10-20-106-057-0000	305,684
109.	10-20-102-001-0000	672,369	152.	10-20-106-058-0000	703,608
110.	10-20-102-003-0000	647,706	153.	10-20-106-064-0000	966,382
111.	10-20-102-004-0000	100,108	154.	10-20-107-009-0000	133,799
112.	10-20-102-019-0000	167,332	155.	10-20-107-015-0000	94,101
113.	10-20-102-043-0000	267,510	156.	10-20-107-016-0000	109,278
114.	10-20-102-044-0000	155,694	157.	10-20-108-001-0000	109,278
115.	10-20-103-001-0000	180,913	158.	10-20-108-002-0000	103,216
116.	10-20-103-002-0000	111,779	159.	10-20-108-003-0000	103,413
117.	10-20-103-003-0000	80,863	160.	10-20-108-004-0000	100,172
118.	10-20-103-004-0000	56,348	161.	10-20-108-005-0000	124,616
119.	10-20-103-052-0000	310,189	162.	10-20-108-006-0000	115,276
120.	10-20-103-053-0000	228,637	163.	10-20-109-006-0000	139,317
121.	10-20-103-058-0000	52,168	164.	10-20-109-007-0000	169,794
122.	10-20-104-003-0000	655,683	165.	10-20-109-008-0000	139,633
123.	10-20-104-004-0000	2,428,731	166.	10-20-109-009-0000	33,849

PIN			2024 EAV		
PIN			2024 EAV		
167.	10-20-109-010-0000	112,314	196.	10-20-201-015-0000	-
168.	10-20-110-001-0000	161,294	197.	10-20-201-049-0000	369,011
169.	10-20-110-002-0000	96,565	198.	10-20-201-050-0000	101,273
170.	10-20-110-003-0000	182,133	199.	10-20-201-051-0000	481,036
171.	10-20-110-004-0000	119,644	200.	10-20-201-052-0000	456,178
172.	10-20-110-005-0000	103,210	201.	10-20-203-020-0000	674,761
173.	10-20-115-006-0000	115,349	202.	10-20-203-021-0000	518,639
174.	10-20-116-001-0000	-	203.	10-20-203-022-0000	418,389
175.	10-20-116-005-0000	-	204.	10-20-203-023-0000	119,587
176.	10-20-116-006-0000	-	205.	10-20-203-024-0000	302,360
177.	10-20-116-007-0000	17,390	206.	10-20-204-001-0000	129,422
178.	10-20-116-014-0000	-	207.	10-20-204-002-0000	166,834
179.	10-20-116-015-0000	-	208.	10-20-204-003-0000	197,116
180.	10-20-116-035-0000	-	209.	10-20-204-004-0000	197,116
181.	10-20-116-036-0000	-	210.	10-20-204-005-0000	197,116
182.	10-20-200-006-0000	199,848	211.	10-20-204-006-0000	286,909
183.	10-20-200-038-0000	827,754	212.	10-20-204-007-0000	34,007
184.	10-20-200-039-0000	388,016	213.	10-20-204-008-0000	48,422
185.	10-20-200-041-0000	282,590	214.	10-20-204-009-0000	85,553
186.	10-20-201-005-0000	146,511	215.	10-20-204-010-0000	118,454
187.	10-20-201-006-0000	236,563	216.	10-20-204-011-0000	71,264
188.	10-20-201-007-0000	236,563	217.	10-20-204-012-0000	177,665
189.	10-20-201-008-0000	129,012	218.	10-20-204-013-0000	53,340
190.	10-20-201-009-0000	129,012	219.	10-20-204-014-0000	53,352
191.	10-20-201-010-0000	-	220.	10-20-204-015-0000	129,613
192.	10-20-201-011-0000	-	221.	10-20-204-016-0000	129,613
193.	10-20-201-012-0000	-	222.	10-20-204-017-0000	372,371
194.	10-20-201-013-0000	155,214	223.	10-20-204-047-0000	498,010
195.	10-20-201-014-0000	259,790	TOTAL		
			42,064,945		

EXHIBIT III

**DEMPSTER STREET
TAX INCREMENT FINANCING ELIGIBILITY REPORT**

DEMPSTER STREET TAX INCREMENT FINANCING ELIGIBILITY REPORT

Village of Morton Grove, Illinois

November 14, 2025

Prepared by:
Johnson Research Group Inc.
105 West Madison Street, Suite 406
Chicago, Illinois 60602

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INTRODUCTION

As part of a strategy to foster growth and economic development, the Village of Morton Grove (the "Village") has pursued the designation of the Dempster Street Project Area and taken the necessary or incidental actions to implement this redevelopment plan and project in accordance with the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et. seq., as amended (the "Act"). Johnson Research Group, Inc. ("JRG" or the "Consultant") has been retained by the Village to conduct an analysis of the potential qualification and designation of an area as a "redevelopment project area" pursuant to the Act. The purpose of this report, entitled the *Dempster Street Tax Increment Financing Eligibility Report*, (the "Eligibility Report") is to determine whether approximately 90.1 acres of land located along Dempster Street, between Cook County Forest Preserve to the west and Central Avenue to the east, qualifies for designation as a redevelopment project area based on findings for a "conservation area" or a "blighted area" within the requirements set forth in the Act.

The area examined in this Eligibility Report is generally bounded by Central Avenue on the east and the Cook County Forest Preserve on the west and also includes School Street frontage from Dempster Street on the north to South Park Avenue on the south where the Richard T. Flickinger Municipal Center is located. This area is referred to in this document as the Dempster Street Tax Increment Financing Redevelopment Project Area (the "Project Area"). The boundaries of the Project Area are shown on the map entitled *Figure 1, Project Area Boundary*.

The findings and conclusions presented in this report, unless otherwise noted, are based on surveys, documentation, and analyses conducted by JRG. The Village is entitled to rely on the findings and conclusions of this Eligibility Report in designating the Project Area as a redevelopment project area under the Act. JRG has prepared this Eligibility Report and the related Dempster Street Redevelopment Plan and Project (the "Plan") with the understanding that the Village would rely on: i) the findings and conclusions of this Eligibility Report and the related redevelopment plan, and ii) the fact that JRG has obtained the necessary information so that the Eligibility Report and related redevelopment plan will comply with the Act. The determination of whether the Project Area qualifies for designation as a redevelopment project area based on findings of the area as an improved conservation area pursuant to the Act, is made by the Village after careful review and consideration of the conclusions contained in this Eligibility Report.

The Project Area

The Project Area is in the central portion of the Village, just west of Interstate-94. The Project Area comprises 223 tax parcels along the north and south sides of Dempster Street and includes the existing Richard T. Flickinger Municipal Center on Capulina Avenue as well as several residential parcels along School Street ("Improved Area"). For purposes of this Eligibility Report, the Project Area and the Improved Area are the same and these terms are used interchangeably. Most properties along Dempster Street consist of old commercial buildings with incompatible or outmoded parcel layouts and a significant shortage of off-street and on-street parking. The majority of structures in the Project Area were built between the 1940s and the 1970s and are experiencing varying levels of deterioration due to deferred maintenance. Rent levels for leased commercial properties are very low, making it difficult for property owners to afford ongoing maintenance. The Municipal Center buildings are reasonably well maintained on the exterior, but interior conditions and building systems are obsolete and have been neglected due to the high cost of repairs. Existing land uses in the Project Area are illustrated in *Figure 2, Existing Land Use*.

Project Area Eligibility

The Project Area consists of 100 primary structures, 92 (92%) of which are over 35 years old. Despite the area's strengths, such as high traffic volume on Dempster Street, the Project Area suffers from insufficient on-street and off-street parking, obsolete or inefficient site layouts, deterioration of structures and surface areas, lagging property value growth and the infrastructure needs significant upgrades.

The Project Area exhibits five (5) blighting factors including:

1. Obsolescence;
2. Deterioration;
3. Inadequate Utilities;
4. Lack of Community Planning; and
5. Declining or Lagging Equalized Assessed Value (EAV).

Summary of Project Area Eligibility

For TIF designation, a redevelopment project area must qualify for classification as a conservation area, a blighted area, or a combination of both blighted and conservation areas as set forth in the Act. A summary of qualifying criteria is presented below.

Size Qualifications – The Project Area meets the minimum size threshold for redevelopment project areas of 1 ½ acres. The Project Area is approximately 90.1 acres in size.

Improved Conservation Area. The Project Area qualifies as a conservation area due to i) 92% of the structures in the Project Area are over 35 years of age, and ii) the meaningful presence and reasonable distribution throughout the Project Area of five (5) of the 13) criteria set forth in the Act for improved conservation areas (three are required).

In conclusion, the surveys and analyses documented in this report indicate that the Project Area is eligible as an improved conservation area within the requirements of the Act.

Finally, the Project Area includes only real property and improvements that would substantially benefit from redevelopment project improvements.

I. BASIS FOR REDEVELOPMENT

The Illinois General Assembly made these key findings in adopting the Act:

1. That there exists in many municipalities within the state blighted and conservation areas;
2. That as a result of the existence of blighted areas and areas requiring conservation, there is an excessive and disproportionate expenditure of public funds, inadequate public and private investment, and unmarketability of property, growth in delinquencies and crime, and housing and zoning law violations in such areas together with an abnormal exodus of families and businesses so that the decline of these areas impairs the value of private investments and threatens the sound growth and the tax base of taxing districts in such areas, and threatens the health, safety, morals, and welfare of the public; and
3. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that a prospective redevelopment project area qualifies either as a blighted area, a conservation area, or a combination of both within the definitions for each set forth in the Act (Section 11-74.4-3).

Blighted areas are defined as: i) any improved area in which buildings or improvements are detrimental to the public safety, health or welfare because of a combination of five (5) or more of the 13 improved area eligibility factors set forth in the Act; or ii) any vacant area in which its sound growth is impaired by the presence of one or more of seven (7) criteria set forth in the Act.

Conservation areas are defined in the Act as any improved area in which 50 percent (50%) or more of the structures have an age of 35 years or more and the improved area exhibits the presence of a combination of three (3) or more of the 13 improved area eligibility factors set forth in the Act. Such an area is not yet a blighted area but if left unchecked, the presence of three (3) or more such factors which are detrimental to the public safety, health or welfare, such an area may become a blighted area.

The Project Area has been evaluated as an improved area under the Conservation Area criteria. The Vacant Area criteria of the TIF Act are also cited below for general reference.

Improved Area Eligibility Criteria

Section 11-74.4.3 of the Act defines the 13 eligibility factors for improved areas. To support a designation as a blighted or conservation area each qualifying factor must be: i) present to a meaningful extent and that presence documented so that the Village may reasonably find that the factor is clearly present within the intent of the Act and ii) reasonably distributed throughout the improved part of the Project Area.

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Illegal use of individual structures
5. Presence of structures below minimum code standards
6. Excessive vacancies
7. Lack of ventilation, light, or sanitary facilities

8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities
10. Deleterious land-use or layout
11. Lack of community planning
12. Environmental remediation costs have been incurred or are required
13. Declining or lagging rate of growth of total equalized assessed valuation

Vacant Area Eligibility Criteria

Section 11-74.4.3 of the Act defines the seven (7) eligibility criteria for vacant areas. To support a designation as a blighted area at least one of the seven (7) qualifying criteria must be: i) present to a meaningful extent and that presence documented so that the Village may reasonably find that the factor is clearly present within the intent of the Act and ii) reasonably distributed throughout the vacant part of the Project Area.

1. The vacant area exhibits a combination of two (2) or more of the following six (6) factors:
 - (a) Obsolete platting of the vacant land;
 - (b) Diversity of ownership;
 - (c) Tax and special assessment delinquencies or the subject of tax sales;
 - (d) Deterioration of structures or site improvements in adjacent areas;
 - (e) Environmental remediation costs have been incurred or are required;
 - (f) Declining or lagging rate of growth of total equalized assessed valuation.
2. The area consists of one or more unused quarries, mines or strip-mine ponds.
3. The area consists of unused rail yards, rail tracks or railroad rights-of-way.
4. The area is subject to chronic flooding.
5. The area consists of an unused or illegal disposal site.
6. The area had been designated as a town or village center and not developed as such.
7. The area qualified as a blighted improved area immediately prior to becoming vacant.

II. ELIGIBILITY SURVEY AND ANALYSIS

An analysis was made of each of the factors listed in the Act for conservation areas to determine whether any factors are present in the Project Area, and if so, to what extent and in what locations is a factor present. Surveys and analyses conducted by JRG included:

1. Exterior survey of the condition and use of all buildings and sites;
2. Field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences, and general property maintenance;
3. Analysis of the existing uses within the Project Area and their relationships to the surroundings;
4. Review of current land use to the current zoning ordinance and the current zoning map;
5. Analysis of platting and current parcel size and layout;
6. Analysis of building floor area, site coverage and parking areas/capacity;
7. Review of previously prepared plans, studies and data;
8. An assessment of storm, sanitary sewer lines and water supply lines within the Project Area, based on information provided by the Village Department of Public Works;
9. Analysis of building permit data from 2014 to 2025;
10. Analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 2018 through 2024;
11. Review of Cook County Treasurer property tax payment records for collection years 2019 through 2024; and
12. Research of tax maps and the history of PIN changes, online and with the assistance of staff at Cook County Assessor's office.

A statement of findings is presented for each factor listed in the Act. The conditions that exist and the relative extent to which each factor is present are described below.

A factor noted as "not present" indicates that either no information was available or no evidence could be documented as part of the various surveys and analyses. A factor noted as "present to a limited extent" indicates that conditions exist documenting the presence of the factor, but that the distribution or impact of the condition is limited. Finally, a factor noted as "present to a meaningful extent" indicates that conditions exist that document the presence of the factor throughout major portions of the block and that the conditions have a major adverse impact or influence on adjacent and nearby development.

The following is the summary evaluation of the eligibility factors for the Project Area, presented in the order in which they appear in the Act.

III. PROJECT AREA ELIGIBILITY

The following is the summary evaluation of the eligibility factors for the Project Area presented in the order in which they appear in the Act. The supporting eligibility factors for the Project Area are presented below and illustrated in *Figures 3 through 9*.

Age

As a prerequisite for consideration as a Conservation Area, at least 50% of the structures in the area must be over 35 years old. The Project Area consists of 100 primary structures, 92 (92%) of which are over 35 years old.

A. Dilapidation

Section 11-74.4-3 of the Act defines Dilapidation: An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

This section summarizes the process used for assessing building conditions in the Project Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures. The process, standards and criteria were applied in accordance with JRG's Building Conditions Survey Manual. The Building Conditions Survey Manual, with updates to current standards, was developed through decades of field surveys and analysis, providing a consistent method of evaluating buildings necessary for the background findings for the planning profession.

The building condition analysis is based on an exterior inspection of the buildings and sites conducted in August and September 2025. Structural deficiencies in building components and related site improvements in the Project Area were noted during the inspections.

Building Components Evaluated

During the field survey, each component of the buildings in the Project Area was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two (2) types:

Primary Structural

These include the basic elements of any building: foundation walls, load-bearing walls and columns, floors, roof, and roof structure.

Secondary Components

These are components generally added to the primary structural components and are necessary parts of the building, including exterior and interior stairs, windows and window units, doors and door units, interior walls, porches and steps, chimneys, and gutters and downspouts.

Building Component Classifications

The four categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below:

Sound

Building components that contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

Deficient - Requiring Minor Repair

Building components containing defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal

maintenance. Minor defects that have no real effect on either primary or secondary components are not considered in rating a building as structurally substandard.

Deficient - Requiring Major Repair

Building components which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components by people skilled in the building trades.

Critical

Building components that contain major defects (bowing, sagging, or settling to any or all exterior components causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area) so extensive that the cost of repair would be excessive.

Final Building Rating

After completion of the exterior-interior building condition survey, each structure was placed in one of four categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below:

Sound

Sound buildings can be kept in a standard condition with normal maintenance. Buildings so classified have no minor defects.

Deficient

Deficient buildings contain defects that collectively are not easily correctable and cannot be accomplished in the course of normal maintenance. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

Minor -- one or more minor defect, but no major defect.

Major -- one or more major defects in one of the primary components or in the combined secondary components, but no critical defect.

Substandard

Structurally substandard buildings contain defects that are so serious and so extensive that the building must be removed or major components substantially repaired and/or replaced. Buildings classified as structurally substandard have two or more major defects. Dilapidation is evidenced by critical defects in building components including exterior walls, roof, foundations, windows, doors, porches and steps that are visible from the exterior.

"Minor deficient" and "major deficient" buildings are the same as "deteriorating" buildings as referenced in the Act; "substandard" buildings are the same as "dilapidated" buildings in the Act. The words "building" and "structure" are presumed to be interchangeable.

Exterior Survey

The conditions of the buildings within the Project Area were determined based on observable components. JRG conducted an exterior survey of each building within the Project Area to determine its condition. No buildings in the Project Area were categorized as dilapidated. Of the 100 primary buildings in the Project Area:

- 57 buildings (57%) were classified as structurally sound;
- 42 buildings (42%) were classified as minor deficient (deteriorating);
- 1 building (1%) was classified as major deficient (deteriorating); and
- 0 buildings (0%) were classified as structurally substandard (dilapidated).

Conclusion: Dilapidation (structurally substandard buildings) as a factor is not present in the Project Area.

B. Obsolescence

Section 11-74.4-3 of the Act defines Obsolescence: The condition or process of falling into disuse. Structures have become ill suited for the original use.

In making findings with respect to buildings, it is important to distinguish between *functional obsolescence*, which relates to the physical utility of a structure, and *economic obsolescence*, which relates to a property's ability to compete in the market place.

Functional Obsolescence

Historically, structures have been built for specific uses or purposes. The design, location, height, and space arrangement are intended for a specific occupant at a given time. Buildings become obsolete when they contain characteristics or deficiencies which limit their use and marketability after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper orientation of the building on its site, etc., which detracts from the overall usefulness or desirability of a property.

Economic Obsolescence

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values.

If functionally obsolete properties are not periodically improved or rehabilitated, or economically obsolete properties are not converted to higher and better uses, the income and value of the property erode over time. This value erosion leads to deferred maintenance, deterioration, and excessive vacancies. These manifestations of obsolescence then begin to have an overall blighting influence on surrounding properties and detract from the economic vitality of the overall area.

Obsolescence as a factor should be based on the documented presence and reasonable distribution of buildings and site improvements exhibiting such obsolescence.

Obsolete Building Types

Obsolete buildings contain characteristics or deficiencies that limit their long-term sound use or reuse. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Many of the commercial properties facing Dempster Street exhibit signs of economic obsolescence. JRG and Village staff researched the asking rents in the Project Area and found that existing and asking rents are well below levels that are adequate to support strong property cash flow. Strong cash flow is necessary to support proper maintenance and major renovations. Very few properties in the Project Area show signs of major renovations and many show minor but meaningful signs of deferred maintenance. In addition, vacancies in the commercial corridor are slightly high, despite the corridor's attractiveness to retailers based on very high traffic volumes and affordable rents. Moreover, JRG estimated that 42 of the 100 structures (42%) in the Project Area are obsolete, based on the definition of this factor in the Act.

Conclusion: The analysis indicates that obsolescence is present to a meaningful extent and reasonably distributed throughout the Project Area. See Figure 3. Obsolescence.

C. Deterioration

Section 11-74.4-3 of the Act defines Deterioration: With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows,

porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Based on the definition in the Act, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

- Deterioration may be evident in basically sound buildings containing minor defects, such as lacking paint, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished through normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.

Building Deterioration

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation." Of the 100 buildings in the Project Area, 43 (or 43%) are classified as deteriorating, with 42 considered minor-deficient and one major-deficient. The lack of proper maintenance evident in these buildings demonstrates that the owners lack the ability or the economic justification for fully maintaining their property in good condition. Deterioration of structures is found throughout the Project Area evidenced by walls in need of tuckpointing, deteriorated window frames and other secondary components showing signs of deterioration and neglect including door frames, cornices, signage, and awnings. Windows in many buildings are minimally maintained, with obsolete single paned glass, leading to higher annual utility costs.

Site Deterioration

In addition, deterioration of site improvements is found throughout the Project Area as evidenced by cracked concrete or paving in parking areas and weed growth along building foundations.

Conclusion: Deterioration is present to a meaningful extent and reasonably distributed throughout the Project Area.

D. Presence of Structures Below Minimum Code Standards

Section 11-74.4-3 of the Act defines the Presence of structures below minimum code standards: All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

As referenced in the definition above, the principal purposes of governmental codes applicable to properties are to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy; to be safe for occupancy against fire and similar hazards; and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code standards are characterized by defects or deficiencies that threaten health and safety.

No public data was available regarding documented structural code violations in the Project Area.

Conclusion: The presence of structures below minimum code standards has not been documented in the Project Area. Therefore, the factor of structures below minimum code standards is not a supporting factor for Project Area eligibility.

E. Illegal Use of Individual Structures

Section 11-74.4-3 of the Act defines illegal use of individual structures: The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Conclusion: No condition pertaining to illegal uses of individual structures has been documented as part of the exterior surveys and analyses undertaken within the Project Area. This factor is not a supporting factor for Project Area eligibility.

F. Excessive Vacancies

Section 11-74.4-3 of the Act defines excessive vacancies: The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

Vacancies are found in several of the retail buildings in the Dempster Street corridor. The most prominent vacant building is the former CVS Pharmacy building on the southeast corner of Austin and Dempster, which has been 100% vacant for nearly four years. For purposes of this eligibility report, JRG considers a building vacancy rate of 15% or more as an “excessive vacancy” level. Excessive vacancies are considered to be meaningfully present on a block if at least 20% of the buildings exhibit excessive vacancies. Using these criteria, excessive vacancies are present in 15 of the 100 buildings, and 14 of the 33 Project Area blocks.

Conclusion: Excessive vacancies as a factor is meaningfully present in the Project Area, but is not sufficiently distributed throughout the Project Area, so Excess Vacancies is not a supporting factor for Project Area eligibility.

G. Lack of Ventilation, Light, or Sanitary Facilities

Section 11-74.4-3 of the Act defines lack of ventilation, light, or sanitary facilities: The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence or inadequacy of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Conclusion: No condition pertaining to a lack of ventilation, light, or sanitary facilities has been documented as part of the exterior surveys and analyses undertaken within the Project Area. This factor is not a supporting factor for Project Area eligibility.

H. Inadequate Utilities

Section 11-74.4-3 of the Act defines inadequate utilities: Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: i) of insufficient capacity to serve the uses in the redevelopment project area, ii) deteriorated, antiquated, obsolete, or in disrepair, or iii) lacking within the redevelopment project area.

The Village Public Works Department provided a detailed list of infrastructure needs within the Project Area, as of October 2025. The most important utility infrastructure upgrade needed within the Project Area is a separation of the existing combined stormwater/sewer lines. This separation of stormwater lines and sewer lines is needed along the full length of Dempster Street, as well as virtually every north-south street of the Project Area. In addition, the water mains in all but one of the north-south streets of the Project Area are over 100 years old, which is beyond their appropriate lifespan, and these will need replacement during the next 10 to 20 years.

Indeed one important element of the plan for implementing a TIF district is to support the installation of separated sewer and stormwater infrastructure sufficient to accommodate new development and modern line sizing.

Conclusion: The factor of Inadequate Utilities is meaningfully present and reasonably distributed throughout the Project Area.

I. Excessive Land Coverage & Overcrowding of Structures and Community Facilities

Section 11-74.4-3 of the Act defines excessive land coverage and overcrowding of structures and community facilities: The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonable required off-street parking, or inadequate provision for loading and service.

Excessive land coverage and overcrowding of structures and community facilities is found in various locations throughout the corridor, due to a lack of sufficient off-street parking. Many retail/commercial buildings in the Project Area were developed prior to the 1950s, which was prior to modern intensive levels of automobile ownership and use, so off-street parking requirements are less substantial than modern needs. Nonetheless, the presence of this factor is not sufficiently distributed throughout the Project Area, so is not considered a contributing factor for Project Area eligibility.

Conclusion: Excessive land coverage and overcrowding of structures and community facilities is not a supporting factor for Project Area eligibility.

J. Deleterious Land Use or Layout

Section 11-74.4-3 of the Act defines deleterious land-use or layout: The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

The existing land uses are consistent with the Zoning Ordinance without resulting in any conflicting or inappropriate mix of uses.

Conclusion: No condition pertaining to deleterious land-use or layout is present in the Project Area. This factor is not a supporting factor for Project Area eligibility.

K. Lack of Community Planning

Section 11-74.4-3 of the Act defines lack of community planning: The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This

means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Following the opening of the Edens Expressway (Interstate-94) in 1951, the population of the Village of Morton Grove increased dramatically and Dempster Street quickly became the primary commercial corridor for the Village. A majority of the buildings that exist today along the corridor were built by 1970 and prior to the adoption of the Village's first comprehensive plan in 1979.

Although the Project Area has been the subject of several planning efforts, including subsequent comprehensive plans and Dempster Street Commercial Corridor studies in 2001 and 2025, there continues to be insufficient off-street parking to fully support existing and potential businesses in the corridor. The Village has developed three small off-street parking areas along the corridor to address demand for parking but in a recent survey of local residents and businesses¹. Sixty-three percent (63%) indicated that it is difficult to find parking on Dempster Street.

The issue is due in large part to the limited depth of the commercial parcels. There is insufficient parcel depth to allow both a commercial building and an adequately-sized parking area, so multiple parcels must be combined to create enough space for parking areas. This can be seen in the Walgreen's (northeast corner of Menard/Dempster) and former CVS (southeast corner of Austin/Dempster) development sites, both developed in the late 1990s to early 2000s; large adjacent parking areas were included in those developments in order to properly develop those sites. This limitation was further constrained by the designation of Dempster Street as a Strategic Regional Arterial, which resulted in roadway improvements to facilitate traffic that removed on-street parking from both sides of the street through this section of the corridor.

This factor impacts all but one of the blocks facing Dempster Street, including 25 of the 33 Project Area blocks, or 76% of all Project Area blocks.

Conclusion: Lack of community planning is meaningfully present and reasonably distributed throughout the Project Area.

L. Environmental Remediation

Section 11-74.4-3 of the Act defines environmental remediation: The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Conclusion: No condition pertaining to a need for environmental remediation has been documented as part of the surveys and analyses undertaken within the Project Area. Therefore, this factor is not a supporting factor for Project Area eligibility.

M. Declining or Lagging Equalized Assessed Valuation

Section 11-74.4-3 of the Act defines declining or lagging equalized assessed valuation: The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is

¹ Dempster Corridor Plan Survey Results Summary, August 21, 2025

less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

Over the period from 2019 to 2024, the growth in the total equalized assessed valuation (“EAV”) of the Project Area has lagged that of the Consumer Price Index for all Urban Consumers in four of those years. These figures, as well as a comparison to the Village EAV growth, are shown below in *Table 1. Growth of Project Area vs. Consumer Price Index (CPI) and Village of Morton Grove*.

Table 1. Growth Rate of Project Area vs. CPI and Village of Morton Grove

Tax Year	Village of Morton Grove (excluding Project Area)		U.S. CPI		Project Area		Growth Rate Slower than CPI
	Total EAV	Change			Total EAV	Change	
2019	901,201,943		256.974		39,579,353		
2020	913,339,387	1.35%	260.474	1.36%	41,554,555	4.99%	No
2021	839,392,354	-8.10%	278.802	7.04%	39,220,776	-5.62%	Yes
2022	1,021,926,994	21.75%	296.797	6.45%	40,336,156	2.84%	Yes
2023	1,052,299,741	2.97%	306.746	3.35%	41,583,409	3.09%	Yes
2024	n/a		315.605	2.89%	42,064,945	1.16%	Yes

Percent Change reflects the annual growth in EAV from the prior year (e.g. 2.97% change in Total EAV of Village of Morton Grove for Tax Year 2023 represents the growth in EAV from 2022 to 2023). 2024 Village EAV is not available as of mid-November 2025.

Conclusion: Declining or Lagging Equalized Assessed Valuation is present to a meaningful extent and reasonably distributed throughout the Project Area.

IV. DETERMINATION OF PROJECT AREA ELIGIBILITY

The Project Area meets the requirements of the Act for designation as a Conservation Area.

Project Area Qualifications

Age. The Project Area meets the threshold criteria which requires that 50% or more of buildings are 35 years of age or older. Ninety-two percent (92%) of the Project Area's buildings are 35 years of age or older.

Conservation Area Factors. The meaningful presence and reasonable distribution of a minimum of three (3) of the thirteen (13) factors set forth in the Act are required for an Project Area to qualify for designation as a conservation area. The analysis of the Project Area found a meaningful presence and a reasonable distribution of five (5) factors throughout the Project Area, including:

1. Obsolescence
2. Deterioration
3. Inadequate Utilities
4. Lack of Community Planning
5. Declining or Lagging Equalized Assessed Value

Table 2 below summarizes the conservation factors found present on each block in the Project Area.

The Project Area only includes properties that would benefit from inclusion in the redevelopment project area.

The eligibility findings presented in this report indicate that the Project Area needs revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the Village. The Project Area contains sites and structures that are suffering from economic obsolescence, deterioration, inadequate utilities, lack of community planning, and lagging EAV as evidence of a lack of investment in the area. These conservation factors, as identified and described in detail above, indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without public action.

Table 3: Presence of Conservation Area Eligibility Factors

Block Number	No. of Parcels	No of Buildings	Deterioration	Obsolescence	Excessive Vacancies	Inadequate Utilities	Excessive Land Coverage/ Overcrowding	Declining/ Lagging EAV	Lack of Community Planning
10-17-305	2	1				●		●	●
10-17-314	3	1				●		●	●
10-17-315	6	2				●		●	●
10-17-316	5	3	●	●		●	●	●	●
10-17-317	4	2	●		●	●		●	●
10-17-318	2	3	●	●	●	●	●	●	●
10-17-424	9	2		●	●	●		●	●
10-17-425	3	2	●		●	●		●	●
10-17-426	10	4	●	●	●	●	●	●	●
10-17-427	10	3	●	●		●	●	●	●
10-17-428	9	1				●		●	●
10-17-429	6	4	●	●		●	●	●	●
10-17-430	10	3	●	●	●	●	●	●	●
10-17-431	7	4	●	●		●	●	●	●
10-19-200/201	6	0	Open Space / Forest Preserve / Railroad ROW					●	
10-19-201	1	1		●		●		●	
10-19-202	6	1				●		●	●
10-20-100	9	5	●	○	○	●	●	●	●
10-20-102	6	2	●		●	●		●	●
10-20-103	7	2	●	●	●	●	●	●	●
10-20-104	9	1	●			●		●	●
10-20-105	11	5	●	●		●		●	●
10-20-106	12	6	●	●	○	●	●	●	●
10-20-107	3	3				●		●	
10-20-108	6	6				●		●	
10-20-109	5	5				●		●	
10-20-110	5	5				●		●	
10-20-115	1	1				●		●	
10-20-116	8	1	●	●		●		●	
10-20-200	4	1	●		●	●		●	●
10-20-201	15	7	●	●	○	●	●	●	●
10-20-203	5	5	●	●	○	●	●	●	●
10-20-204	18	8	●	●	○	●	●	●	●
Totals	223	100							
Blocks by Factor #			20	17	14	32	13	33	25
Blocks by Factor %			61%	52%	42%	97%	39%	100%	76%

○

Present to a limited extent

●

Present to a meaningful extent

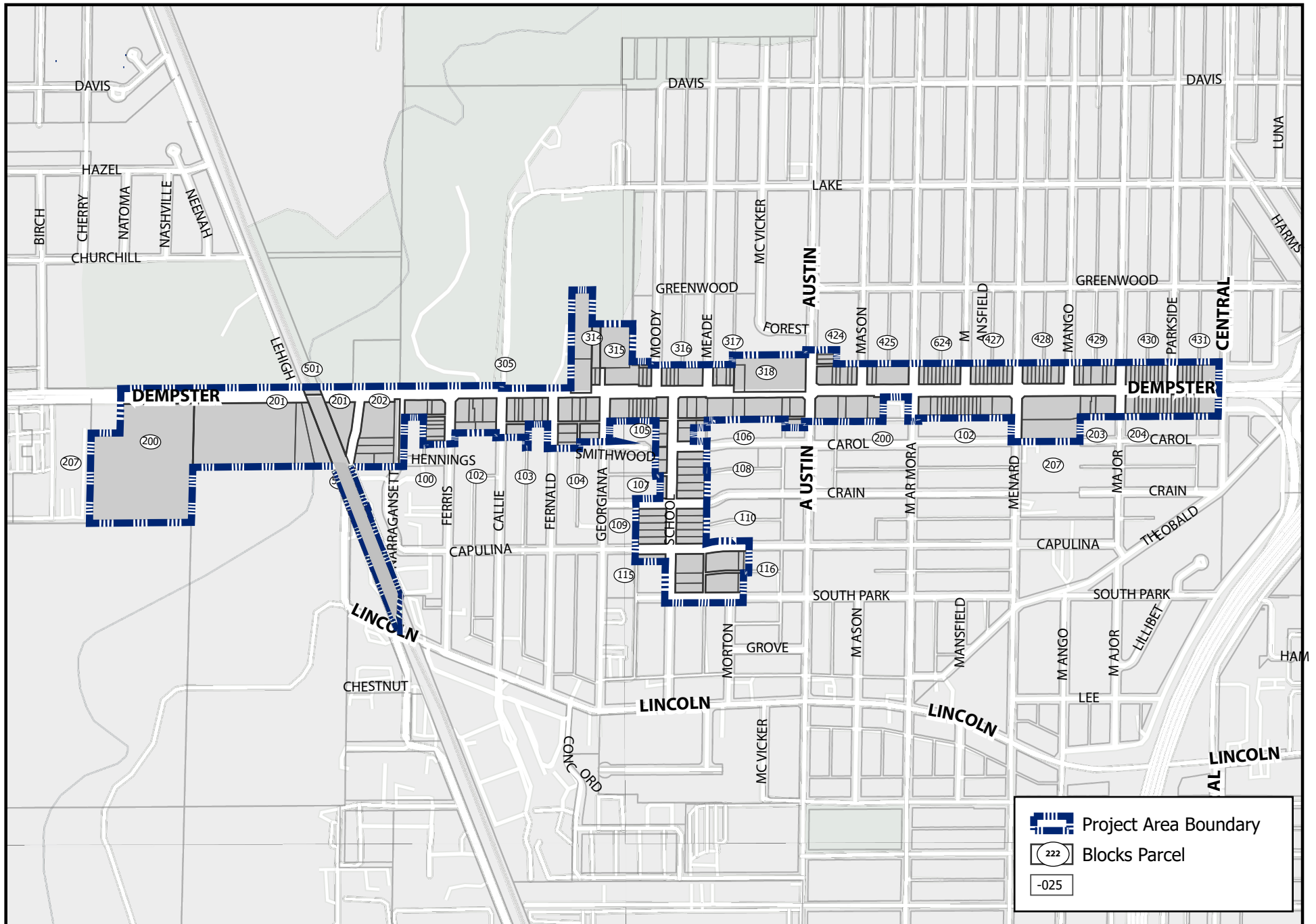


Figure 1: Project Area Boundary
DEMPSTER STREET TIF

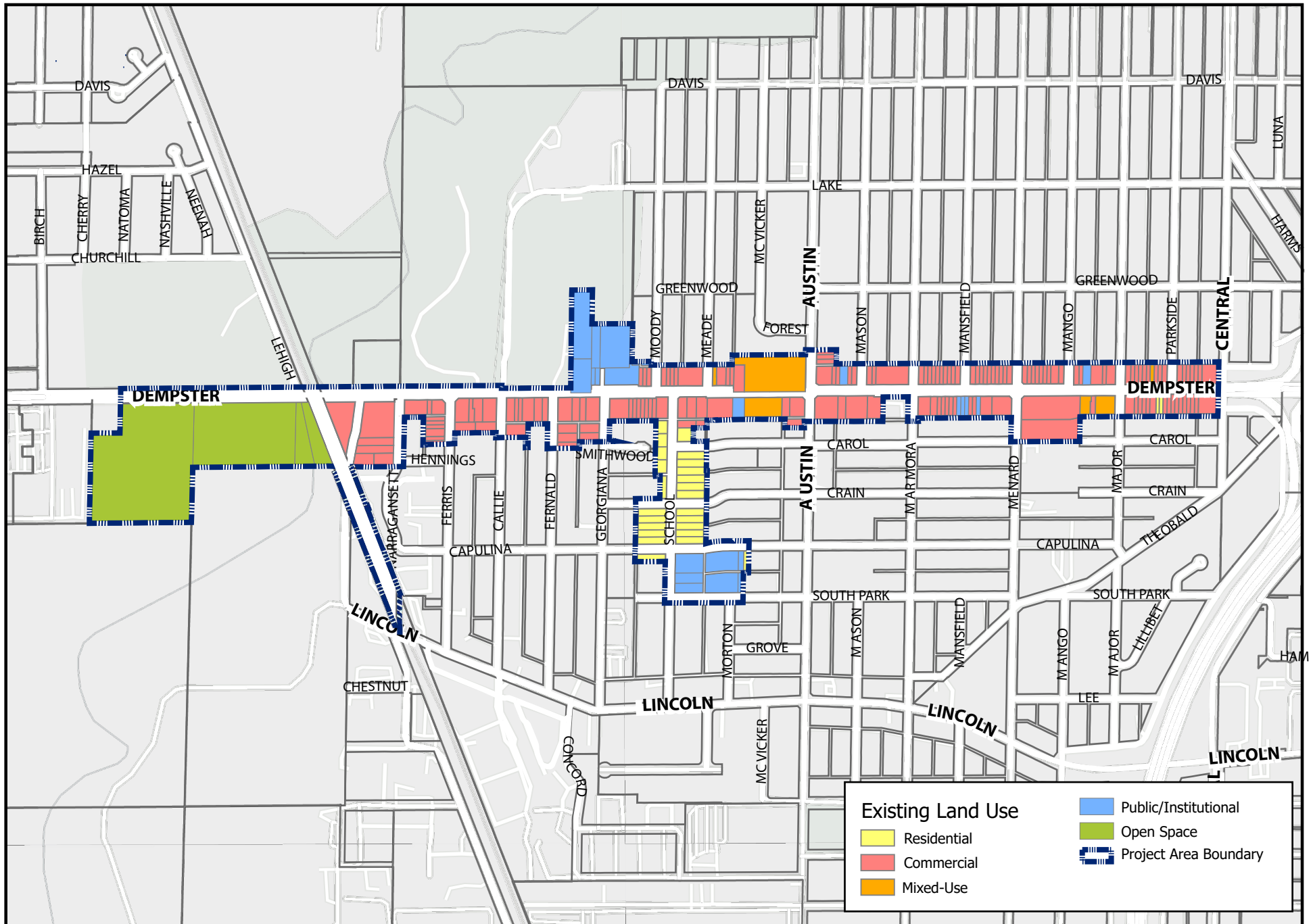


Figure 2: Existing Land Use
DEMPSTER STREET TIF

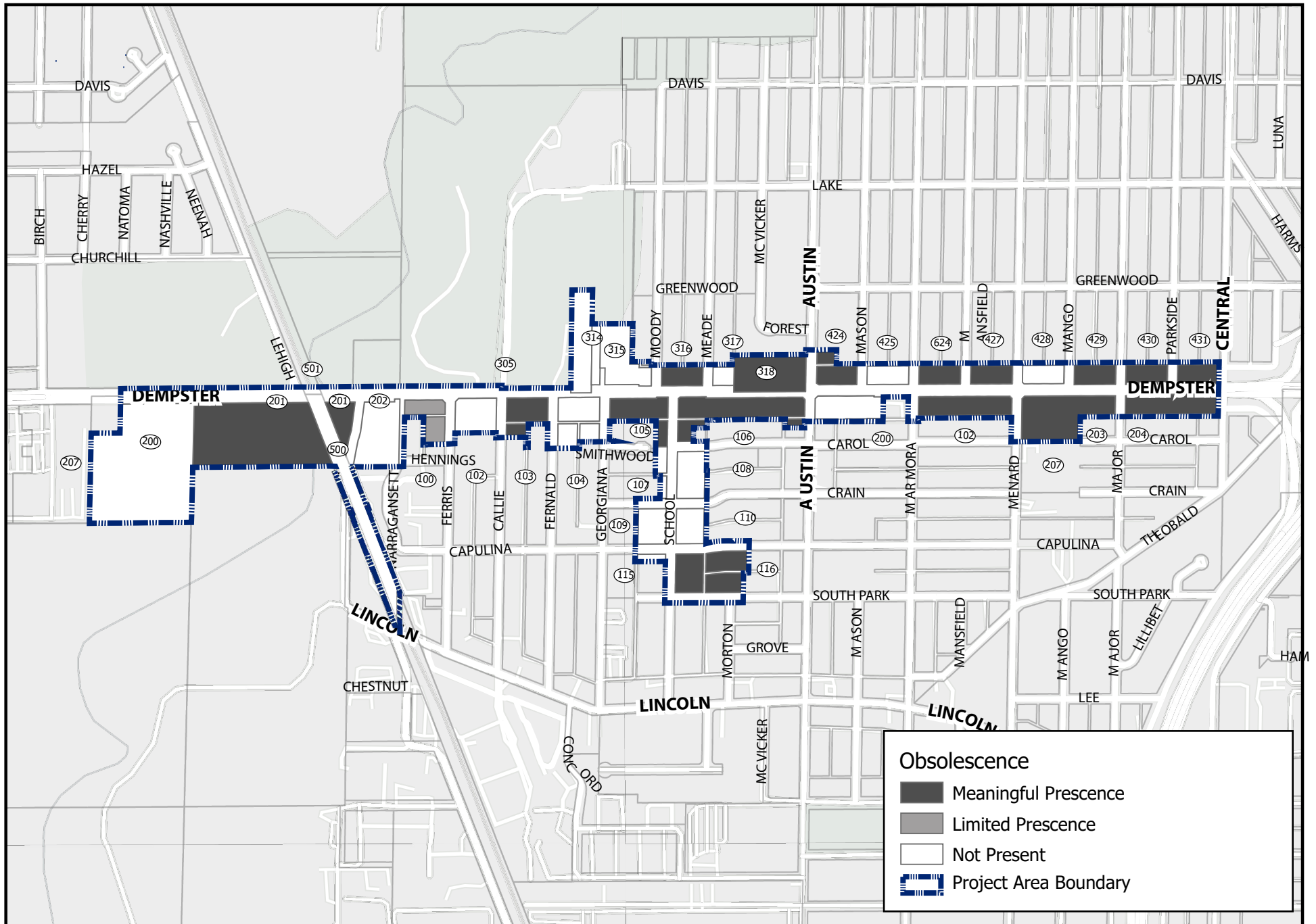


Figure 3: Obsolescence
DEMPSTER STREET TIF

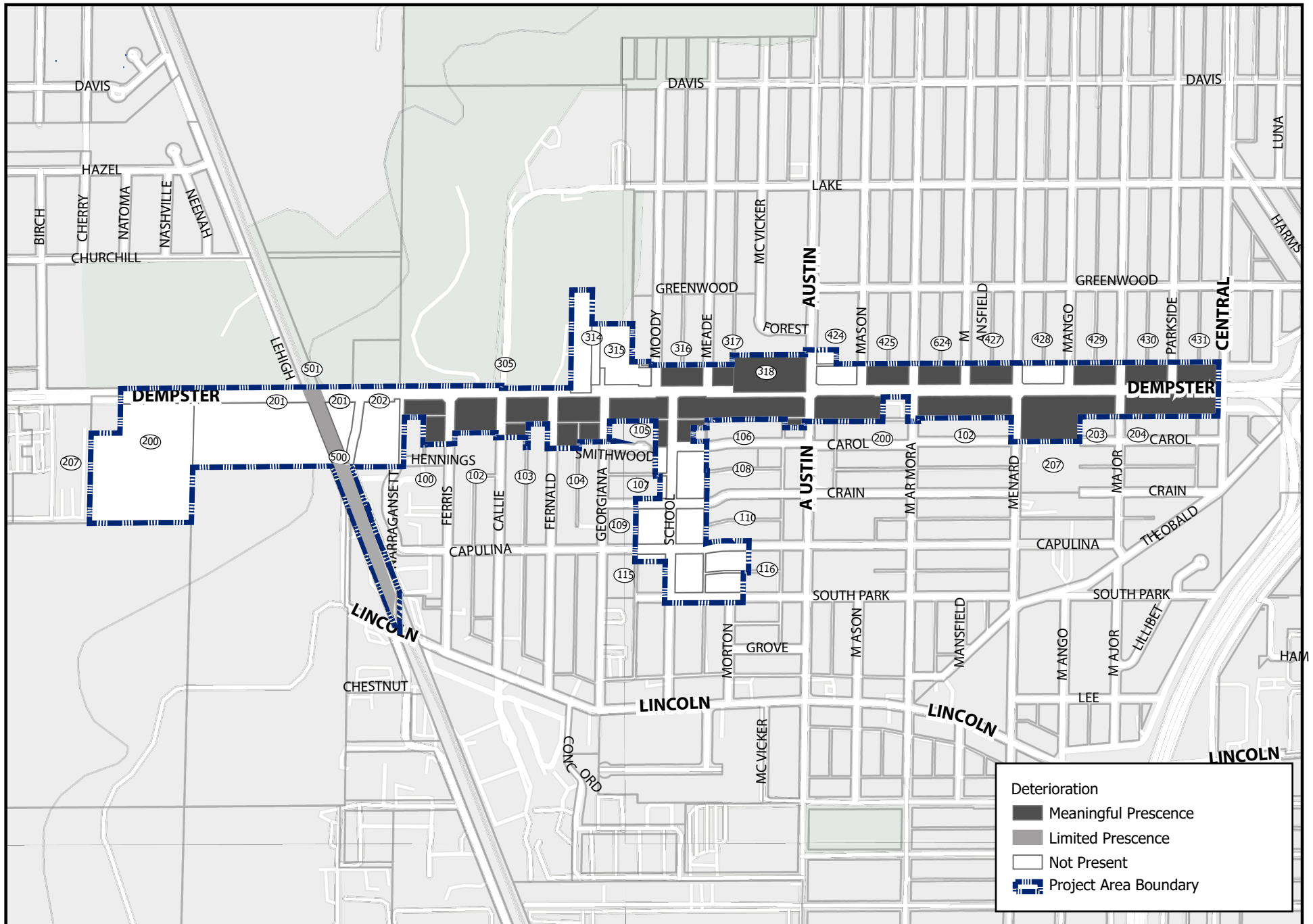


Figure 4: Deterioration
DEMPSTER STREET TIF

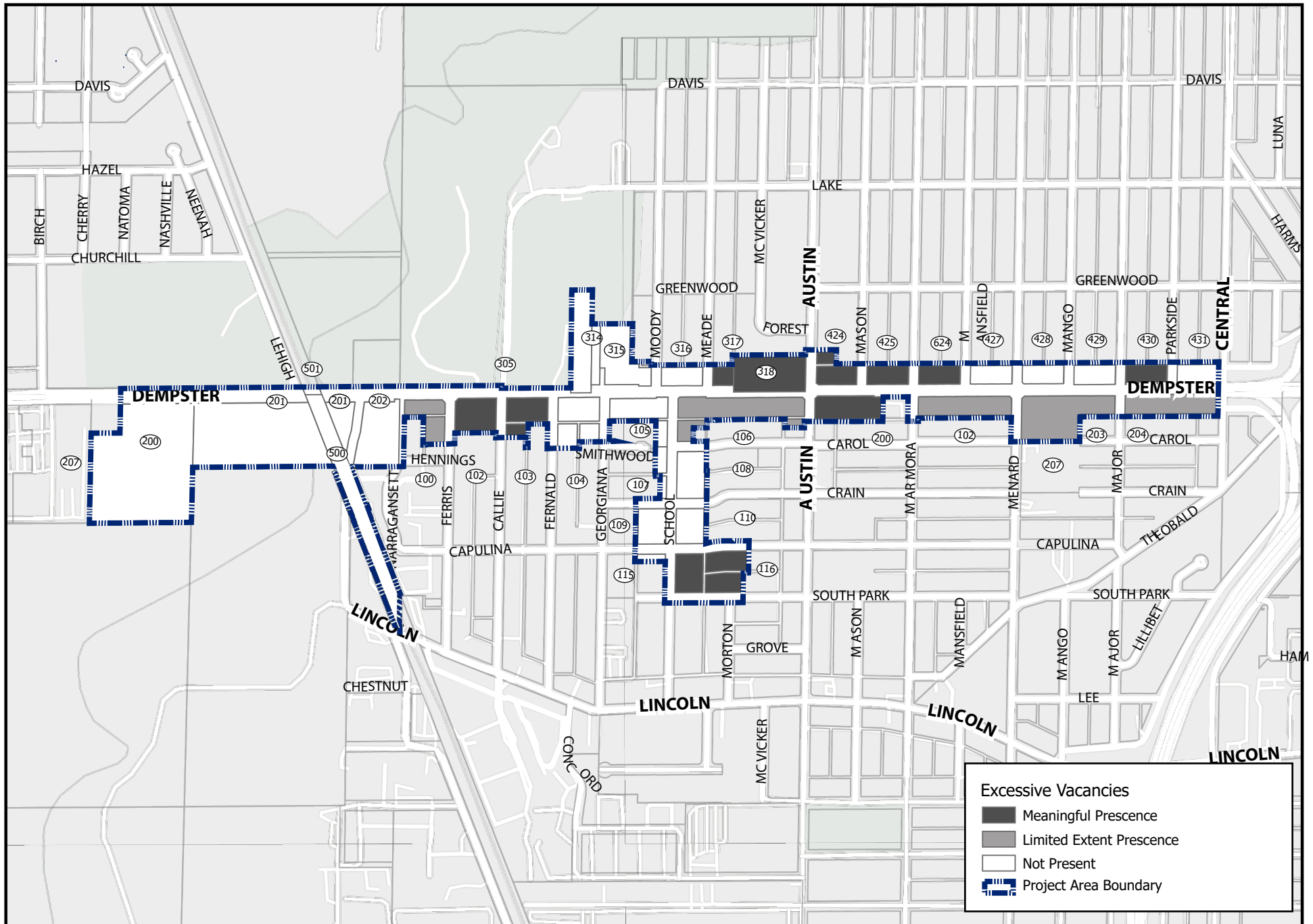


Figure 5: Excessive Vacancies
DEMPSTER STREET TIF



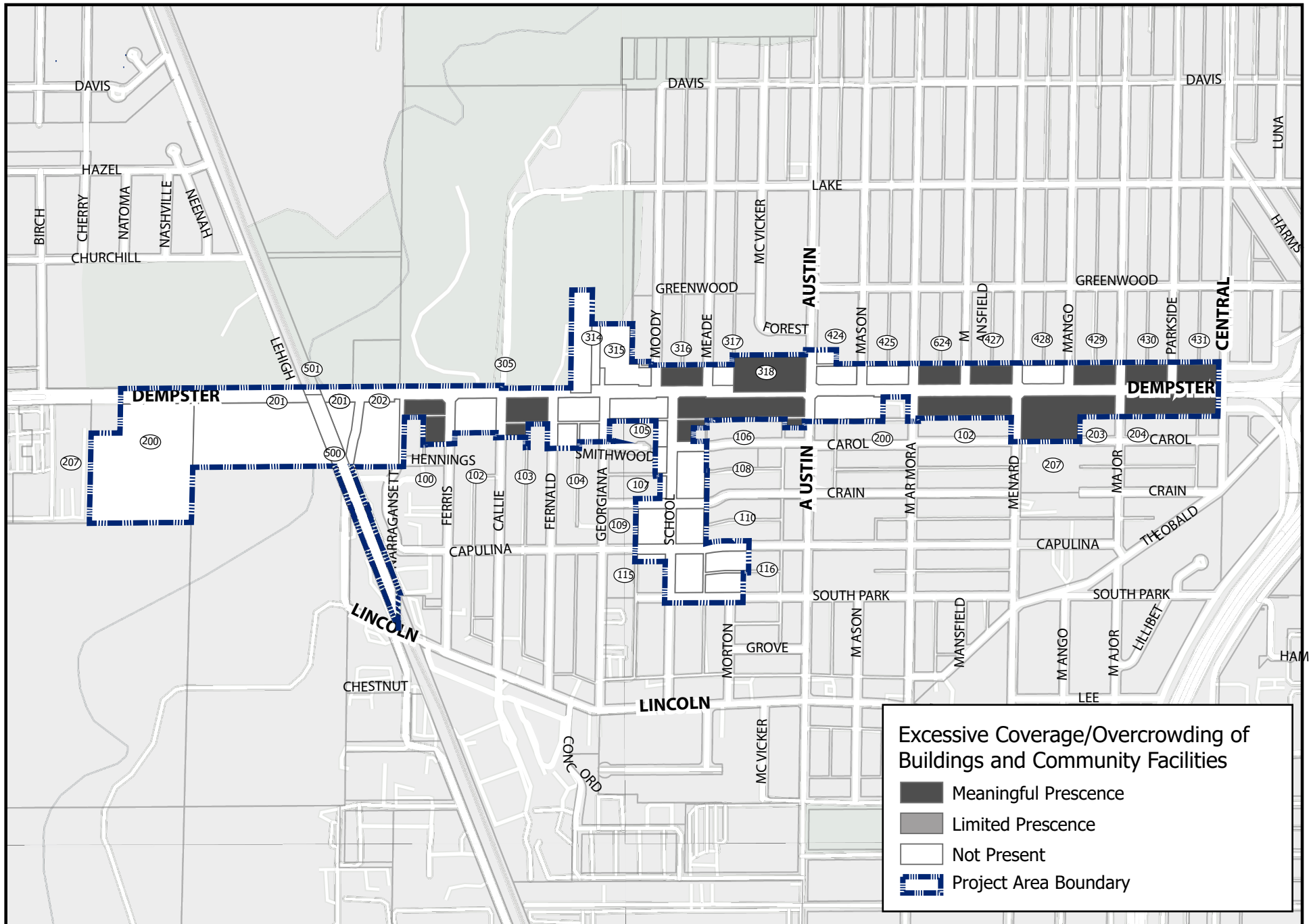


Figure 7: Excessive Land Coverage/Overcrowding of Buildings and Community Facilities

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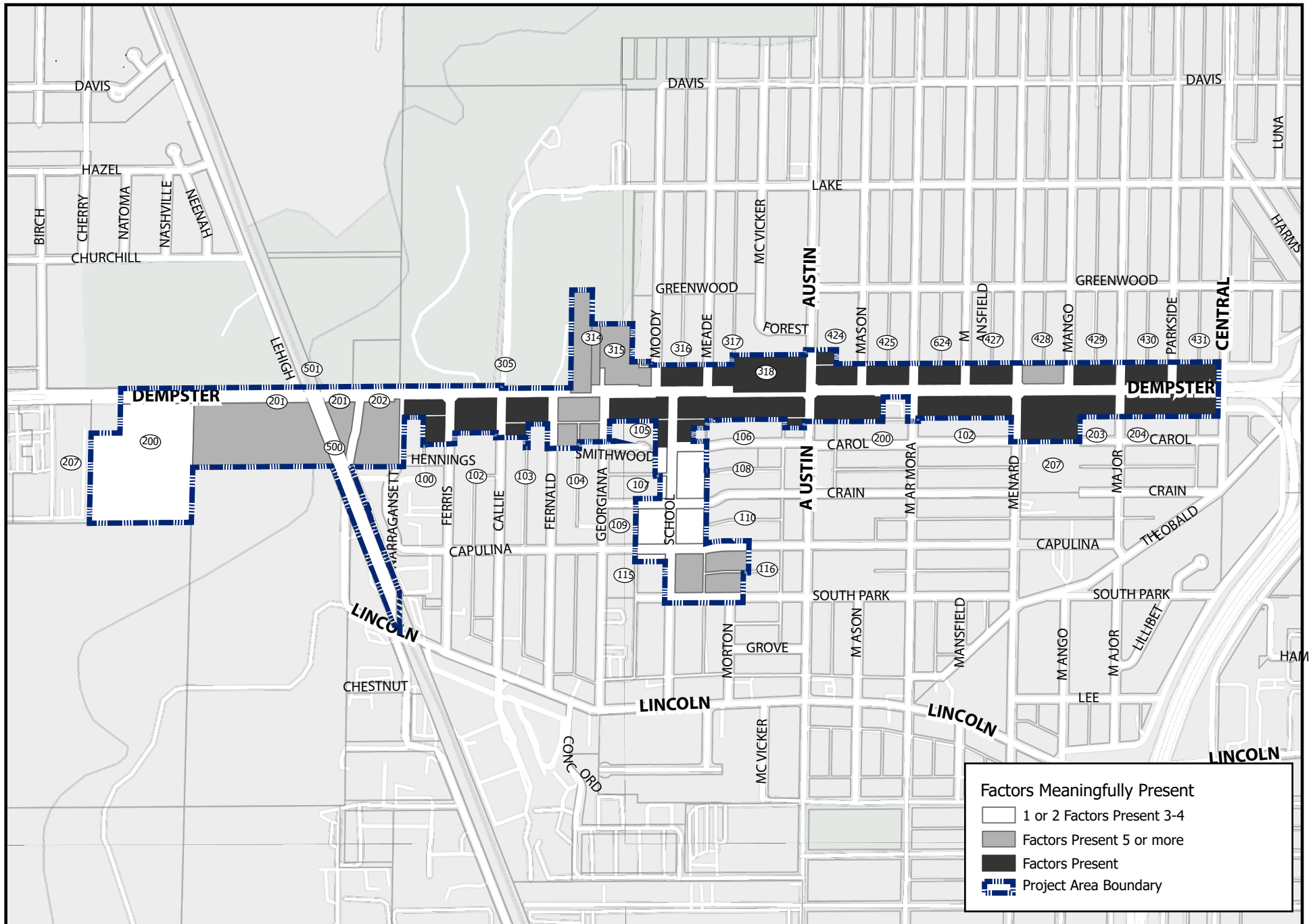


Figure 9: Summary of Eligibility Factors
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