



Legislation Text

File #: 22-056, **Version:** 1

ACTION REQUESTED:

Communication from the City Manager and Economic Development Department with a Request for the Following:

- A. ADOPT an ORDINANCE to Designate the UNIVERSITY/WAR PLAN AREA; and,
- B. ADOPT an ORDINANCE to Approve the UNIVERSITY/WAR REDEVELOPMENT PLAN AND PROJECT; and,
- C. ADOPT an ORDINANCE Authorizing Tax Increment Financing (TIF) for the UNIVERSITY/WAR REDEVELOPMENT PROJECT AREA.

BACKGROUND:

The City of Peoria is actively involved in promoting economic development. The City currently has ten (10) active TIF districts, five (5) Opportunity Zones, and an Enterprise Zone. Current economic development efforts include evaluation of the intersection of University Street and War Memorial Drive. This is a highly visible, prominent intersection within the City. The southeast corner of the intersection contains limited commercial development and a large vacant area including a vacant industrial facility and a recently demolished auto dealership. This area contains significant grade changes that will make redevelopment more costly and difficult to achieve. For this reason, the City has decided to investigate the use of Tax Increment Financing (TIF) to help offset extraordinary redevelopment costs and encourage redevelopment in the area.

To this end, the City retained the planning consulting firm Teska Associates, Inc. to assist in the creation of a new TIF district covering parcels located roughly at the southeast corner of University Street and War Memorial Drive. Teska has conducted the necessary field surveys, site evaluations, and identified key redevelopment opportunities and necessary public improvements within the Project Area, and this Redevelopment Plan summarizes the analyses and findings of the consultant's work. The City is entitled to rely on the findings and conclusions of this Redevelopment Plan in designating the Project Area as a "redevelopment project area" under the State of Illinois Tax Increment Allocation Redevelopment Act, ([Chapter 65 ILCS 5/11-74.4-1, et seq.](#)) as amended, the "Act". Teska has prepared this Redevelopment Plan and the related Eligibility Study with the understanding that the City would rely on: (a) the findings and conclusions of the Redevelopment Plan and associated Eligibility Report in proceeding with the designation of the Project Area and the adoption and implementation of the Redevelopment Plan; and (b) the fact that Teska has obtained the necessary information so that the Redevelopment Plan and the related Eligibility Study will comply with the requirements of the Act.

The revitalization of the Project Area presents both challenges and opportunities for the City of Peoria. The success of this effort will depend upon cooperation between private investment and local government. Public and private development efforts have not, as yet, been able to stimulate the comprehensive revitalization of the Project Area. The adoption of this Redevelopment Area Plan and Program will assist with the implementation of the goals and objectives of the City's Comprehensive Plan, which otherwise could not reasonably be anticipated to occur without the adoption of this Redevelopment Area Plan and Program. Through public investment, the area will become more attractive to private investment

FINANCIAL IMPACT: The adoption of these ordinances merely sets the public hearings. However, this is a

critical step in the overall adoption and approval process to establish a new Tax Increment Financing District (TIF).

NEIGHBORHOOD CONCERNS: The project as a whole will be subject to considerable public scrutiny, including a public meeting held on November 18, 2021 by Joint Review Board. Additional Public Hearing was held on January 25th 2022. There has been no expression of public opinion in opposition to this at either of the above public events.

IMPACT IF APPROVED: The Tax Increment Financing funding will be available at this project area.

IMPACT IF DENIED: Development at this location would likely be hindered.

ALTERNATIVES: None currently identified

EEO CERTIFICATION NUMBER: Not applicable.

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Grow Peoria: Businesses, Jobs, and Population

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Grow employers and jobs.

DEPARTMENT: City Manager's Office