



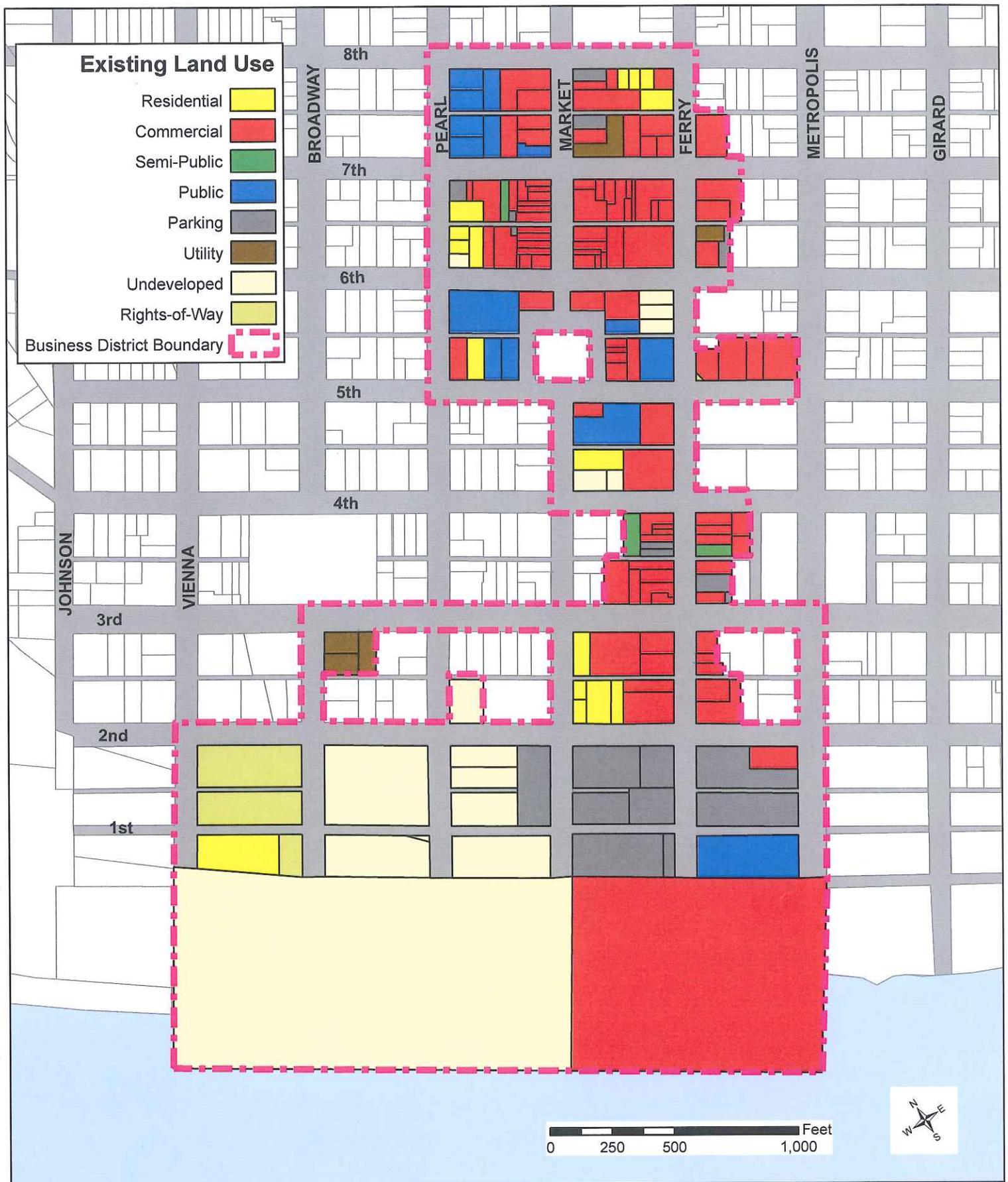
Metropolis Business District Redevelopment Project

BUSINESS DISTRICT PLAN

Metropolis, Illinois

August 2005

EDR
Economic Development Resources
St. Louis, Missouri



Metropolis Business District Metropolis, Illinois

EDIR
Economic Development Resources

Exhibit A Boundary

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SECTION I

INTRODUCTION

Business Districts (“District”) are authorized by the Illinois Municipal Code, specifically in 65 ILCS 5/11-74.3 et seq. (the “Act”). The Act sets forth the requirements and procedures for establishing a Business District and a Business District Plan. The purposes of this Plan are to provide a document that demonstrates that the District is blighted, provide actions and activities to eradicate the blighting conditions found in this portion of the City and assist in the development of the District. This Plan also identifies those activities, sources of funds, procedures and other necessary requirements needed to implement the Plan and use the sales taxes raised within the District to pay for certain eligible business district costs.

The proposed Metropolis Business District (the “District”) consists of one hundred sixty-eight (168) parcels. The District is approximately one hundred ten (110) acres in size, and is positioned in the Central Business District portion of the City of Metropolis, in the eight blocks from the Ohio River to 8th Street between Vienna and Metropolis Streets. The location of the District is fully illustrated on **Exhibit A. Boundary Map**. The legal description of the District is attached as **Appendix 1, Legal Description**. Given the costs of associated development within the District, most particularly (but not limited to) the costs of new construction, redevelopment, and adaptive re-use in the District, and providing the public infrastructure necessary in order to permit new commercial development within the District, the City proposes to create the Metropolis Business District in order to assist in meeting these costs.

SECTION II

STATUTORY BASIS FOR BUSINESS DISTRICT DEVELOPMENT AND REDEVELOPMENT

Business Districts ("District") are authorized by the Illinois Municipal Code, specifically in 65 ILCS 5/11-74.3 et seq. (the "Act"). The Act finds and declares that:

- It may be considered essential to the economic and social welfare of each municipality that business districts be maintained and revitalized by assuring opportunities for development or redevelopment and attracting sound and stable commercial growth;
- Such a result should conform to a comprehensive plan of the municipality and a specific plan for business districts officially approved by the corporate authorities of the municipality after public hearing;
- The exercise of the powers provided in this Division is dedicated to the promotion of the public interest and to the enhancement of the tax base of business districts, and the use of such powers for the development and redevelopment of business districts of a municipality is hereby declared to be a public use essential to the public interest.

The Business District statute is intended to be used by municipalities to address and eradicate problems that cause areas to qualify as "blighted" and to carry out development and redevelopment projects that serve this end.

The statute allows a municipality to accomplish development and redevelopment activities on a locally-controlled basis. Development and redevelopment within a designated District will generate new taxes from sales, services, and/or lodging within the District and, thus, create tax revenues that will be used to improve the District. These tax revenues can be used to finance certain "business district costs" as identified in the Act.

The statute allows the corporate authorities to designate an area of the municipality as a Business District after public hearings. Powers extended to the corporate authorities in a designated District include the following:

- To approve development and redevelopment proposals.
- To exercise the use of eminent domain.

- To acquire, manage, convey, or otherwise dispose of real and personal property.
- To apply for and accept capital grants and loans.
- To borrow funds.
- To sell, lease, trade or improve real property.
- To employ persons to plan, administer and implement business district plans.
- To expend public funds for planning, executing and implementing business district plans.
- To create a Business District Development and Redevelopment Commission.
- To issue obligations.

The Act specifies that before a municipality can designate a District that imposes a *retailers occupation tax*, a *service occupation tax* and a *hotel operators occupation tax*, and create a Plan for such a District, the municipality must find that the District is “blighted”, as that term is defined in the Act.

The Act also identifies the components of such a Plan, viz:

- A description of the district boundaries and map;
- A general description of each project to be undertaken;
- The name of the proposed business district;
- Estimated business district project costs;
- Anticipated sources of funds to pay business district project costs;
- Anticipated type and terms of any obligations to be issued;
- The retailers occupation tax, service occupation tax and/or hotel operators occupation tax to be imposed (if any), and the rate of such taxes and the period of time for which the tax shall be imposed.

SECTION III

BUSINESS DISTRICT DEVELOPMENT PLAN

INTRODUCTION

The City of Metropolis is creating the Metropolis Business District Redevelopment Plan in order to provide an important tool for the redevelopment of a blighted area of the community. In looking to achieve this end, the City will seek to adhere to certain Objectives and Policies.

A. Objectives

The Objectives of the Plan are to:

- Assure opportunities for development and attraction of sound and stable commercial growth.
- Enhance the tax base of the Business District.
- Ameliorate the blighting conditions within the District.
- Facilitate public and private sector plans, projects, and investment within the Business District, in a manner that is compatible with the Metropolis Comprehensive Plan.

B. Policies

The City of Metropolis will follow certain policies to achieve the Objectives outlined above. These include

- Use Business District-derived revenues to implement the District Plan.
- Utilize City staff and consultants to undertake those actions necessary to accomplish the specific public-side actions and activities outlined in the Business District Plan.

- Provide financial assistance, as permitted by the Act, to encourage private developers to complete those certain private actions and activities as outlined in the Business District Plan.
- Utilize those powers extended to the corporate authorities in a designated District.

These Objectives and Policies may be amended from time to time as determined by the City.

C. Components of the Business District Plan

1. Boundary Delineation

A number of factors were taken into consideration in establishing the boundary of the Business District. Established planning guidelines and standards have been followed in delineating the boundary and preparing this Plan.

Field investigators employed by Economic Development Resources L.L.C. (EDR), conducted research of the Area and environs in order to ascertain the existence and prevalence of blighting factors. EDR was assisted by information obtained from Massac County and the City of Metropolis. Based upon these investigations, the eligibility requirements for establishing enabling taxes, the determination of redevelopment needs within the City and the location of the blighting factors found, the boundary of the Development and Redevelopment Area was determined.

The Business District consists of one hundred sixty-eight (168) parcels in the City of Metropolis. The Area is generally bounded on the west Vienna Street, then north up to 2nd Street, then east on the north side of 2nd Street to Market Street, then north to the north side of 3rd Street, then east approximately one-third block between Market Street and Ferry Street, then north to the alley, then east to the middle of the block between Market and Ferry Streets, then north to 4th Street, then west on the south side of 4th Street to the west side of Market Street, then north to 5th Street, then west on the south side of 5th Street to the west side of Pearl Street, then north to 8th Street where the Metropolis Business District is bounded on the north by the north side of 8th Street from Pearl east to Ferry Street, then south to the alley between 8th Street and 7th Street, then on the east approximately one-half of the block, then south to 6th Street, then west to Ferry Street, then south to just below the alley between 6th Street and 5th Street, then east approximately one-fourth of the block, then north to the alley and east to

Metropolis Street, then south to the south side of 5th Street, then west to Ferry Street, then south to 4th Street, then east one-half block on the north side of 4th Street to the middle of the block between Ferry Street and Metropolis Street, then south to 3rd Street, then east on 3rd Street to Metropolis Street, then south on the east side of Metropolis Street to the Ohio River, and on the south by the Ohio River.

2. General Description of each Project Proposed

Redevelopment Projects proposed for the Business District may include:

Uptown District (approximately 22-acres between 4th and 8th Streets from Pearl Street to Ferry Street)

- commercial renovations and new construction at the north entrance of the Uptown District at 8th and Market Streets,
- a 50,000 sq. ft. "Community Life Center" with shop space for tenant sub-leases that will provide neighborhood commercial services (coffee house, food court, retail services, etc.) at 6th and Market Streets, and
- a 15,600 sq. ft. museum and related store, also at 6th and Market Streets.

These developments are designed to anchor the north and south ends of the Uptown District.

Ferry Street Promenade (approximately 24-acres, between 2nd Street and the hotel development to 4th Street, from Market Street to Metropolis Street), a mixed-use urban village to include:

- a 500,000 sq. ft. water park hotel with retail space and several water amenities on the west side of the Ferry Street Promenade between 2nd and 3rd Streets,
- a 27,000 sq. ft. 3-story cineplex in the vicinity of 3rd Street,
- 97,000 sq. ft. of retail space in a 3-story structure located across the proposed promenade (Ferry Street) between 3rd and 4th Streets,
- commercial structures between 4th and 5th streets that are to be renovated and / or constructed as new infill, and a
- a fountain at the north entrance of the Ferry Street Promenade.

The fountain is a public development designed to serve as a gateway and attraction into both commercial areas from Highway 45. A similar gateway into the Uptown District is anticipated from the proposed marina area by installing streetscape improvements along Market Street up to 5th Street.

Marina (approximately 14 acres in size, between the Ohio River and 2nd Street from Vienna Street and the railroad trestle to the hotel development) In addition to the casino hotel development south of the Uptown and Ferry Promenade Districts, there are plans for a commercial boat-oriented development to provide access to the community from the Ohio River. This is the proposed location of a \$3.5 million marina providing a docking area for large commercial riverboats and visitors to Metropolis. Some of the 141 boat slips comprising the marina will be used for yacht club / time share programs, further increasing the number of visitors to the city. Marina-related housing is anticipated to round out the north side of this project.

Overlay Public Parking District anticipated to be comprised of eight surface and two structured parking facilities to complement parking needs within the Business District. Surface parking will be located between the buildings and Pearl Street on the west side, and between the buildings and Ferry Street on the east side, of the Uptown District.

The Redevelopment Projects are anticipated to include approximately 2 million square feet of privately funded residential (upper story) and commercial rehabilitation projects within the Business District and public investment in a community center as well as related infrastructure complementary to the private new construction and redevelopment projects. The renovation of historic commercial buildings into adaptive re-uses and infill new construction in the Uptown District and along a Ferry Street Promenade are designed in the Tourism Master Plan to link pedestrians between the waterfront Marina / Resort Hotel / RV Park and the Uptown District. To facilitate this Metropolis proposes a program for rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements, including the development of façade and interior improvement programs.

For each Development Project the City anticipates improvements to the drainage system/storm water system, sanitary sewers and other public utilities to allow for commercial development, and improvements to both Market and Ferry Streets (including but not limited to widening, curb cuts, sidewalks, signalization, curbs and gutters, street lighting and the like).

To facilitate the implementation of the Business District Redevelopment Plan, Metropolis proposes a Business Retention, Expansion, and Attraction Program to include: costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan; costs of marketing

sites within the redevelopment project area to prospective businesses, developers, and investors; and, costs of planning and promotion of special events, special promotions within the District, and joint advertising.

3. Name of Business District

The name of the Business District is the "Metropolis Business District".

4. Estimated Business District Project Costs

The cost estimate associated with the eligible public development activities is presented in **Exhibit C, Estimated Business District Project Costs**. The estimate includes reasonable and necessary costs incurred or estimated to be incurred during the implementation of the Business District Plan. The estimated costs in the Exhibit are subject to refinement as specific plans and designs are finalized and experience is gained in implementing this Business District Plan and do not include financing costs. As such, debt service and expenses associated with issuance of bonds or other obligations are in addition to costs stated in Exhibit D.

5. Anticipated Source of Funds to Pay Business District Project Costs

The anticipated source of funds to pay District project costs are those tax revenues raised by the retailers' occupation tax, services' occupation tax and hotel operators' occupation tax imposed in the District.

6. Anticipated Type and Terms of Any Obligations to be Issued

In order to expedite the implementation of the Business District Plan, the City of Metropolis, pursuant to the authority granted to it under the Act, may issue obligations to pay for the Business District Costs. These obligations may be secured by future amounts to be collected and allocated to the Business District Tax Allocation Fund. Such obligations may take the form of any loan instruments authorized by the Act.

Such loans or obligations may be issued pursuant to this Business District Plan. The City anticipates that notes or similar obligations may be issued evidencing the indebtedness of the Business District Tax Allocation Fund to repay the developer for monies advanced to pay for eligible Business District Costs.

When business district costs, including all municipal obligations financing business district project costs incurred under Section 11-74.3-3 have been paid, any surplus funds then remaining in the Business District Tax Allocation Fund shall be distributed to the municipal treasurer for deposit into the municipal general corporate fund.

7. The Rate of Any Tax to be Imposed Pursuant to Subsection (12) or (13) of Section 11-74.3-3 of the Act

Within the District, a rate of tax of 0.0% shall be imposed as a retailers' occupation tax and a services' occupation tax, and a rate of tax of 1.0% shall also be imposed as a hotel operators' occupation tax. Such taxes shall be imposed for up to 23 years.

SECTION IV

BASIS FOR BLIGHT FINDING

A. Introduction

The criteria and individual factors that were utilized in conducting the evaluation of the conditions in the proposed District are outlined under the following headings.

B. Statutory Qualifications

The definitions for qualifying the District are defined in the Statute are as follows:

Eligibility as Blighted

1. The predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; and,
2. The business district on the whole has not been subject to growth and development through investment by private enterprises; and,
3. The business district would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan.

C. Investigation and Analysis of Blighting Conditions

In determining whether or not the proposed Business District meets the eligibility requirements of the Act, various methods of research and field surveys were utilized. These included:

1. Contacts with individuals knowledgeable as to conditions and history of

and within the City, age of buildings, public infrastructure and site improvements, development patterns, real estate matters and related items. Existing information related to public utilities in this portion of the City was reviewed, as was information regarding the City on file with St. Clair County;

2. Examination of the condition of local buildings, streets, utilities, etc., inspection by the City of Metropolis Building, Zoning, and Life Safety Directors.
3. On-site field examination of conditions in the proposed District by experienced staff of Economic Development Resources L.L.C. (EDR). These personnel are trained in techniques and procedures of determining conditions of local properties, utilities, streets, etc. and determination of eligibility of areas for business district designation.
4. Review of the findings and determinations established by the Act in creating the Business District. These include:
 - a. It may be considered essential to the economic and social welfare of each municipality that business districts be maintained and revitalized by assuring opportunities for development or redevelopment and attracting sound and stable commercial growth.
 - b. Such a result should conform to the comprehensive plan of the municipality and a specific plan for business districts officially approved by the corporate authorities of the municipality after public hearings.
 - c. The exercise of the powers provided in this Division (of the Act) is dedicated to the promotion of the public interest and to the enhancement of the tax base of business districts, and the use of such powers for the development and redevelopment of business districts of a municipality is hereby declared to be a public use essential to the public interest.

The Act specifies that certain requirements that must be met before a municipality can proceed with implementing business district development and redevelopment projects and imposing the retailers' occupation tax, service occupation tax and hotel operator's occupation tax. One of these is that the municipality must demonstrate that the District qualifies as eligible for Business District designation. To this end, the City has prepared an analysis of the physical conditions and predominance of blighting factors

in the District. See **Exhibit B, Blighting Factors Matrix.**

D. The Proposed District

The proposed Business District contains one hundred sixty-eight (168) parcels. The District is divided into three primary areas, the Uptown District, the historic Ferry Street Promenade, and the former industrial area along the riverfront that is proposed for the Ohio River Marina in Metropolis. The Uptown District and Ferry Street Promenade have been improved. The riverfront property formerly served industry along railroad lines and is largely vacant and / or underutilized. Access to the Business District is provided by 5th, Ferry, and 8th Streets (State Route 45).

E. Review of Qualifications of the District

In order to impose the retailers' occupation tax, services' occupation tax and hotel operators' occupation tax taxes the corporate authorities of the municipality shall make a formal finding of the following: (i) the business district is a blighted area that, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire or other causes, or any combination of those factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; and (ii) the business district on the whole has not been subject to growth and development through investment by private enterprises or would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan.

1. Defective or inadequate street layout.

The proposed Business District contains fourteen (14) streets, including:

1. Front Street
2. 1st Street
3. 2nd Street
4. 3rd Street
5. 4th Street
6. 5th Street
7. 6th Street
8. 8th Street
9. Vienna Street
10. Broadway Street
11. Pearl Street

11. Pearl Street
12. Market Street
13. Ferry Street
14. Metropolis Street.

Discussions with representatives of Metropolis and field observation by EDR found eight (8) of fourteen (14) streets in the District to be inadequately laid out or defective in regard to their composition and/or provision of stormwater drainage. For example, streets near the riverfront, such as Front and First Streets, are not continuous, several streets have become gravel and dirt roads, and most lack curbs and gutters as seen by the evident open drainage on both sides of Second, Vienna, Broadway, Pearl and Market Streets. Vienna Street and Broadway Streets, south of Second Street, lack any pavement on First and Front Streets. As such, these 8 streets require either major repairs or re-design, and are, thus either defective or inadequately laid out.

2. Unsanitary or unsafe conditions.

Field investigations and discussions with City of Metropolis officials found seventeen (17) of the one hundred twenty-nine (129) structures lacked adequate windows for light to enter the building or lacked adequate garbage storage and enclosure. Eighty-nine (89) of the one hundred twenty-nine (129) structures in the District have become unsafe as evidenced by their dilapidated conditions, excessive vacancies, underutilization, and fire damage.

In the Uptown District the following properties evidenced unsafe conditions as evidenced by excessive vacancies, underutilization and fire damage:

- | | |
|------------------|------------------|
| a. 105 W 5th St | i. 601 Ferry St |
| b. 105 E 5th St | j. 108 W 7th St |
| c. 523 Market St | k. 618 Ferry St |
| d. 210 W 7th St | l. 700 Market St |
| e. 623 Market St | m. 713 Ferry St |
| f. 615 Market St | n. 706 Market St |
| g. 611 Market St | o. 110 W 8th St |
| h. 609 Market St | p. 208 W 8th S |

As examples of unsafe conditions in the Ferry Street District, structures at 203 Ferry Street (formerly 205, 207, and 209 Ferry Street) have vacant upper stories as well as crumbling brick at an unevenly settled foundation. The law office of

Bryant & Kautz at 102 E. Third Street has a vacant upper (second) story and crumbling bricks that have been covered with a slurry treatment. A cinder-block structure on the former True Value property at 108 3rd Street is vacant, lacks light on the west side due to bricked-in windows, and has cracks running through the cinder-block walls. The Shel-Bay structure at 301 Ferry Street evidenced a wall that bows out and a crack at the corner of the structure. Shel-Bay also owns two structures, 305 Ferry Street, Gale's Building Materials, and 311 Ferry Street; both structures are falling into disuse as evidenced by cracks in brick structures, buckling wood façade; and uneven settling of the foundation, 311 Ferry Street is vacant and boarded up. The property at 300 Ferry Street is a vacant two-story corner structure exhibiting deteriorated rusted metal panels and foundation materials. The property at 318 Ferry Street has a vacant upper story with cracks and uneven settling evident in the brick structure.

The corner property at 324 Ferry Street has a vacant upper story, lacks guttering, and has been damaged from water as exhibited by soft bricks that are compressing and settling unevenly. The property at 203 Ferry Street includes the former addresses of 205 - 209 Ferry Street, comprising one quarter of the city block; much of the building space is vacant. 108 West Third Street occupies a quarter of a block and is vacant. 300 Ferry Street, the 1892 Building, has been largely vacant since 1993. The Lenzini Building at 307 Ferry Street has a vacant upper story and only one side of lower structure is used by the Baptist Home Health organization. 319 Ferry Street, the Korte's Paint & Glass Building, has a vacant upper-story with much of the building being used for storage. The property at 318 Ferry Street has a blocked-in upper story that is no longer eligible to be occupied due to the lack of light and ventilation. While there is an active business at 323 Ferry Street, the upper floor of the Willy Jak's/Fast Eddie's building is vacant and boarded up. The Homestead Electronics Building at 324 Ferry Street has a vacant upper story.

Field investigations and discussions with City officials found nine (9) parcels in the Ferry Street District exhibited lack of ventilation, light, or sanitary facilities. Four (4) structures lacked adequate windows for light to enter the building. This deficiency was present at the Jim's Hardware/Lumber Building, the side garage adjacent to the Bryant & Kautz Law Office, the commercial structures at 214 Ferry Street, and the upper story of the Willy Jak's/Fast Eddie's Building. Poor attic ventilation (as evidenced by either absent or inadequately sized exterior vents, improperly constructed additions and similar structural modifications) has contributed to the deterioration of the roof at 116 W. 3rd Street.

The residences along W. 2nd Street are surrounded on three sides by parking lots and central business district commercial buildings in the commercial core of this section of downtown Metropolis. These are overcrowded parcels with mobile homes that are no longer suitable for residential use. A property south of the corner of E. 2nd Street and Metropolis Street has walls with large cracks and the walls are beginning to separate. 214 Ferry Street has a back wall that is leaning and is braced up. 311 Ferry Street is boarded up and its bricks are falling out onto sidewalk and 323 Ferry Street is beginning to have separation of walls at the rear corner of the building and the upper story is boarded up. 300 Ferry Street is vacant. 318 Ferry Street has a vacant upper story, as does 324 Ferry Street.

3. Deterioration of site improvements.

The field survey of building conditions found ninety-nine (99) of the one hundred twenty-nine (129) structures have major defects in secondary building components including rotted, cracked, missing, broken, rusted exterior building components, shingles, soffits, bricks, mortar, windows, building foundations, and door and window frames. In addition, many buildings were dilapidated, evident from holes in roofs and walls, rotten and hazardous floors, broken and collapsed foundations, loss of structural integrity. Further, seventy-nine (79) parcels were impacted by deteriorating site improvements as evidenced by uneven gravel drives, uneven gravel parking aprons, depressions with standing water, cracks in asphalt and concrete parking areas.

EDR conducted a field study of site improvements and found numerous instances of dilapidation, obsolescence and deterioration of buildings and site improvements evident from holes in roofs and walls, rotten and hazardous floors, broken and collapsed foundations and loss of structural integrity and unimproved roadways and drive.

In the Uptown District the following properties evidenced deterioration of site improvements:

- | | |
|------------------|------------------|
| a. 401 Ferry St | h. 105 E 5th St |
| b. 423 Ferry St | i. 106 W 5th St |
| c. 105 W 4th St | j. 519 Ferry St |
| d. 402 Market St | k. 506 Market St |
| e. 408 Market St | l. 523 Market St |
| f. 500 Ferry St | m. 207 W 5th St |
| g. 101 W 5th St | n. 208 W 7th St |

- | | |
|------------------|-------------------|
| o. 605 Market St | x. 106 W 8th St |
| p. 607 Market St | y. 104 8th St |
| q. 609 Market St | z. 721 Ferry St |
| r. 611 Market St | aa. 713 Ferry St |
| s. 613 Market St | bb. 701 Market St |
| t. 615 Market St | cc. 705 Market St |
| u. 617 Market St | dd. 711 Market St |
| v. 619 Market St | ee. 709 Market St |
| w. 623 Market St | |

In the Ferry Street District, examples of deteriorated site improvements include major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, deterioration refers to 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.

Thirty-one (31) structures on improved parcels in the Ferry Street District are deteriorated. These buildings reveal major defects in such secondary building components including rotted, cracked, missing, broken, and rusted exterior building components, such as shingles, soffits, fascia, bricks, mortar, windows, building foundations, door and window frames. Roofs on many of these properties are in need of replacement; structures exhibit exposed and disintegrating foundation materials, and most properties have gutters and drainpipes that are rusted, detached and/or missing.

- | | |
|------------------------------|------------------------------|
| a. 111 W. 2 nd St | m. 301 Ferry St |
| b. 115 W. 2 nd St | n. 305 Ferry St |
| c. 117 W. 2 nd St | o. 311 Ferry St |
| d. 116 W. 3 rd St | p. 307 Ferry St |
| e. 108 W. 3 rd St | q. 312 Ferry St |
| f. 111 W. 3 rd St | r. 314 Ferry St |
| g. 104 W. 4 th St | s. 317 Ferry St |
| h. 208 Ferry St | t. 318 Ferry St |
| i. 212 Ferry St | u. 321 Ferry St |
| j. 214 Ferry St | v. 323 Ferry St |
| k. 102 E. Third St | w. 324 Ferry St |
| l. 300 Ferry St | x. 116 E. 4 th St |

Fifty-one (51) parcels in the Ferry Street District also evidenced deterioration of their sites. The deterioration includes unimproved parking areas, surface cracking, cracked paving, patching of the asphalt, crumbling and depressed gravel patches on parcel driveways and parking lots, broken and missing sidewalks, and broken, rusted, and/or patched storage facilities and containers. Further, deteriorated roadways and sidewalks were found along portions of 2nd Street, 3rd Street, Ferry, Market, Pearl, and Broadway Streets. The alleys between Metropolis Street and Ferry Street, and between Ferry Street and Market Street evidenced deterioration including broken asphalt paving, surfaces that have heaved, depressions, loose paving materials and weeds protruding through paved surfaces. This deterioration impacts all parcels in the District.

4. Existence of conditions which endanger life or property by fire or other causes.

Inspection by the City officials and EDR determined that one hundred sixty-eight (168) parcels within the proposed Business District are affected by a combined sewer & stormwater system. According to the City's engineering consultant, the sewers were constructed nearly 100 years ago and a recent video inspection revealed: offset joints, inconsistent grades, poorly constructed break-in-service connections, and brick manholes that are not up to code in size and quality. The manholes need to be lined and provided with water-tight lids to prevent additional inflow and infiltration.

In addition to being impacted by insufficient sanitary and stormwater sewer infrastructure, the District experiences inadequate water mains to accommodate fire protection, and outdated water mains in general. Fifty-one percent, 51%, of the entire District is served by old cast iron water mains, forty-eight percent, 48%, by four inch (4") water mains, inadequate for fire protection, especially in an area where so many buildings are in such close proximity to one another.

Further, according to the City of Metropolis's Building, Zoning and Life Safety Directors, the parcels and all of the structures within the District do not meet the City's standards of building, fire, and other governmental codes, including: the 2000 International Fire Code; the 1996 Buildings Officials & Code Administrators International, Inc., Building Code (BOCA); and, 1996 National Electric Code (NEC); this fact contributes to the finding that conditions exist within the District that endanger life or property by fire or other causes.

The City of Metropolis' Building, Zoning, and Life Safety Directors confirm that

the parcels and their structures within the Uptown and Ferry Street Districts of the larger Business District do not meet the City's standards of building, fire, and other governmental codes, including: the 2000 International Fire Code; the 1996 Buildings Officials & Code Administrators International, Inc., Building Code (BOCA); and, 1996 National Electric Code (NEC).

Additionally, the District is located along the Ohio River and experiences chronic flooding.

5. Such factors discussed constitute an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use.

The factors noted above, in their current condition and use, combine to constitute an economic liability. The inadequacy of the street layout, unsanitary and unsafe conditions, deteriorated site improvements, and the existence of conditions that endanger the community such as insufficient sanitary and stormwater sewer infrastructure and chronic flooding are significant and costly obstacles to development. The failure of the streets to have curbs, gutters, control of ingress and egress, combined sanitary and stormwater drainage, and easily accessed deteriorated and unsafe site improvements, and the problems attendant to these conditions, constitute a menace to safety in their current condition and use.

Thus, despite the significant locational advantages of the District, these factors have made development in this portion of the City prohibitively costly, discouraging investment within the proposed District, and, thereby, producing very little economic activity and tax revenue for the community. Such factors, therefore, constitute an economic liability in their current condition and use and are also a hazard to the District's wellbeing. The barriers to development within the District such as the need to upgrade the utility system, demolish dilapidated structures and site improvements, provide for a street layout that can serve the needs of present day commerce, and other such expenses pose high risks to investors and development firms. Without the adoption of a Business District, it is reasonable to anticipate that this portion of the community would not be developed or redeveloped.

F. Findings

The municipality must find one of the following:

1. The Business District on the whole has not been subject to growth and development through investment by private enterprise

The District has not been subject to such growth and development through investment by private enterprise as only two permits have been issued for development within the boundaries of the District in the last five years according to the City of Metropolis' Building, Zoning, and Life Safety Directors. Lack of investment by private enterprises within the District can be seen by overall physical deterioration of private improvements in the District. Evidence includes the number of vacancies, and the deterioration and dilapidation of numerous private structures and site improvements throughout the District.

2. The Business District would not reasonably be anticipated to be developed or redeveloped without the adoption of the business district development or redevelopment plan

The formidable barriers to development in the proposed District, such as risky and burdensome pre-development activity costs related to geo-technical testing and stabilizing, excavation, backfill, roadway and intersection improvements and other such expenses that pose high costs and risk, preclude the development of the District without the use of the financing shown in, and the adoption of, this business district development plan. Further, discussions with private concerns interested in the proposed District, and review of their pro formae for development here, demonstrate that without the adoption of the business district plan, the District will not be developed.

G. Summary

The proposed District is found to be eligible as "blighted" due to the presence, individually and in combination, of four factors that constitute an economic liability and a menace to safety in their present condition and use. Moreover, the proposed Business District on the whole has not been subject to growth and development through investment by private enterprises and would not reasonably be anticipated to be developed or redeveloped without the adoption of the Business District Plan.

SECTION V

FINDINGS AND COMPLETION OF OBLIGATIONS

A. Findings / Requirements

The following findings are made with respect to establishing the Metropolis Business District Redevelopment Area.

1. The area to be designated as a Business District is contiguous.
2. The District includes only parcels of real property directly and substantially benefited by the Business District Redevelopment Plan.
3. The Business District, in its entirety, is located within the city limits of Metropolis, Illinois.
4. The District is a blighted area.
5. The Business District, on the whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Business District Redevelopment Plan.
6. The Business District Redevelopment Plan conforms to the Comprehensive Plan for the development of the municipality as a whole, as determined by the Board of Aldermen.

B. Completion of Business District Projects and Retirement of Obligations

Upon payment of all business district project costs and retirement of obligations, but in no event more than 23 years after the date of adoption of the ordinance approving the business district redevelopment plan, the municipality shall adopt an ordinance immediately rescinding the taxes imposed pursuant to subsections of (12) and (13) of Section 11-74.3-3.

**EXHIBIT B
 BLIGHTING FACTORS MATRIX**

Inadequate Street Layout	Unsanitary or Unsafe Conditions	Deterioration of Site Improvements	Endangerment of Life or Property	Total Number of Blighting Factors	Number of Streets	Number of Structures	Number of Parcels
8	89	99	168	4	14	129	168
57%	69%	59%	100%				

Exhibit C

Estimated Business District Project Costs

Description	Estimated Costs
Business Retention, Expansion, and Attraction Program to include: costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan; costs of marketing sites within the redevelopment project area to prospective businesses, developers, and investors; and, costs of planning and promotion of special events, special promotions within the District, and joint advertising.	\$ 600,000
Property assembly costs, including but not limited to acquisition of land and other property, demolition of buildings, site preparation, site improvements and the clearing and grading of land.	\$ 750,000
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements, including façade and interior improvement programs.	\$1,000,000
Costs of the construction of public works or improvements, including streetscape improvements and upgrades; public utilities; and expansion of municipal parking facilities.	\$1,000,000
Total Estimated Budget	\$4,100,000

Appendix 1
Legal Description

EDR

Economic Development Resources

200 South Hanley Road

Suite #601

St. Louis, Missouri