PROPOSED BUSINESS DEVELOPMENT DISTRICT NO. 1 SUPPLEMENTAL INFORMATION FOR PUBLIC HEARING (8/18/2025) CITY OF MACOMB, MCDONOUGH COUNTY, ILLINOIS

The City of Macomb, McDonough County, Illinois, an Illinois Municipal Corporation, hereby gives Notice of a Public Hearing to be held at 5:15 pm, Central Time, on August 18, 2025, at the Macomb City Hall, 232 East Jackson St., Macomb, Illinois, to consider its proposed approval of the Macomb Business Development District No. 1 Redevelopment Plan and the designation of the proposed Business District Redevelopment Area. At the hearing, any interested person may file a written objection with the City Clerk and may be heard orally with respect to any matters embodied in this Notice. The City shall hear and determine all alternate proposals or bids for any proposed conveyance, lease, mortgage, or other disposition by the City of land or rights in land owned by the City and located within the proposed Business District Redevelopment Area, including all protests and objections at the Public Hearing. The City invites any person to submit written comments, alternate proposals, or bids at or before the date of the Public Hearing to the City at the following address: City of Macomb, City Clerk, 232 East Jackson St., Macomb, Illinois 61455. A summary of the proposed Business Development District Redevelopment Plan and Area and a Boundary Map of the proposed Redevelopment Area are presented below. The proposed Redevelopment Plan and Area comply with the provisions of the "Business District Development and Redevelopment Act" (65 ILCS 5/11-74.3 et. seq.). For further information, contact Scott Coker, City Administrator, at (309) 837-0501.

MACOMB PROPOSED BUSINESS DEVELOPMENT DISTRICT NO. 1 SUMMARY OF PROPOSED REDEVELOPMENT PLAN

Proposed Business District Development and Redevelopment District: Pursuant to the Business District Development and Redevelopment Act [65 ILCS 5/11-74.3 et. seq.] (the "Act"), municipalities may exercise certain powers to enhance the local tax base and promote the development and redevelopment of business districts which are declared to be a public use and essential to the public interest. The City of Macomb (the "City") proposes to establish a Business Development and Redevelopment District (the "BDD" or the "District") which shall be formally known as the "City of Macomb Business Development District No. 1". A BDD is a special taxing district, authorized to undertake certain public improvements to be financed through the issuance of notes or bonds that are, in turn, retired by the levy of sales tax within the geographic boundaries of the District. Upon approval of the BDD Redevelopment Plan and designation of the BDD, the City may by ordinance impose a tax, at a rate not to exceed 1.0% of the gross receipts from the sales in the BDD Area, to be imposed in 0.25% increments, until such time that all business district project costs and all municipal obligations financing the business district project costs have been paid, but in no event more than 23 years after the date of adoption of the ordinance imposing such taxes.

Proposed BDD Redevelopment Area: Pursuant to the Act, the proposed Redevelopment Area (the "Area") is a contiguous boundary which includes only the parcels of real property which will directly and substantially benefit from the Redevelopment Plan. As required by Section 11-74.3-5 of the Act, the Area is a blighted area, as defined in the Illinois Municipal Code, which authorizes the City to impose taxes pursuant to the Act. The overall Area qualifies as a blighted area by reason of the predominance of a combination of the following factors: defective, nonexistent, or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; improper subdivision or obsolete platting; and the existence of conditions which endanger life or property by fire or other causes. The combination of the qualification factors listed above retard the provision of housing accommodations, constitute an economic or social liability, cause an economic underutilization of properties within the Area, and, on the whole, exhibit characteristics which create a menace to the public health, safety, morals, or welfare of the citizens of Macomb. The Area on the whole has not been subject to growth and development through private enterprises and would not be reasonably anticipated to be developed or, redeveloped without the adoption of the BDD Redevelopment Plan.

Description of the BDD Redevelopment Plan Goals and Objectives: The purpose of the BDD is to arrest further decline and underutilization of the proposed BDD Area, which is the subject of the proposed BDD (cont. on back page)

Redevelopment Plan (the "Plan"). The City finds that such further decline and underutilization is likely to occur and will further impair the value of private investments as well as the sound growth and tax base of affected taxing districts and will further threaten the health, safety, and welfare of the City. In addition, the City finds that the BDD Area 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 BDD Plan. The City proposes to use the funds it receives from the development, redevelopment, improvement, maintenance and revitalization of properties in the BDD Area to achieve the following objectives: (1) Attract new commercial businesses, including retail, professional, hotel space and related amenities; (2) Encourage the retention and expansion of existing commercial retail businesses located in the BDD Area; and (3) Facilitate the construction, improvement and maintenance of public infrastructure and other capital projects which the City finds is in furtherance of the Plan or necessary to attract and support new commercial, commercial-retail, entertainment and recreational, and light industrial businesses, encourage the retention and expansion of existing businesses, and improve the provision of housing accommodations in the City. By improving public infrastructure and encouraging new private investment throughout the BDD Area, the City expects to achieve the following goals: (1) Eliminate or reduce those conditions which qualify the BDD Area as a blighted area and encourage high-quality building design, landscaping and site improvements which conform to City land use and zoning requirements; (2) Create new employment opportunities; (3) Help reverse recent population declines by increasing the availability of commercial goods and services that will make Macomb more attractive for residential growth; (4) Reduce the number of underutilized properties and stimulate the local economy; (5) Enhance the tax base for the City and other taxing districts through coordinated, comprehensive planning efforts by either the public or private sectors; (6) Preserve historically significant structures, increase local tourism and further increase retail business activity, thereby generating new retailer's occupation tax revenues for the City, the County, School District, and the State of Illinois; (7) Encourage additional public and private projects that will contribute to the public health, safety, morals and general welfare the City; and (8) Increase the aesthetic value of the community, improve the overall quality of life for Macomb's residents and promote the type of development and redevelopment that is in furtherance of the City's vision for the future.

Anticipated Sources of Funds to Pay BDD Project Costs: Upon designation of the BDD, the City intends to impose a Business District Retailers' Occupation Tax, a Business District Service Occupation Tax, and a Business District Hotel Operators' Occupation Tax for a term of twenty-three (23) years commencing on the date the BDD is established by the City. The Retailers' Occupation Tax shall be imposed upon all persons engaged in the business of selling tangible personal property within the BDD Area, other than an item of tangible personal property titled or registered with an agency of the State of Illinois, at retail in the business district at the rate of 1.0% of the gross receipts from the sales made in the course of such business. The Service Occupation Tax shall be imposed upon all persons in the BDD Area engaged in the business of making sales of service, who, as an incident to making those sales of service, transfer tangible personal property within the business district, either in the form of tangible personal property or in the form of real estate as an incident to a sale of service at the rate of 1.0% of the selling price of tangible personal property so transferred within the business district. The Retailers' Occupation Tax and Service Occupation Tax may not be imposed on food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, soft drinks, and food that has been prepared for immediate consumption), prescription and nonprescription medicines, drugs, medical appliances, modifications to a motor vehicle for the purpose of rendering it usable by a person with a disability, and insulin, urine testing materials, syringes, and needles used by diabetics, for human use. The Retailers' Occupation Tax and Service Occupation Tax imposed and all civil penalties that may be assessed as an incident thereof shall be collected and enforced by the Illinois Department of Revenue. The City shall impose an occupation tax upon all persons engaged in the BDD in the business of renting, leasing, or letting rooms in a hotel, as defined in the Hotel Operators' Occupation Tax Act. Such Hotel Operators' Occupation Tax rate of 1.0% of the gross rental receipts from the renting, leasing, or letting of hotel rooms with the BDD. The Hotel Operators' Tax imposed by the City and all civil penalties that may be assessed as an incident to that tax shall be collected and enforced by the City. The City may issue obligations secured by BDD Funds to provide for the payment or reimbursement of BDD Project Costs as further described in the BDD Redevelopment Plan.

