

ASSOCIATED PROPERTY COUNSELORS, LTD.

Real Estate Appraisers and Consultants

# LAND USE COMPATIBILITY AND REAL ESTATE IMPACT STUDY

Henson Recycling Campus Transfer Station – McLean County, Illinois

Dale J. Kleszynski, MAI, SRA

**FILED**  
McLEAN COUNTY, ILLINOIS  
DEC 01 2023  
Kathy Michael  
COUNTY CLERK

## Dale J. Kleszynski, MAI, SRA

- Member of the Appraisal Institute - MAI No. 6747
- Senior Residential Appraiser - SRA
- Illinois State Certified Real Estate Appraiser- License No. 553.000213
- Appraisal and Consultation experience since 1979, various types of real estate
- Qualified Instructor for the Appraisal Institute
- Service Offices such as
  - President - Chicago Chapter of the Appraisal Institute
  - Regional Chairman - Ethics Administration
  - Regional Representative - Review and Counseling
  - Chairman - General Appraisal Board

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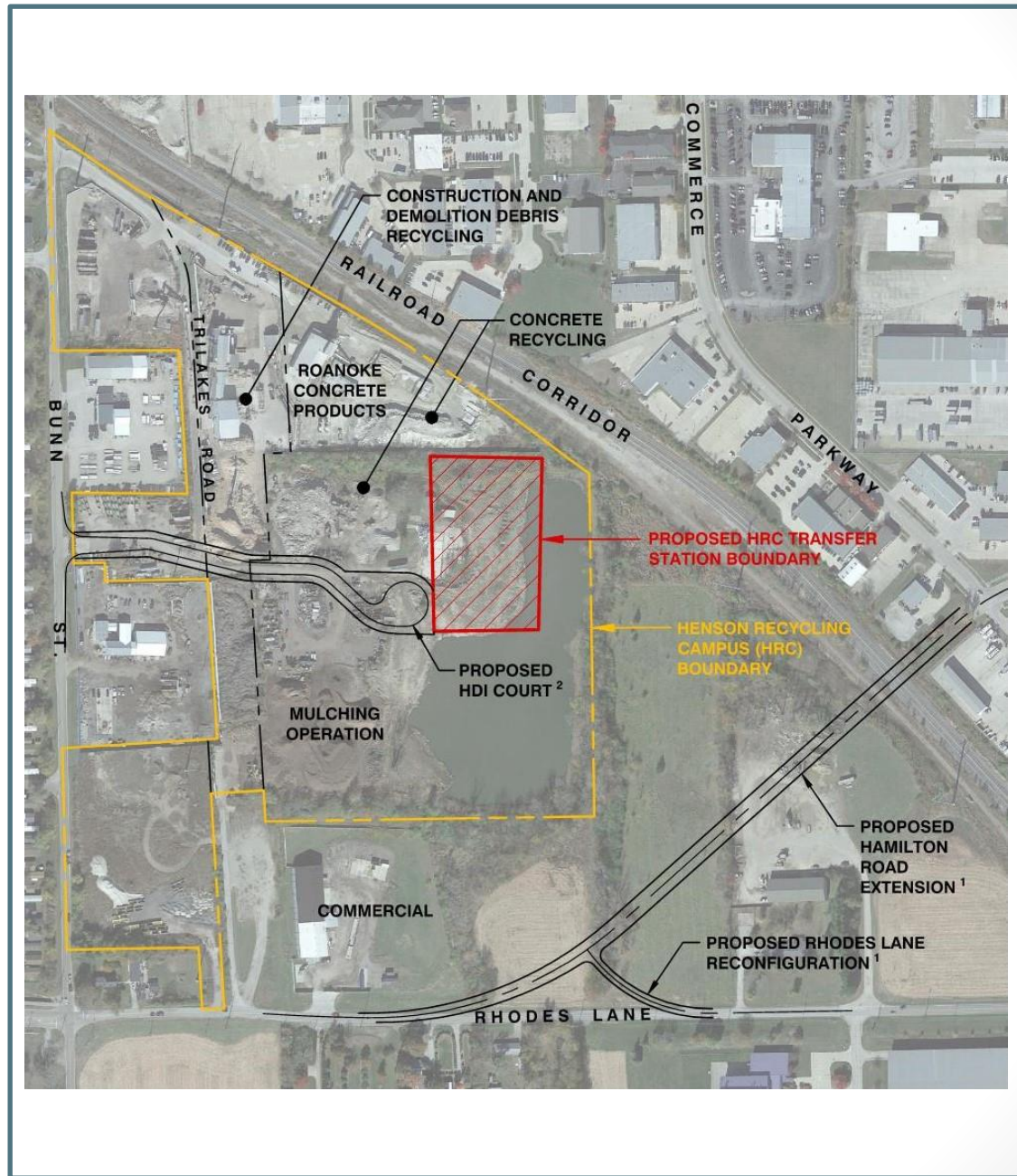
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# Criterion 3

415 ILCS 5/39.2(a)(iii)

“the facility is located so as to minimize incompatibility with the character of the surrounding area and to minimize the effect on the value of the surrounding property”

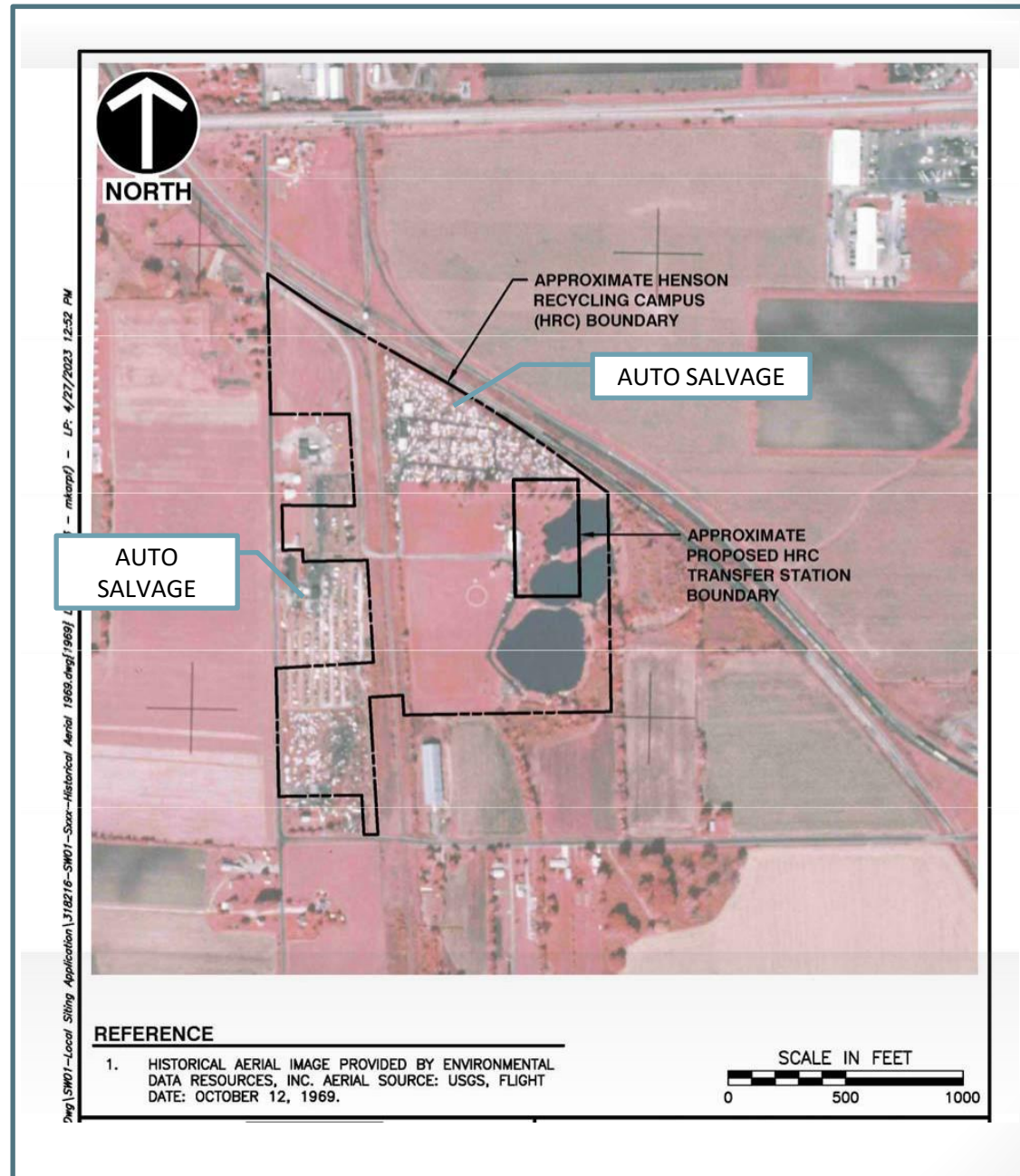
# Current Conditions



# Area History

- Ongoing development
- Dominance of recycling and industrial uses
- Co-existence with the Hilltop residential area to the west for over 50 years
- Nearby uses have remained consistent over an extended period of time

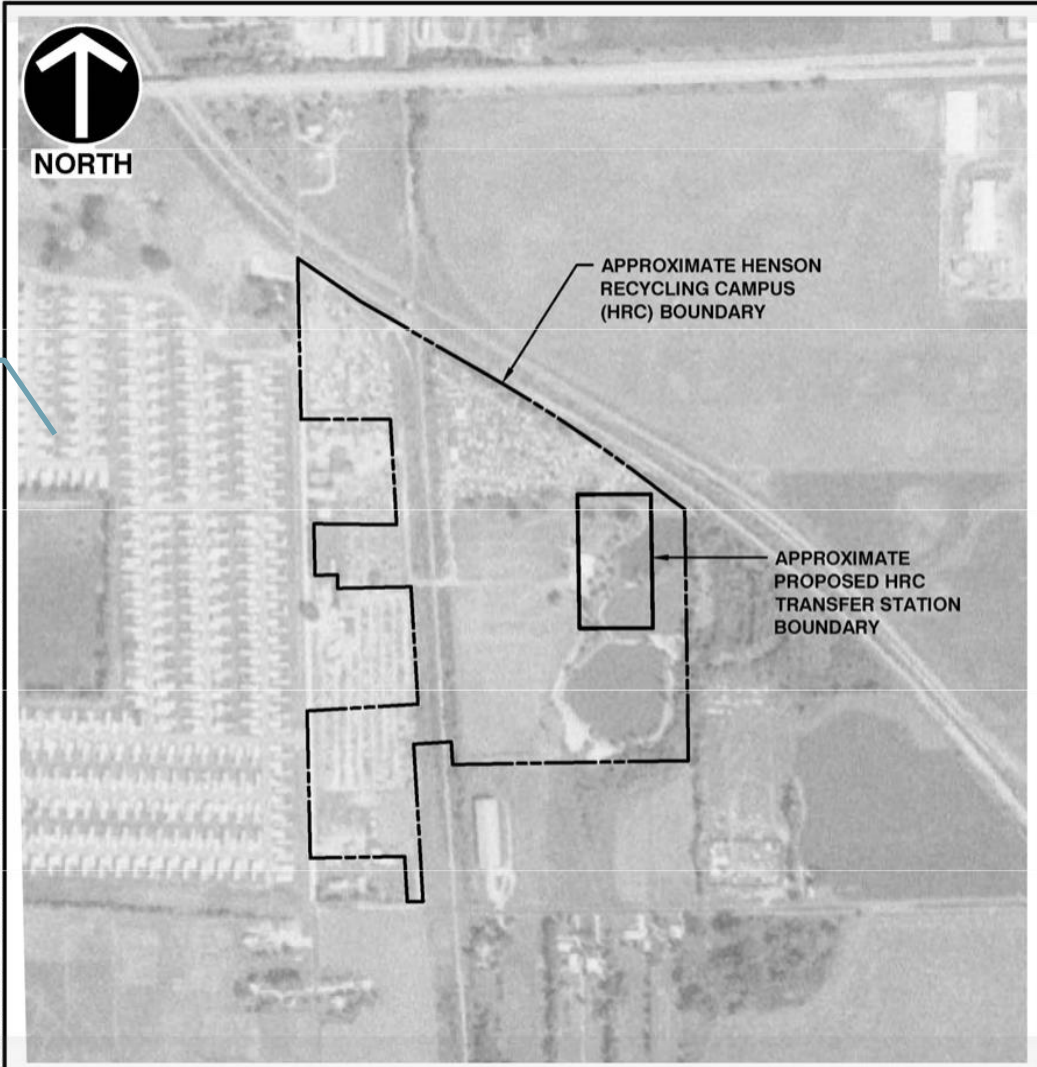
# Historic Aerial Photo 1969



# Historic Aerial Photo 1974

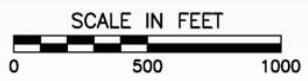
HILLTOP  
RESIDENTIAL  
AREA

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## REFERENCE

1. HISTORICAL AERIAL IMAGE PROVIDED BY ENVIRONMENTAL DATA RESOURCES, INC. AERIAL SOURCE: USGS, FLIGHT DATE: SEPTEMBER 18, 1974.

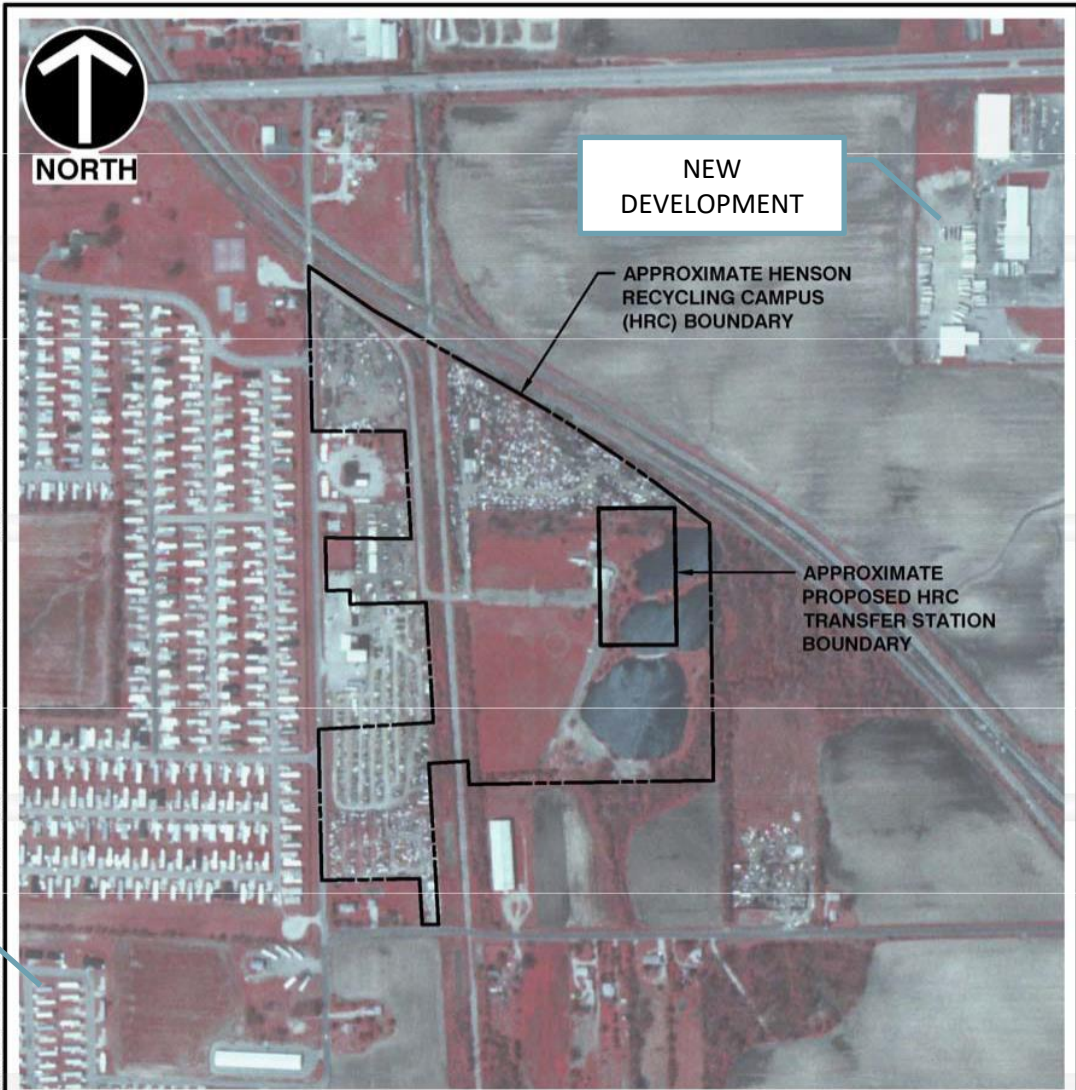




# Historic Aerial Photo 1983

NEW  
DEVELOPMENT

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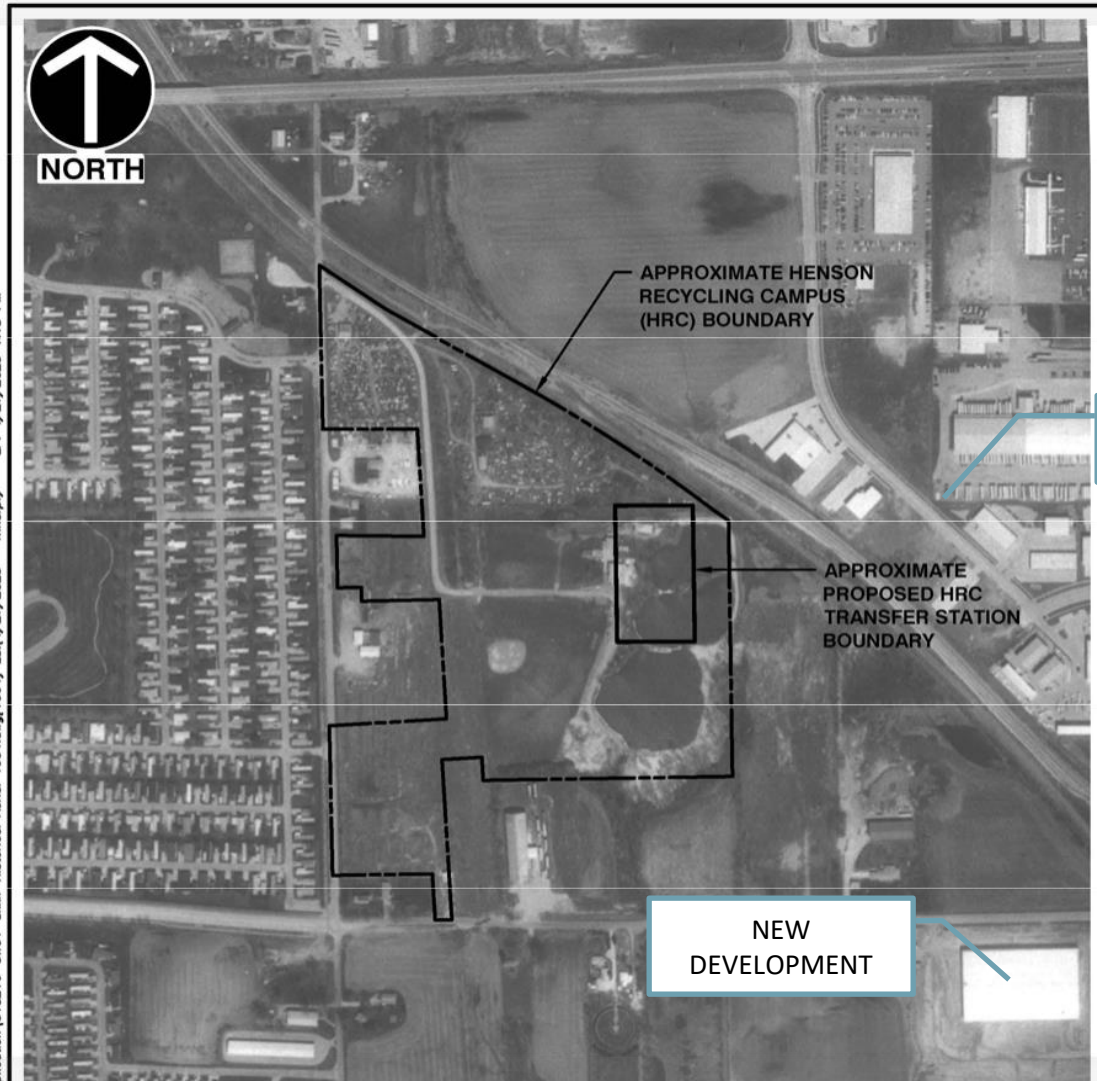
### REFERENCE

1. HISTORICAL AERIAL IMAGE PROVIDED BY ENVIRONMENTAL DATA RESOURCES, INC. AERIAL SOURCE: NHAP, FLIGHT DATE: MAY 8, 1983.



# Historic Aerial Photo 1994

D:\mg\SW01-Local\Slitting\_Application\318216-SW01-Saxx-Historical Aerial 1994.dmg[1994] LS(4/27/2023 - mkarpi) - LP: 4/27/2023 1:18 PM



## REFERENCE

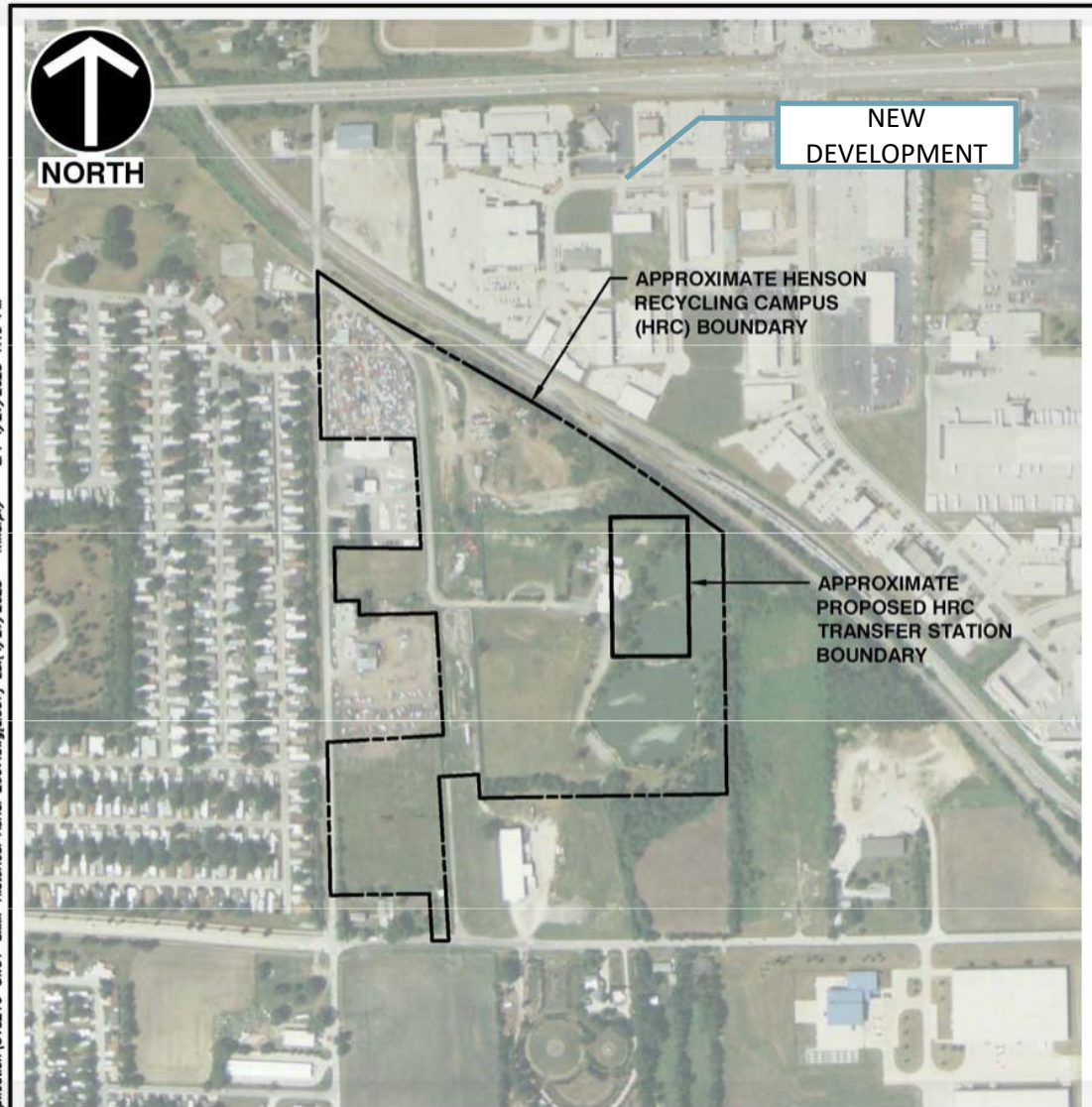
1. HISTORICAL AERIAL IMAGE PROVIDED BY ENVIRONMENTAL DATA RESOURCES, INC. AERIAL SOURCE: USGS/DOQQ, ACQUISITION DATE: JANUARY 1, 1994.



NEW  
DEVELOPMENT

NEW  
DEVELOPMENT

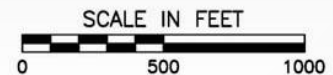
# Historic Aerial Photo 2007



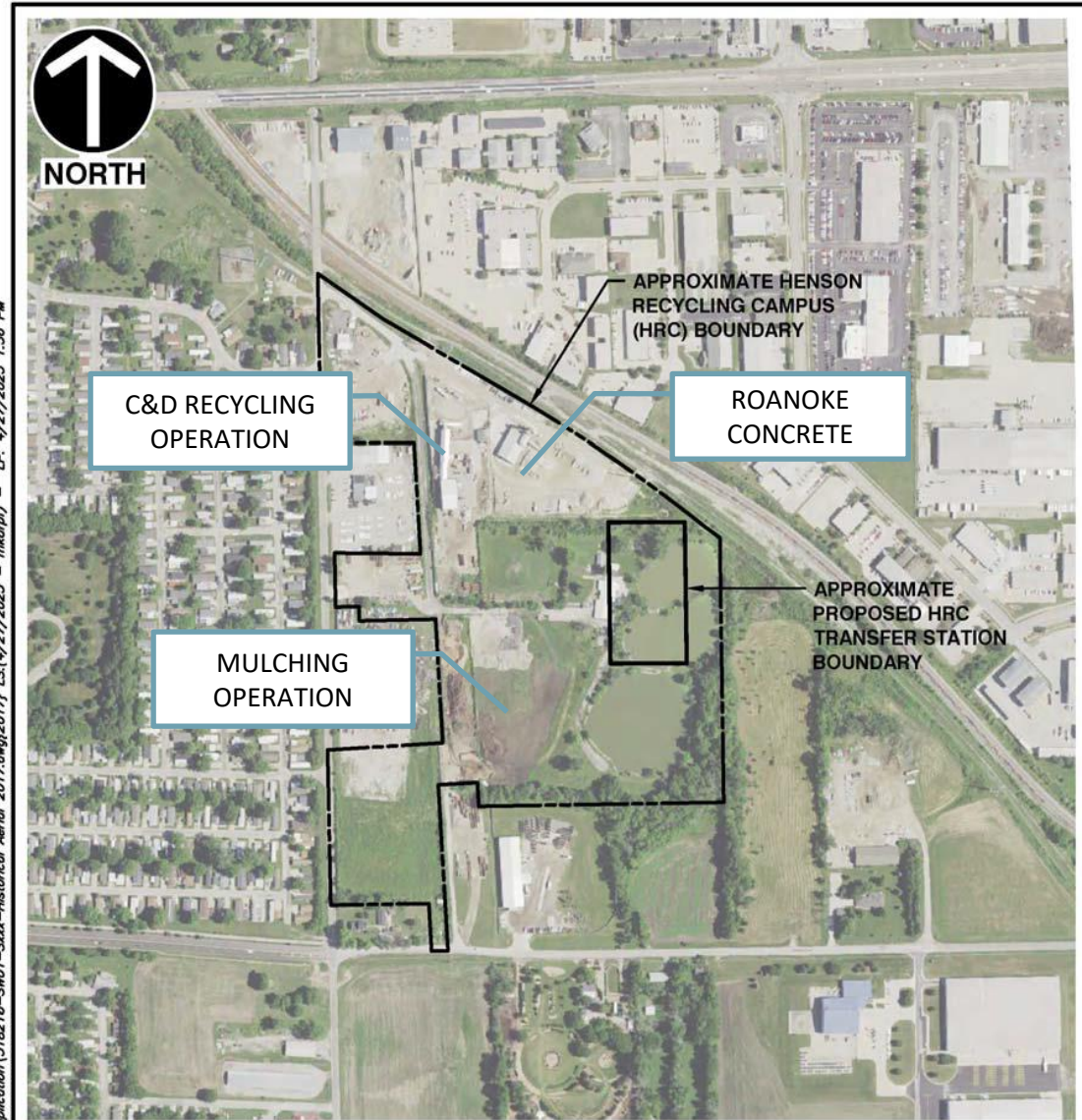
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## REFERENCE

1. HISTORICAL AERIAL IMAGE PROVIDED BY ENVIRONMENTAL DATA RESOURCES, INC. AERIAL SOURCE: USDA/NAIP, FLIGHT YEAR: 2007.



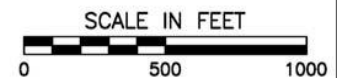
# Historic Aerial Photo 2017



\\img\SW01-Local\_Siting\_Application\318216-SW01-Saxx-Historical\_Aerial\_2017.dwg[2017] LS(4/27/2023 - mkrp) - LP: 4/27/2023 1:36 PM

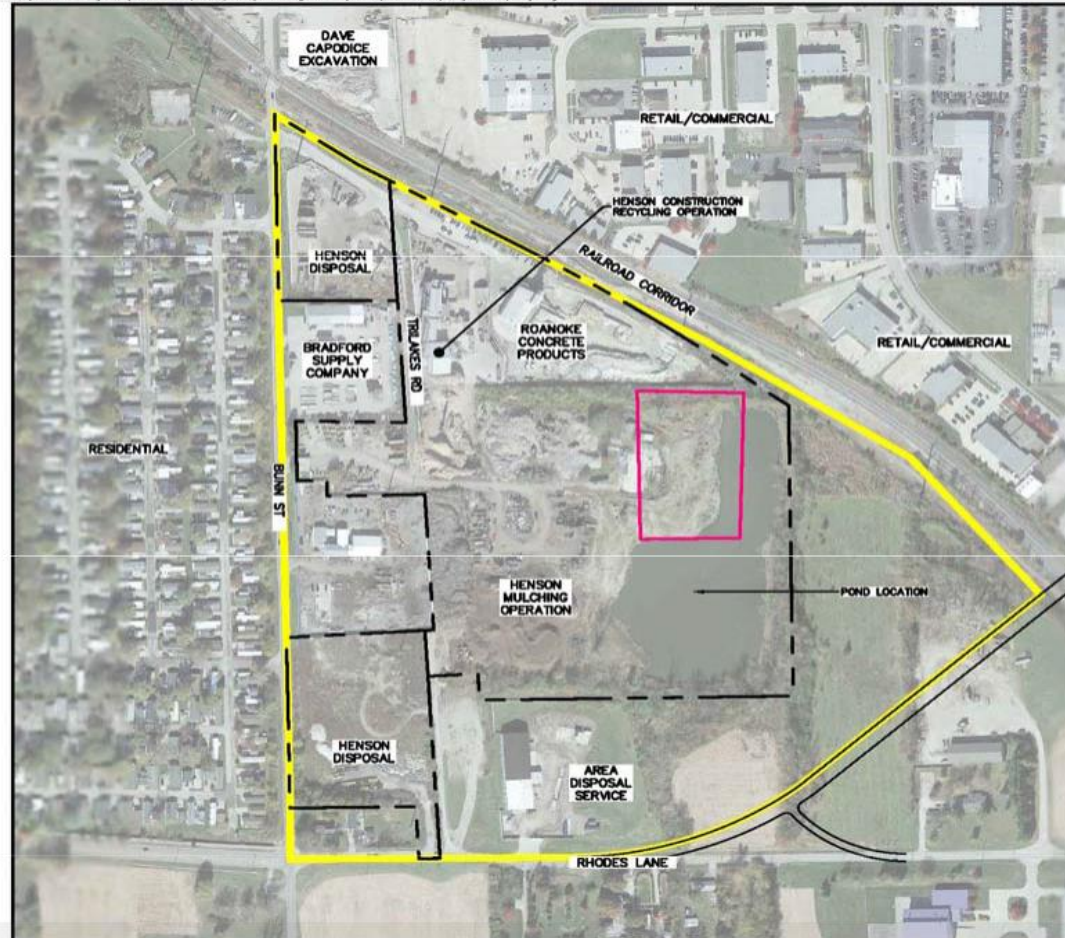
## REFERENCE

1. HISTORICAL AERIAL IMAGE PROVIDED BY ENVIRONMENTAL DATA RESOURCES, INC. AERIAL SOURCE: USDA/NAIP, FLIGHT YEAR: 2017.



# Study Area Usage Map

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 C:\Civil 3D Projects\Henson Disposal\DWG\Bloomington\_TN\2023\Criteria\_3\Subject\_Property.dwg

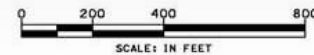


## LEGEND

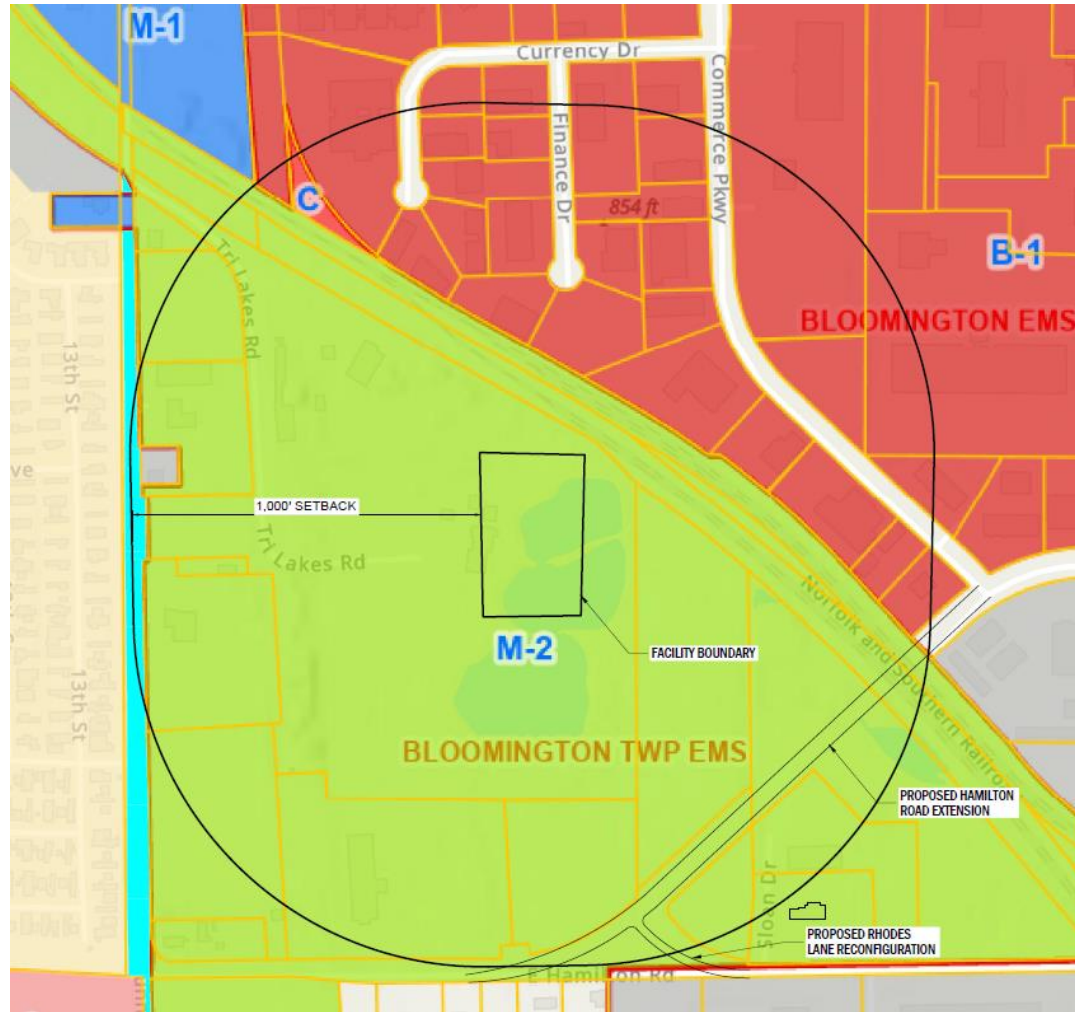
- BOUNDARY OF HENSON RECYCLING CAMPUS (HRC)
- BOUNDARY OF PROPOSED HRC TRANSFER STATION

## NOTE

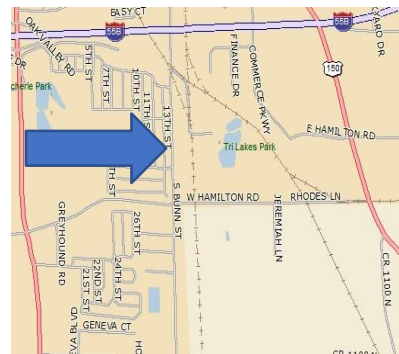
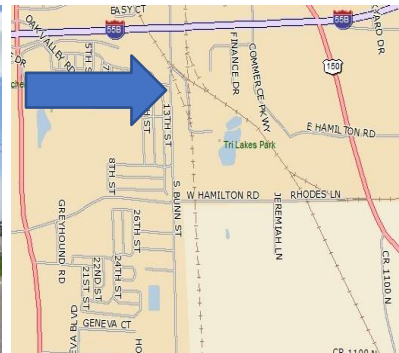
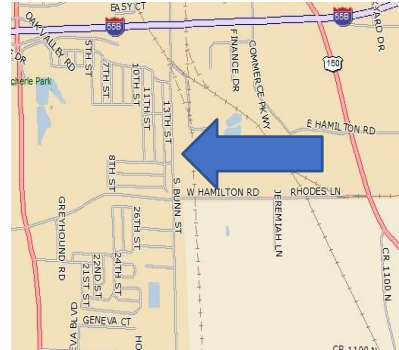
BACKGROUND PHOTOGRAPH DERIVED FROM GOOGLE EARTH; OCTOBER 27, 2022.



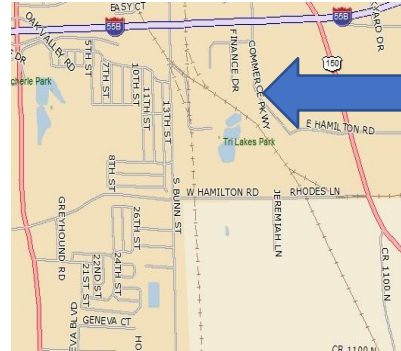
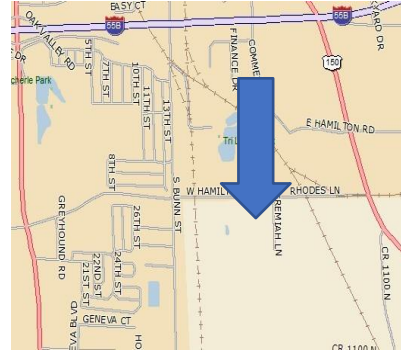
# Zoning Map



# Photos of Surrounding Area

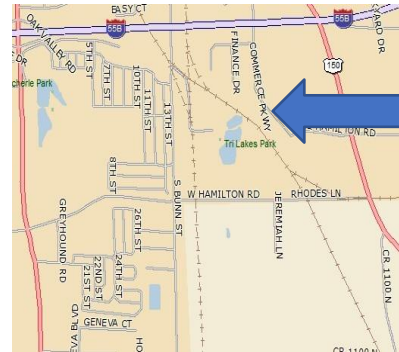
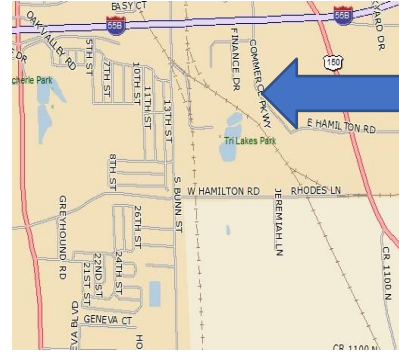


# Photos of Surrounding Area





# Photos of Surrounding Area



# Area Development

- In summary, uses within the study area discussed above include the following:
  - Recycling facilities within the Henson Recycling Campus (HRC)
  - Railroad right of way – Norfolk and Southern RR
  - Bradford Supply Company
  - The Hilltop Residential Area
  - An automobile parts salvage yard
  - Various General Industrial Buildings
  - Various Commercial/Retail Buildings

# Highest and Best Use

- The following criteria must be met in determining Highest and Best Use:
  1. **Legal Permissibility.** A property use that is either currently allowed or most probably allowable under zoning codes, building codes, environmental regulations, and other applicable laws and regulations that govern land use restrictions.
  2. **Physical Possibility.** The land must be able to accommodate the size and shape of the ideal improvement.
  3. **Financial Feasibility.** The ability of a property to generate sufficient income to support the use for which it was designed.
  4. **Maximum Productivity.** The selected land use must yield the highest value of the possible uses.

# Highest and Best Use (Cont.)

- The analysis of Highest and Best Use is:
  - Not a standalone analysis
  - Applied in conjunction with all other analytical techniques to examine if “the facility is located so as to minimize incompatibility with the character of the surrounding area and to minimize the effect on the value of the surrounding property”
- When found to be the Highest and Best Use, the examined use:
  - Is found to be the optimum use of the site
  - Will contribute the greatest value to the property itself and the adjacent/ nearby properties
  - Is typically not a source of locational obsolescence thereby supporting the conclusion that it will not have a negative impact on the surrounding properties, in general

# Highest and Best Use (cont.)

- LEGAL PERMISSIBILITY
  - Subject site is zoned M-2 General Manufacturing District
  - The current use of the Henson Recycling Campus is reported to be legal with this zoning classification
  - Surrounding uses are compatible and similarly zoned

# Highest and Best Use (cont.)

- PHYSICAL POSSIBILITY
  - No physical conditions exist that prohibit development
  - Adequate infrastructure is present
  - No obvious issues which would prevent the property from being developed in accordance with the proposed plan

# Highest and Best Use (cont.)

- FINANCIAL FEASIBILITY
  - Properties in the immediate market area tend to be owner occupied and/or leased in third party transactions.
  - Total industrial space within the overall Bloomington market has remained generally consistent at approximately 12,850,000 square feet over the past five years.
  - There has been limited construction in this market.

# Highest and Best Use (cont.)

- FINANCIAL FEASIBILITY (cont.)
  - The vacancy rate in the study area has been nearly zero over an extended period of time.
  - Rental rates have increased over the last five years.
  - The market condition is considered strong.
  - Special purpose properties such as the HRC Transfer Station tend to be owner-occupied and used for an extended period of time.



# Highest and Best Use (cont.)

- MAXIMUM PRODUCTIVITY
  - Improved industrial properties, such as the subject property, have greater value than vacant land.
  - The subject achieves its highest value because:
    - The proposed use is a “special use”;
    - The proposed use is compatible with the surrounding uses; and
    - The proposed use is located with good access to transportation amenities.

# Highest and Best Use (cont.)

## Findings

- The HRC Transfer Station is found to be the Highest and Best Use because the examined use is:
  - Found to be the optimum use of the site
  - Will contribute the greatest value to the property itself and the adjacent/ nearby properties
  - Will not be a source of locational obsolescence thereby supporting the conclusion that it will not have a negative impact on the surrounding properties or the area

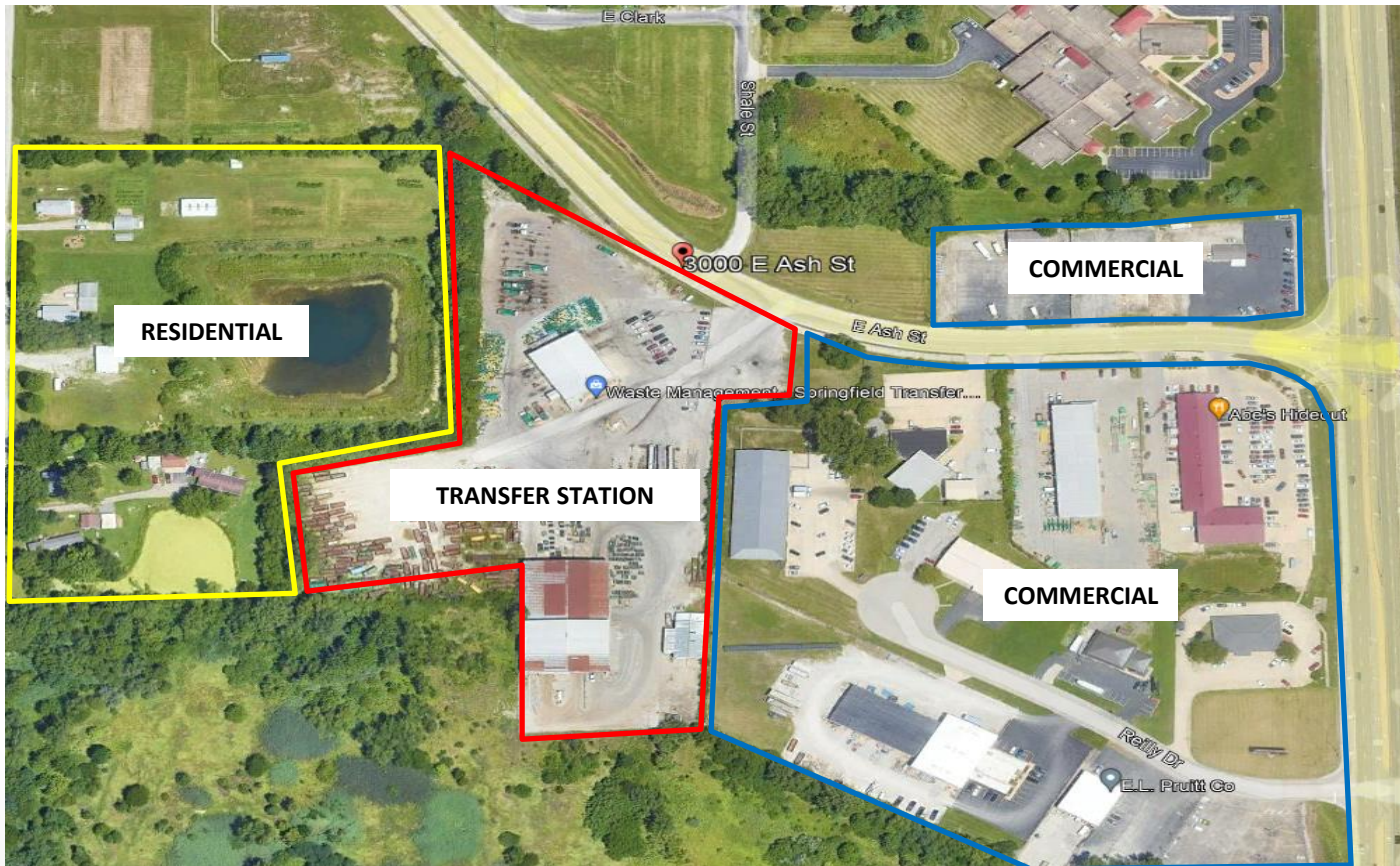
# Analysis of Competitive Sites – Valuation Concept

- Completed an evaluation of sale activity and value trends in areas where similar development has occurred.
- Reviewed and confirmed data for two transfer stations from a 2020 report prepared by Park-Stoutamoyer & Associates.
- Independently evaluated data from a third transfer station.
- Note - The proposed development of the HRC Transfer Station is a logical and consistent extension of the existing uses in the area.

# Analysis of Competitive Sites – Transfer Station in Springfield

- Property has operated as a solid waste transfer station for more than 20 years.
- Surrounding area consists of commercial, office and single-family residences.
- Examined seven properties in close proximity.
- Researched additional sales over five year period within one-mile

# Analysis of Competitive Sites – Transfer Station in Springfield



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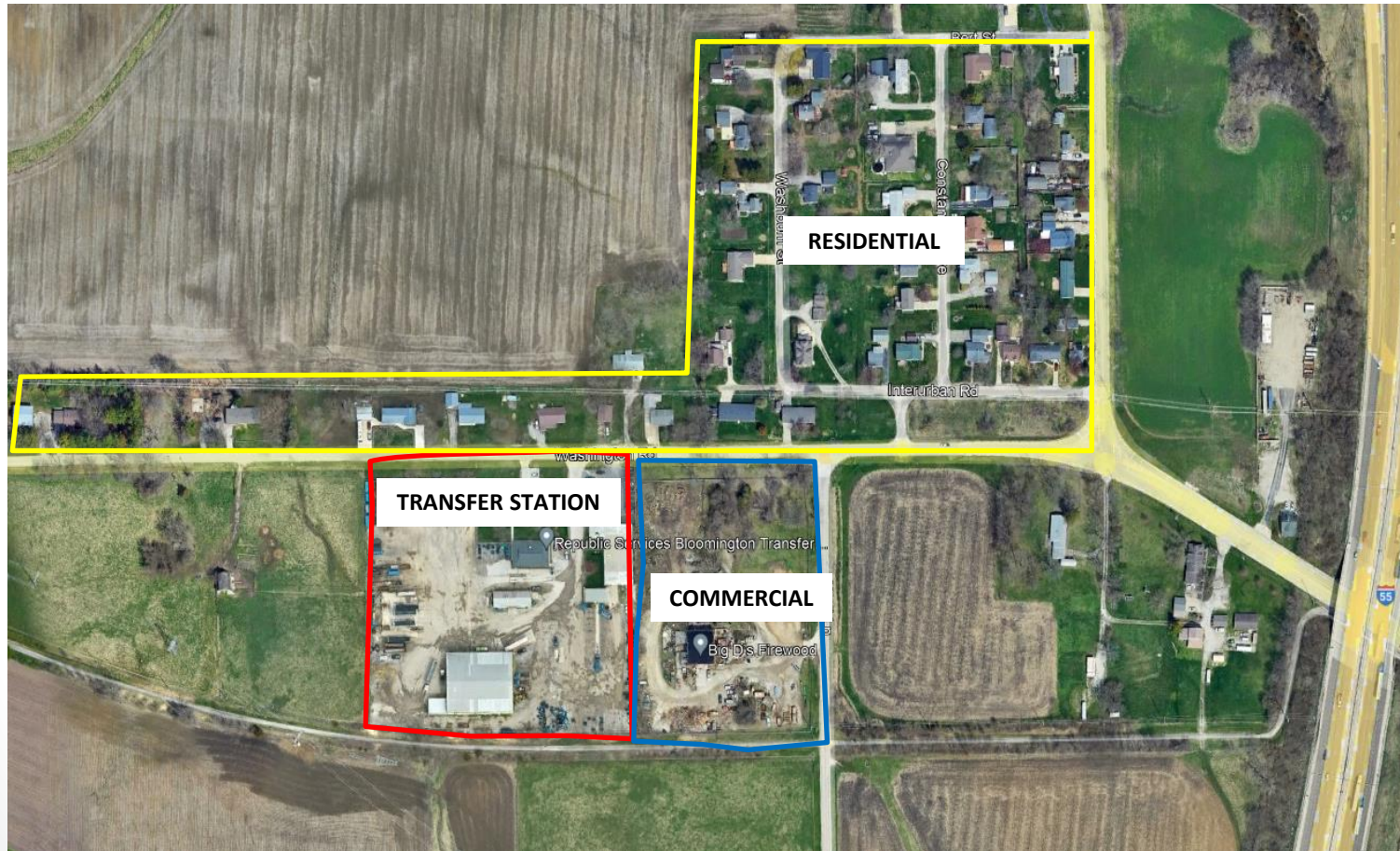
# Analysis of Competitive Sites – Transfer Station in Springfield

- Data from report and research were consistent
- Support conclusion that the transfer station did not have an adverse impact on surrounding real estate uses and property values

# Analysis of Competitive Sites – Transfer Station in Bloomington

- This older facility has operated as a solid waste transfer station for more than 30 years with limited signs of renovation or modernization.
- Surrounding area consists of detached single-family homes (across the street), agricultural land, and commercial properties.
- Examined three improved properties in close proximity.
- Researched additional sales over five year period within 3,000 feet

# Analysis of Competitive Sites – Transfer Station in Bloomington



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# Analysis of Competitive Sites – Transfer Station in Bloomington

- Data from report and research were consistent
- Support conclusion that the transfer station did not have an adverse impact on surrounding real estate uses and property values

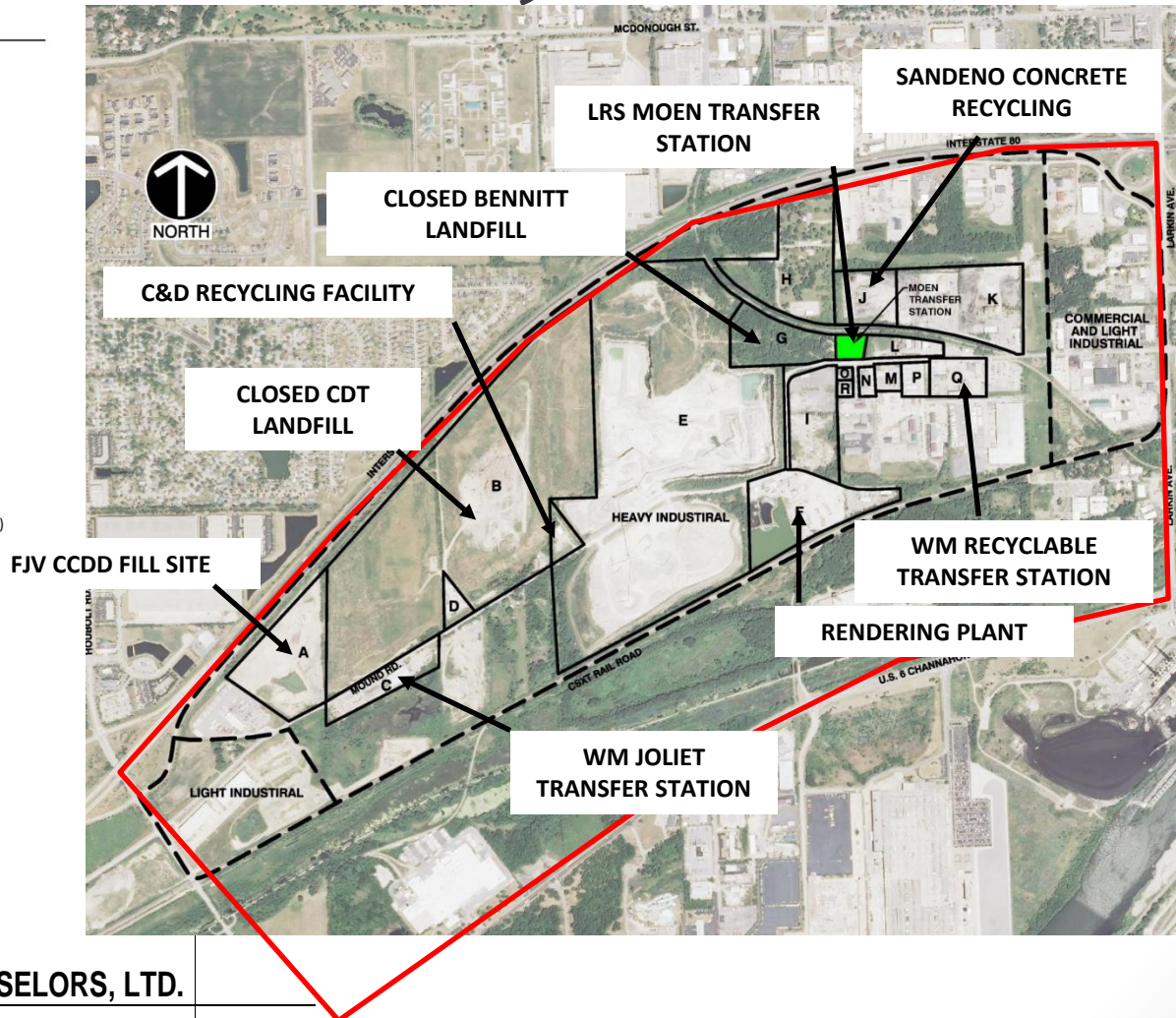
# Analysis of Competitive Sites – Transfer Station in Joliet

- Area with intensive waste management and recycling facilities including a property that has operated as a solid waste transfer station for more than 20 years.
- Surrounding area consists of industrial, commercial and vacant properties.
- Searched sales in an approximately 2.25 mile area around the site.
- Yielded seventy transactions since 2008 with several being the same properties.

# Analysis of Competitive Sites – Transfer Station in Joliet

## LEGEND

- A - FJV DEVELOPMENT CCDD FILL SITE
- B - CDT LANDFILL
- C - WMI JOLIET TRANSFER STATION (MSW WASTE)
- D - ARC GENERAL C&D RECYCLING FACILITY
- E - JOLIET SAND AND GRAVEL QUARRY
- F - KALUZNY BROTHERS RENDERING PLANTS (TWO)
- G - BENNITT LANDFILL
- H - NATURAL GAS PIPELINE
- I - WORTMAN STORAGE YARD
- J - SANDENO TRUCK STORAGE AND CONCRETE RECYCLING
- K - FERRO ASPHALT PLANT
- L - MAHONEY MOEN STORAGE AND GREASE HAULING
- M - EURO TRUCKING
- N - CARPENTER LIQUID TRANSPORT
- O - PIERRO ELECTRIC
- P - A STORAGE RENTAL
- Q - WMI ROCKDALE TRANSFER STATION (RECYCLABLES ONLY)
- R - BARRECO BLACKTOP



# Analysis of Competitive Sites – Transfer Station in Joliet

- Properties located nearest the transfer stations and recycling facilities on Mound Road and Moen Avenue increased in price at a similar rate as properties located farther away.
- The existence of the transfer stations and recycling facilities did not have an adverse impact on surrounding real estate uses and value.

# Analysis of Adjacent Properties

## – Hilltop Residential Area

- Hilltop residential area is directly west of the Study Area and has been present since approximately 1970.
- Bounded by Bunn Street to the east with two access drives along Bunn Street.
- Bounded by South Main St. to the west with an additional access drive along South Main St.
- Occupies almost 100 acres with some residences nearly one mile west of Bunn Street.

# Analysis of Adjacent Properties – Hilltop Residential Area



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# Analysis of Adjacent Properties

## – Hilltop Residential Area

- Database search indicates:
  - Price of units has been consistent over time
  - The location of units nearest the Study Area exhibited no excessive vacancy or resistance to uses along Bunn Street.
- Data indicates that the existing uses in the Study Area have not had an adverse impact on surrounding real estate uses and value.

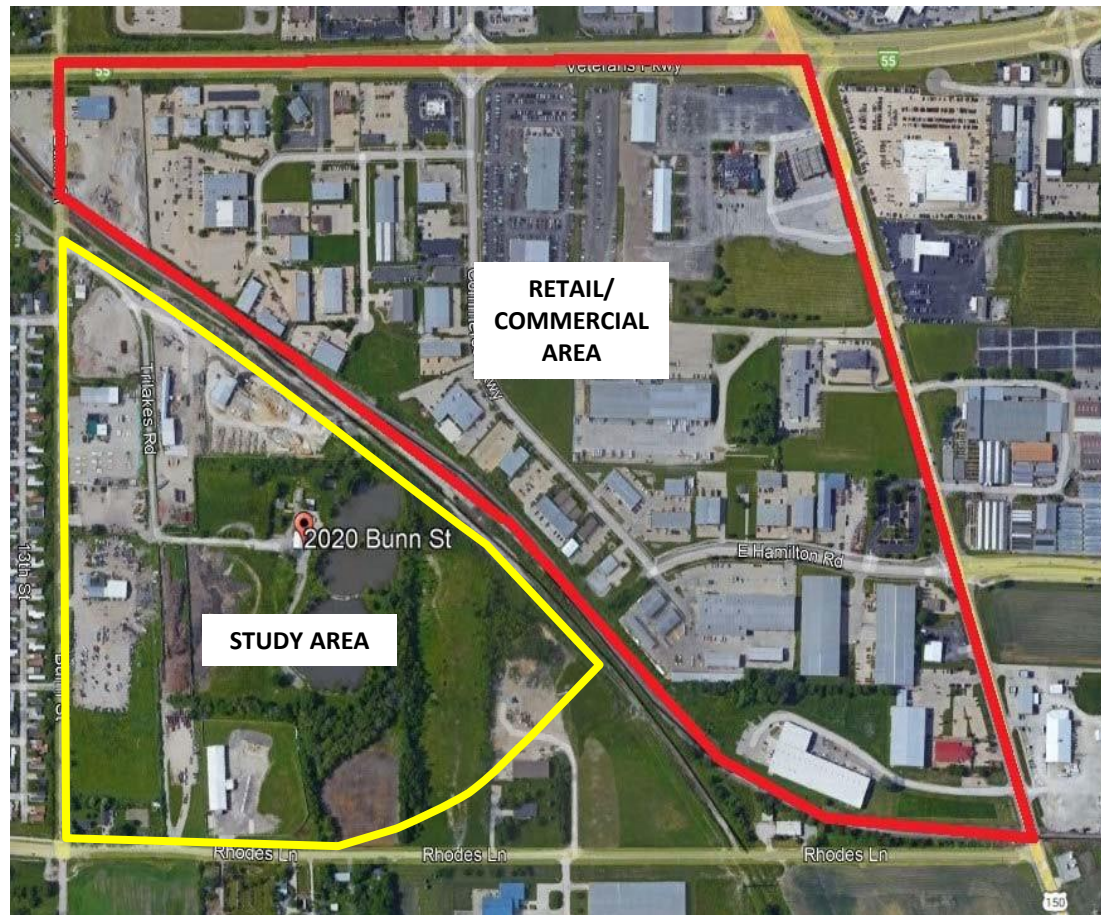
# Analysis of Adjacent Properties

## – Retail/ Commercial Area

- A retail/ commercial area is located directly northeast of the Study Area and has been progressively developing since the 1980s.
- Bounded by Veterans Parkway, Morrissey Drive, Rhodes Lane and the Norfolk and Southern Railroad Right of Way.
- Occupies approximately 130 acres.



# Analysis of Adjacent Properties – Retail/ Commercial Area



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# Analysis of Adjacent Properties

## – Retail/ Commercial Area

- Database search indicates:
  - Twenty-eight sales occurred since 2008 with several properties being sold and re-sold
  - The properties nearest the Study Area operated in a manner that is similar to those located farther away
- The area has increased in capacity and/or remained consistent over an extended period of time
- The existence of the uses in the Study Area did not have an adverse impact on the surrounding real estate uses and value.

# Conclusions

- The Henson Recycling Campus Transfer Station is located in an area of historic and current industrial use and development.
- Man-made boundaries isolate and buffer the subject area which effectively minimizes any influences on outside areas.
- McLean County and the City of Bloomington both encourage development to occur in consistent and defined areas and the proposed used is consistent with zoning classifications in the area.

# Conclusions

- The proposed use will have minimal impact on adjacent and nearby property values.
- The Henson Recycling Campus Transfer Station will include significant infrastructure and improvements that will enhance the property.
- The Henson Recycling Campus Transfer Station will be a long-term stable use of this property.

# Opinion

- Based on my analysis, APC concludes that the proposed Henson Recycling Campus Transfer Station is located to “so as to minimize incompatibility with the character of the surrounding area and to minimize the effect on the value of surrounding property” and meets the standards of “Criterion 3”.