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# **2001 Annual Report**

## **River West Redevelopment Project Area**



**Pursuant to 65 ILCS 5/11-74.4-5(d)**

***JUNE 30, 2002***

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June 30, 2002

Ms. Alicia Mazur Berg  
Commissioner  
Department of Planning and Development  
121 N. LaSalle St.  
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the River West Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

It has been a pleasure to work with representatives from the Department of Planning and Development and other City Departments.

Very truly yours,



Ernst & Young LLP

# River West Redevelopment Project Area 2001 Annual Report

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City of Chicago  
Richard M. Daley, Mayor

Department of Planning  
and Development

Alicia Mazur Berg  
Commissioner

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June 30, 2002

The Honorable Daniel Hynes  
Comptroller  
State of Illinois  
Office of the Comptroller  
201 Capitol  
Springfield, IL 62706

Dear Comptroller Hynes:

We have compiled the attached information for the River West  
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Alicia Mazur Berg  
Commissioner



**River West Redevelopment Project Area  
2001 Annual Report**

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**(1) DATE OF DESIGNATION AND TERMINATION - 65 ILCS 5/11-74.4-5(d)(1.5)**

The Project Area was designated on January 10, 2001. The Project Area may be terminated no later than January 10, 2024.

RIVER WEST  
TAX INCREMENT FINANCING  
REDEVELOPMENT PLAN AND PROJECT

City of Chicago, Illinois

September 20, 2000

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# **I. INTRODUCTION**

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This report documents the Tax Increment Redevelopment Plan and Project (the "Redevelopment Plan") for the River West Redevelopment Project Area ("the Project Area"). The Redevelopment Plan has been prepared for the use of the City of Chicago (the "City") by Teska Associates, Inc. The proposed Redevelopment Plan seeks to respond to a number of problems and needs within the Project Area, and is indicative of a strong commitment and desire on the part of the City to maintain and revitalize the Project Area as a viable support area for the downtown central business district area (known as the "Loop"). This document is intended to provide a framework for improvements within the Project Area over the next 23 years. The goal of the Redevelopment Plan is to strengthen the employment, industrial and commercial base of the Project Area, through the maintenance and improvement of existing facilities, and redevelopment of existing obsolete and blighted buildings or vacant land for new and expanded uses.

In 2000, the City retained the planning consulting firm of Teska Associates, Inc. ("TAI") along with project team members Mann, Gin, Dubin and Frasier, Inc. (architects), and Valerie S. Kretchmer Associates, Inc. (real estate analysts), to assist the City in the development of a tax increment financing program for the Project Area. TAI and its project team members performed site evaluation and identified necessary public improvements. The consultant team also documented the presence of age, deterioration of structures and surface improvements, presence of structures below minimum code standards, excessive vacancies, lack of community planning, and lag in growth of Equalized Assessed Value ("EAV"). This evidence enabled TAI to conclude in the Eligibility Study attached hereto as Appendix A (the "Eligibility Study") that the Project Area meets the statutory requirements for a Conservation Area and could be designated as a "redevelopment project area" under the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act").

TAI 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 the related Eligibility Study in proceeding with the designation of the Project Area and the adoption and implementation of the Redevelopment Plan; and (b) the fact that TAI has obtained the necessary information so that the Redevelopment Plan and the related eligibility study will comply with the Act.

## **Project Area Description**

The Project Area is located approximately 1 mile northwest of the heart of the Loop, in the West Town and Near West Side community areas. The Project Area generally encompasses the properties lying along the west side of the Chicago River between Fry Street on the north and Madison Street on the south, excluding areas occupied by Chicago Tribune facilities and the Kinzie Park development. The Project Area extends west to Carpenter Street in the vicinity of Chicago Avenue, and west to Halsted Street south of Erie Street. South of Carroll Street, the Project Area is generally located between Jefferson and Canal Streets (see Figure A).

In general, the Project Area constitutes a part of the outer ring which surrounds the Loop. The health and vitality of the Loop is indirectly attributable to the strength of the immediate vicinity. For example, businesses may be encouraged to locate and expand in the Loop if the surrounding areas contain adequate business services, transportation, potential residences for employees, entertainment venues, etc. Conversely, if the surroundings are deteriorated or blighted, businesses and developers are less inclined to invest nearby. A lack of services and amenities in close proximity would lessen the attractiveness of the Loop. For this reason, the City desires to maintain and strengthen the areas surrounding the Loop, including the Project Area.

Presently, the Project Area is characterized by deterioration of buildings and infrastructure such as roads and sidewalks, underutilization of land and buildings, and an incompatible mix of uses. In general, the southern portion of the Project Area (south of Carroll Street) is underutilized. Surface parking lots and underutilized buildings could be redeveloped with higher intensity commercial uses that would enjoy easy access to the Loop, public transit, and the Kennedy Expressway.

The northern portion of the Project Area (north of Carroll Street) has historically been one of a select set of manufacturing areas within the City of Chicago, and today includes such large employers as the Chicago Tribune, Blommer's Chocolate Company, Effengee Electrical Supply Co., Water Saver Faucet Company, Pickens-Kane, and others. The availability of rail, river, and expressway access have contributed to the success of the area for industrial users. These users provide tax base and local employment for the City in an established location.

However, numerous factors are weakening the solidity of this area as an industrial district. Modern and expanding manufacturing facilities often require larger sites than can be accommodated in a central city location. Often, environmental contamination inhibits redevelopment of those structures and sites which are available. Perhaps most critically, the areas in and around Chicago's Loop are currently enjoying a residential renaissance as thousands of new and returning residents discover the convenience and vibrancy of living downtown. To satisfy the demand for new housing units, developers have begun rehabilitating old industrial buildings and constructing new residential buildings around the Project Area. The inherent incompatibility between new residents and existing industry and commercial businesses can force these industries and commercial businesses out of the area. The rise in land values and property taxes, the incentive to sell to high-bidding residential developers, and the increase in complaints from neighboring residential developments, all work to push industrial and commercial users out.

The City of Chicago has recognized, however, that it is critical to the overall land use balance, and to the employment and tax base of the City, to protect and enhance the remaining industrial areas already in proximity to the Loop. The maintenance of industrial areas near the Loop and the Near North Side are particularly attractive to high tech businesses, who desire locations close to potential employees. More generally, the City recognizes that industrial and commercial businesses provide employment, support secondary job markets, and serve as an incubator for new technologies and industries. The City's industrial land use policy seeks to provide opportunities for synergy between related industrial activities, to minimize the conflicts between industrial, commercial, and other land uses, and to maximize the benefits of public investment in capital programming and related industrial investment.

To this end, the City established the Chicago/Halsted Planned Manufacturing District (PMD) for those areas immediately along the Chicago River between Fry Street and Kinzie Street, excluding the Kinzie Park development between Grand Avenue and Kinzie Street (see Figure B). This proposed Redevelopment Plan is intended to provide the financial mechanism necessary to implement the goals and objectives of that PMD, along with other tools to encourage the appropriate redevelopment of compatible uses on adjacent sites.

The boundaries of the Project Area have been established to carefully include those properties that will gain a direct and substantial benefit from the proposed redevelopment project improvements and Redevelopment Plan. In the northern portion of the Project Area, the boundaries represent a buffer around the PMD area, and properties within this portion of the Project Area will gain from public improvements that reduce conflicts between incompatible uses. In the southern portion of the Project Area, the boundaries have been designed to include properties suitable for redevelopment for which substantial infrastructure, environmental remediation, and/or rehabilitation costs are anticipated.

The Project Area consists of approximately 124 acres within 36 legal blocks or portions thereof. Three hundred and twenty-three tax parcels are included, of which 218 are improved with buildings and 105 are vacant or contain only parking lots. There are 103 buildings in the Project Area, many of which cover more than one tax parcel. Road and alley rights-of-way constitute 48 acres of the Project Area.

The Project Area is zoned largely for manufacturing and commercial uses (predominantly M2-4, M2-5, and M1-3) in the northern portion, while the southern portion includes commercial zoning (C3-5 and Business Planned Development). There are also certain locations which permit residential use (see Figure C).

Mirroring the zoning of the Project Area, the majority of the current land uses are manufacturing and commercial, with some residential uses (see Figure D and Table 1). Most blocks are characterized by a mix of uses, including combinations of retail, office, light industry, and residential uses. Residential uses occur in multi-family buildings, as well as in apartments above ground floor commercial uses. There are no Chicago Public Schools or Chicago Park District facilities in the Project Area. The Salvation Army operates a Men's Service Center and Thrift Store, which provides shelter and services in proximity to employment in and around the Loop.

*Table 1 Existing Land Use by Block*

Land Use	Acres	Percent
Industrial	18.7	15.1%
Commercial	9.7	7.8%
Mixed Use (Residential)	1.7	1.4%
Mixed Use (Non-Residential)	3.8	3.1%
Multi-Family Residential	0.9	0.7%
Institutional	1.6	1.3%
Parking	23.6	19.0%
Vacant	2.9	2.3%
Railroad	13.3	10.7%
Other Rights-of-Way	47.9	38.6%
<b>Total</b>	<b>124.1</b>	<b>100.0%</b>

Seven properties in the Project Area have been identified in the Chicago Historical Resources Survey, which is administered by the Landmarks Division of the City Department of Planning and Development (see Table 2). This Redevelopment Plan recognizes the historic importance of these buildings as contributing to the interest and integrity of the Project Area.

Table 2 Historical Resources Survey Properties in the Project Area

Address	Date of Construction	Comments
807 W. Chicago	1910's	
923 W. Chicago	unknown	
936 W. Chicago	1910's	one story former administration building for lumber company
201 N. Clinton	1910's	utility structure (former Northwest Terminal Powerhouse)
515 N. Halsted	1888	multi-story loft
401 N. Milwaukee	1870's	Italianate style mixed use building
509 N. Union	1891	Art Deco style building (occupied by Salvation Army Thrift Store) designed by Furst and Rudolph

Tax Increment Financing

As Section VIII, Findings of Need for Tax Increment Financing, and the Eligibility Study demonstrate, the Project Area has not been subject to growth and development through investment by private enterprise. The Project Area is not reasonably expected to be developed for industrial and commercial purposes consistent with historical use and current City planning objectives without the direct intervention and leadership of the City. The City believes that tax increment financing ("TIF") will be of substantial benefit, by inducing private investment that will arrest and reverse the current weakening of the supportive nature of the Project Area for the Loop.

Tax increment financing is permitted in Illinois under the Act. Only areas which meet certain specifications outlined in the Act are eligible to use this financing mechanism. This document has been prepared in accordance with the provisions of the Act and as a guide for public and private development in the Project Area. In addition to describing the redevelopment objectives, the Redevelopment Plan sets forth the overall program to be undertaken to achieve these objectives.

The Act permits municipalities to use tax increment financing to improve eligible "blighted" or "conservation" areas in accordance with an adopted redevelopment plan over a period not to exceed 23 years. The cost of certain public and private improvements and programs can be paid with the revenues generated by increased equalized assessed values of taxable real estate within a designated redevelopment project area ("incremental property taxes"). The key to this financing tool is that it allows for public and private capital investments that are repaid by the incremental property taxes attributable to those capital investments. Incremental property taxes are taken from the increase in equalized assessed valuation generated within the designated project area during the limited term of the redevelopment project.

The successful implementation of the Redevelopment Plan requires that the City take full advantage of the incremental property taxes generated within the Project Area as provided for by the Act. The Project Area would not reasonably be developed and improved for industrial and commercial uses without the use of such incremental revenues.

The use of TIF to stimulate public and private reinvestment is possible only if authorized by the Act. The ability to use incremental property taxes as a financing source will play a major and decisive role in encouraging private development. In overseeing this Redevelopment Plan, the City will utilize this financing source as a catalyst for assembling the assets and energies of the private sector in a unified, cooperative public-private redevelopment effort. Implementation of the Redevelopment Plan and Redevelopment Project (as defined below) will benefit the City, its residents, and all taxing districts by eliminating conditions that could become blighted conditions, improving economic well-being, and improving the community living, working, and learning environment.

### The Redevelopment Plan

As evidenced in Redevelopment Plan Section VIII, "Findings of Need for Tax Increment Financing," the Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area as a whole will be redeveloped without the use of TIF.

The 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 in order to stimulate private investment in the Project Area. The goal of the City, through implementation of this Redevelopment Plan, is that the entire Project Area be revitalized through a coordinated public and private enterprise effort of reinvestment, rehabilitation, and redevelopment of uses compatible with a strong, stable area, and that such revitalization occurs:

- 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; and
- On a reasonable, comprehensive, and integrated basis to ensure that the factors leading to blight are eliminated; and
- Within a reasonable time period so that the Project Area may contribute productively to the economic vitality of the City.

This Redevelopment Plan specifically describes the Project Area and summarizes the factors which qualify the Project Area as a "conservation area" as defined in the Act.

This Redevelopment Plan sets forth the overall "Redevelopment Project" to be undertaken to accomplish the City's above-stated goal. During implementation of the Redevelopment Project, the City may, from time to time: (a) undertake or cause to be undertaken public improvements and activities; and (b) enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels or carry out other activities permitted under the Act (collectively referred to as "Redevelopment Projects").

Successful implementation of this Redevelopment Plan requires that the City utilize incremental property taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the existing and threatened conditions which may lead to blight and which have precluded development of the Project Area by the private sector in accordance with the land use policies of the City.

The use of incremental property taxes will permit the City to direct, implement, and coordinate public improvements and activities to stimulate private investment within the Project Area. These improvements, activities, and investments will benefit the City, its residents, and all taxing districts having jurisdiction over the Project Area. These benefits are anticipated to include:

- A strengthening of the economic vitality of the community, arising from the preservation of a cohesive district which supports the service, business, employment, and other needs of the Loop.
- An increase in construction and long-term employment opportunities for residents of the Project Area and the City.
- The replacement of inappropriate uses, blight, and vacated properties with viable, high-quality developments.
- The elimination of numerous physical impediments within the Project Area, such as roads in poor condition, on a coordinated and timely basis so as to minimize costs and promote comprehensive, area-wide redevelopment.
- The construction of public improvements which may include new road surfaces, utilities, sewers, water lines, sub-grade vaults, sidewalks, street lights, landscaping, etc., intended to make the Project Area more attractive to private investment.
- The provision of job training services to community members which make the Project Area more attractive to investors and employers.
- The creation of opportunities for women and minority businesses to share in the redevelopment of the Project Area.

## **II. LEGAL DESCRIPTION**

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The legal description of the Project Area can be found in Appendix B.

### **III. ELIGIBILITY OF THE PROPOSED TIF DISTRICT**

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During May and June, 2000, a study was undertaken, consistent with the Act and related procedural guidelines, to determine the eligibility of the proposed redevelopment project area. The results of the study indicate that the Project Area meets the Act's requirements for a "conservation area," and is eligible to be designated by the City Council of the City as a "Tax Increment Financing Redevelopment Project Area." The detailed findings of this study are described in Appendix A of this report.

The Project Area qualifies as a conservation area under the Act because at least 50% of the structures in the Project Area are at least 35 years old, and because of the presence of at least 3 qualifying conditions. Within the Project Area, the following qualifying conditions are present:

1. Deterioration of buildings and site improvements
2. Presence of structures below minimum code standards
3. Excessive vacancies
4. Lack of community planning
5. Lag in growth of EAV

Each of these factors contributes to the eligibility of the Project Area as a conservation area.

## **IV. REDEVELOPMENT GOALS, OBJECTIVES AND STRATEGIES**

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In order to establish a workable Redevelopment Plan for the Project Area, it is important to establish both the general, overall goals and specific objectives of the Redevelopment Plan, and to present strategies for meeting these goals and objectives.

### **Goals and Objectives**

The overall goals and objectives which are specifically directed to this Redevelopment Plan are:

- Reduction or elimination of those conditions which qualify the Project Area as a conservation area.
- Provision of sound economic development in the Project Area, particularly by strengthening the viability, function, and cohesiveness of industrial and commercial development.
- Employment of residents living in and around the Project Area in jobs within the Project Area.
- Creation of strong public and private partnerships to capitalize upon and coordinate all available resources and assets.
- Improvement of existing utilities, roadways, transit facilities, and infrastructure to enhance the potential for industrial and commercial redevelopment, traffic flow, and accessibility of redevelopment sites.
- Improvement of the quality of life in the City by reducing incidences of physical and economic deterioration, obsolescence, and incompatible land uses within the Project Area.
- Creation of an environment within the Project Area that will contribute to the health, safety, and general welfare of residents of the City, that will maintain or enhance the value of properties in and adjacent to the Project Area, and that will stimulate private investment in new construction, expansion, and rehabilitation.
- Preservation of historic buildings that are feasible for rehabilitation.

### **Strategies**

Based on an analysis of the existing conditions of the Project Area and the overall goals and objectives stated above, the strategies for redevelopment should be to:

- Encourage maintenance and expansion of sound and viable industrial and commercial uses in appropriate locations.
- Permit residential development only where such development imposes the minimum adverse impact upon the existing industrial and commercial base.
- Rehabilitate and modernize, where appropriate, existing industrial and commercial structures for continued use.
- Assemble and prepare sites into parcels of appropriate shape and sufficient size which are conducive to modern development in accordance with this Redevelopment Plan.

- Upgrade infrastructure throughout the Project Area, including, but not limited to: roads, sidewalks, public utilities, and other public infrastructure.
- Encourage effective buffers (visual screening, noise barriers, etc.) between adjacent non-compatible uses, and screen blank walls and loading areas through the use of landscaping and decorative fencing.
- Enhance Project Area vitality by recruiting new enterprises to fill vacant structures.
- Study existing and future traffic conditions on arterial and local streets; and, improve traffic flow, safety and convenience through traffic roadway and intersection improvements, traffic lighting improvements, transit improvements, traffic calming strategies, viaduct improvements, and circulation improvements on individual sites.
- Improve parking to support business activity.
- Enhance the visual character of the Project Area through design standards and guidelines for new developments, building rehabilitation, and right-of-way improvements.
- Undertake appropriate environmental remediation measures on rehabilitation or redevelopment sites, according to customary procedures.
- Ensure that new construction follows proper practices to prevent any adverse environmental impact to the Chicago River.
- Promote energy efficient development.
- Establish job readiness and job training programs to provide residents within and surrounding the Project Area with the skills necessary to secure jobs in the Project Area and in adjacent project areas.
- Secure commitments from employers within the Project Area and adjacent project areas to interview graduates of the Project Area's job readiness and job training programs.
- Provide opportunities for women and minority businesses to share in the redevelopment of the Project Area.

## **V. FUTURE LAND USE AND REDEVELOPMENT ACTIVITIES**

### **Future Land Use**

The following land uses are anticipated within the Project Area (see Figure E):

#### *Industrial/Commercial Mixed Use*

This category is intended to implement the City's goals for the Chicago-Halsted Planned Manufacturing District ("PMD") zoning. This classification is applied to properties located in the PMD itself and to appropriate adjacent properties. The adjacent properties are considered a transition between PMD industry and other nearby incompatible uses. Where industrial and residential uses are adjacent, buffering and site design strategies (e.g. truck staging areas out of view of public rights-of-way) should limit off-site impacts such as noise and vibration, to prevent conflicts between incompatible uses.

As noted in the PMD document prepared in February, 2000, warehouse and distribution activities currently comprise 60% to 65% of the industrial space demand in the area. Further, demand for new or additional facilities by existing industry is expected to become important in the future. Therefore, industrial uses encouraged for these areas include storage and warehousing, manufacturing, and research and development. Commercial, institutional, and other uses which are compatible with industrial development may be appropriate. Redevelopment to residential use should be discouraged, and is prohibited within the boundaries of the PMD.

#### *Commercial*

This category includes office, service, retail, and entertainment uses. In addition, the category may also include uses which serve and support local industry.

#### *Residential/Commercial Mixed Use*

This category is intended to recognize and continue the current mix of uses in many parts of the Project Area. This category explicitly contemplates the continuation of existing residential dwelling units. New mixed use buildings, particularly where adjacent to existing or potential industrial uses, should be designed in such a way as to minimize the impacts from industrial uses.

#### *Institutional*

This category applies to existing institutional uses in the Project Area, particularly including the existing Salvation Army facilities. The Salvation Army provides valuable shelter and social services in close proximity to service and labor employment in the area, and the City encourages its continuation and/or expansion.

#### *Railroad*

This category applies to railroad rights-of-way throughout the Project Area.

All of the above land use categories may include parking uses to serve existing and future development.

## Redevelopment Activities

The redevelopment of the Project Area will be driven by private reinvestment induced through public assistance and support. In the absence of assistance from the City as provided by the Redevelopment Plan, the private sector is not expected to pursue these opportunities in accordance with the policies of the City.

Public improvements will increase the functionality, appearance, and viability of the Project Area as a strong complement to the Loop. Recommended public improvements primarily include infrastructure improvements, particularly to deteriorated streets, sidewalks, and viaducts throughout the entire Project Area. The reconstruction and repair of numerous streets and sidewalks will not only improve the appearance of the district, but will also improve the accessibility to automotive and truck traffic to serve local businesses and residents. The following improvements have already been identified in the City's capital improvement program:

- streetscape improvements along Hubbard Street
- installation of bike lanes along Chicago Avenue, Kinzie Street, and Madison Street
- viaduct improvements at the intersection of Washington Street and Jefferson Street

Public assistance may also be provided to private enterprises for improvements to site circulation, access, and buffering to adjacent land uses.

## VI. REDEVELOPMENT PROJECT

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This section describes the public and private improvements and activities anticipated to be made and undertaken to implement the Redevelopment Plan.

### Purpose of the Redevelopment Plan

The Act defines the Redevelopment Plan as: "...the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a 'blighted area' or 'conservation area' or combination thereof or 'industrial park conservation area,' and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area" (65 ILCS 5/11-74.4-3(n), as amended).

Further, the Act states that for such areas, "It is hereby found and declared that in order to promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas. The eradication of blighted areas and treatment and improvement of conservation areas and industrial park conservation areas by redevelopment projects is hereby declared to be essential to the public interest" (65 ILCS 5/11-74.4-2(b), as amended).

The Future Land Use Plan in Figure E illustrates proposed land uses. Ultimately, the Redevelopment Plan should help to better integrate the Project Area with adjacent uses, becoming an asset to the community and strengthening the existing industrial uses.

### Eligible Redevelopment Project Costs

The Act identifies the categories of expenditures that can be funded using tax increment revenues. In the event the Act is amended after the date of the approval of this Redevelopment Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs (such as, for example, to include the cost of construction of residential housing), 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 5/1-74.4-3(q)(11)), this Redevelopment Plan shall be deemed to incorporate such additional, expanded, or increased eligible costs as eligible costs under the Redevelopment Plan. In the event of such amendment(s), the City may add any new eligible redevelopment costs as a line item in Table 4 (which sets for the TIF eligible costs for the Redevelopment Plan), or otherwise adjust the line items in Table 4 without amendment to this Redevelopment Plan. 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.

The City may incur, or reimburse a private developer or redeveloper for incurring, redevelopment project costs. Redevelopment project costs include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Plan and Redevelopment Project. Under the Act, such costs may include, without limitation, the following:

- 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;
- The cost of marketing sites within the Project Area to prospective businesses, developers, and investors;
- 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 and 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;
- Costs of rehabilitation, reconstruction, 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;
- Costs of the construction of public works or improvements;
- Costs of job training and retraining projects, including the cost of “welfare to work” programs implemented by businesses located within the Project Area, and costs of 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, as provided in the Act;
- 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 under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued, and not exceeding 36 months thereafter and including reasonable reserves related thereto;
- To the extent the City 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.
- An elementary, secondary, or unit school district’s increased costs attributable to assisted housing units will be reimbursed as provided in the Act.
- Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or state law;
- Payment in lieu of taxes;
- Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project, as provided by the Act;
- Up to 50% 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 this benefit under the Act.

- Up to 75% 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.
- The cost of daycare services for children of employees from low-income families working for businesses located within the Project Area and all or 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% of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

### Property Assembly

To meet the goals and objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sales, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. In connection with the City exercising its power to acquire real property not currently on the Land Acquisition Overview Map (Figure F), including the exercise of the power of eminent domain, under the Act in implementing the Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Redevelopment Plan.

Figure F, Land Acquisition Overview Map, indicates the parcels authorized to be acquired for redevelopment in the Project Area. Table 3, Acquisition Parcels by Permanent Index Number and Address lists the acquisition properties in more detail.

*Table 3 Acquisition Parcels by Permanent Index Number and Address*

<b>Parcel</b>	<b>Address</b>
17 09 101 014	741 W. Erie Street

As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and redevelopment.

For properties described on Figure F, Land Acquisition Overview Map, the acquisition of occupied properties by the City shall commence within four years from the date of the publication of the ordinance approving the Redevelopment Plan. Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four-year period, the City may acquire such property pursuant to this Redevelopment Plan under the Act according to its customary procedures.

Relocation assistance may be provided to facilitate redevelopment of portions of the Project Area, and to meet other City objectives. Businesses legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.

#### Property Disposition

Property to be acquired by the City as part of the Redevelopment Project may be assembled into appropriate redevelopment sites. As part of the redevelopment process the City may: (a) sell, lease or convey such property for private redevelopment; or (b) sell, lease or dedicate such property for construction of public improvements or facilities. Terms of conveyance shall be incorporated into appropriate disposition agreements, and may include more specific restrictions than contained in the Redevelopment Plan or in other municipal codes and ordinances governing the use of land or the construction of improvements.

#### Rehabilitation of Existing Public or Private Structures

The City of Chicago may provide assistance to encourage rehabilitation of existing public or private structures which will remove conditions which contribute to the decline of the character and value of the district. Appropriate assistance may include, but is not limited to:

- Financial support to private property owners for the restoration and enhancement of existing structures within the Project Area.
- Improvements to the facade or rehabilitation of public or private buildings.

#### Public Improvements

The City of Chicago may install public improvements to enhance the Project Area as a whole, to support the Redevelopment Project Plan, and to serve the needs of Project Area residents. Appropriate public improvements may include, but are not limited to:

- Vacation, removal, resurfacing, widening, reconstruction, construction, and other improvements to streets, alleys, pedestrian ways, and pathways;
- Installation of traffic improvements, viaduct improvements, transit improvements, street lighting and other safety and accessibility improvements;
- Development of parks, playgrounds, plazas, and places for public leisure and recreation;
- Construction of off-street parking facilities;

- Installation, reconstruction, improvement or burial of public or private utilities;
- Construction of public buildings;
- Beautification, lighting and signage of public properties;
- Demolition of obsolete or hazardous structures;
- Improvements to publicly owned land or buildings.

Recommended public improvements in the Project Area are also listed in Section V, Future Land Use and Redevelopment Activities, on page 12.

The City may determine at a later date that certain listed improvements are no longer needed or appropriate and may remove them from the list, or may add new improvements to the list.

#### Capital Costs of Taxing Districts

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

#### Relocation

Relocation assistance may be provided to facilitate redevelopment of portions of the Project Area and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City. In the event that the implementation of the Redevelopment Plan results in the removal of residential housing units in the Redevelopment Project Area occupied by low-income households or very low-income households, or the displacement of low-income households or very low-income households from such residential housing units, such households shall be provided affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. Affordable housing may be either existing or newly constructed housing. The City shall make a good faith effort to ensure that this affordable housing is located in or near the Project Area.

As used in the above paragraph, “low-income households,” “very low-income households” and “affordable housing” shall have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, 310 ILCS 65/3. As of the date of this Redevelopment Plan, these statutory terms are defined as follows: (a) “low-income household” means a single person, family or unrelated persons living together whose adjusted income is more than 50 percent but less than 80 percent of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development (“HUD”) for purposes of Section 8 of the United States Housing Act of 1937; (b) “very low-income household” means a single person, family or unrelated persons living together whose adjusted income is not more than 50 percent but less than 80 percent of the median income of the area of residence, adjusted for family size, as such so determined by HUD; and (c) “affordable housing” means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30 percent of the maximum allowable income for such households, as applicable.

### Job Training

Separate or combined programs designed to increase the skills of the labor force to meet employers' hiring needs and to take advantage of the employment opportunities within the Project Area may be implemented.

### Developer Interest Costs

Funds may be provided to redevelopers for a portion of 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% of the annual interest costs incurred by the redeveloper with respect to the redevelopment project during that year, or in the case of redevelopment projects involving the construction or rehabilitation of new housing for low-income households and very low-income households, 75% of such annual interest costs.

### Estimated 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 4 of this Redevelopment Plan. All estimates are based on 2000 dollars. Funds may be moved from one line item to another or to an eligible cost category described in this Plan.

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

In the event the Act is amended after the date of the approval of this Redevelopment Plan by the City Council of Chicago 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 5/1-74.4-3(q)(11)), this Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Redevelopment Plan. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 4 (which sets forth the TIF eligible costs for the Redevelopment Plan), or otherwise adjust the line items in Table 4 without amendment to this Redevelopment Plan. 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.

Table 4 Estimated Redevelopment Project Costs

Estimated Redevelopment Project Costs	
Professional Services	\$2,000,000
Property Assembly	\$1,000,000
Rehabilitation, Reconstruction or Repair or Remodeling	\$37,000,000
Public Works or Improvements <sup>(1)</sup>	\$94,000,000
Job Training, Retraining, Welfare-to-Work	\$8,000,000
Relocation	\$1,000,000
Developer Interest Costs	\$2,000,000
Day Care	\$5,000,000
<b>Total Redevelopment Costs <sup>(2) (3)</sup></b>	<b>\$150,000,000</b>

Notes:

1. Public improvements may also include capital costs of taxing districts and other costs allowable under the Act. Specifically, public improvements as identified in the Redevelopment Plan and as allowable under the Act may be made to property and facilities owned or operated by the City or other public entities. As provided in the Act, to the extent the City by written agreement accepts and approves the same, Redevelopment Project Costs may include 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.
2. The total Estimated Redevelopment Project Costs provides an upper limit on expenditures and adjustments may be made in line items without amendment to this Redevelopment Plan.
3. Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs. Total Project Costs are inclusive of redevelopment project costs in contiguous project areas or those separated by only a public right-of-way that are permitted under the Act to be paid from incremental property taxes generated in the Project Area, but do not include redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous project areas or those separated only by a public right-of-way. The amount of revenue from the Project Area made available to support such contiguous 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 the Redevelopment Plan.

## Sources of Funds

The Act provides methods by which municipalities can finance eligible redevelopment project costs with incremental real estate tax revenues. Incremental tax revenue is derived from the increase in the current equalized assessed valuation (EAV) of real property within the Project Area over and above the certified initial EAV of such real property. Any increase in EAV is then multiplied by the current tax rate, resulting in a tax increment revenue. A decline in current EAV does not result in a negative real estate tax increment.

Funds necessary to pay Redevelopment Project Costs may be derived from a number of authorized sources. The principal source of anticipated revenues is incremental tax revenues generated by new private development. There may be other local sources of revenue, including land disposition proceeds that the City determines are appropriate to allocate to the payment of Redevelopment Project Costs. The City may explore the availability of funds from state and Federal programs to assist in financing the project costs. The municipality may incur redevelopment project costs which are paid from funds of the municipality other than incremental taxes, and the municipality may be then reimbursed for such costs from incremental taxes.

The Project Area may, in the future, be contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Act. The City 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 other 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. Currently, the North Branch South TIF and the Kinzie Industrial Corridor TIF are contiguous to the Project Area (see Figure G, Other TIF Districts).

The Project Area may become contiguous to, or be separated only by a public right-of-way from, project areas created under the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1, et seq., as amended. If the City 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 City may determine that it is in the best interests of the City 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 City 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 4 of this Redevelopment Plan.

The City may incur Redevelopment Project Costs which are paid from the funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

## Nature and Term of Obligations to be Issued

Under the Act, the City may issue tax increment revenue obligation bonds and other obligations secured by incremental property taxes generated in the Project Area pursuant to the Act for a term not to exceed twenty years. In addition, all such obligations shall be retired no later than December 31 of the year in

which the payment to the City 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 this Project Area is adopted (by December 31, 2024, assuming the ordinance approving this Redevelopment Plan is passed in 2000).

All obligations may be secured after issuance by projected and actual tax increment revenues and by such debt service reserves and sinking funds as may be provided by ordinance. Revenues not required for the retirement of obligations (providing for reserves and sinking funds) or otherwise earmarked for other and Redevelopment Project Costs may be declared surplus and become available for distribution to the taxing districts in the Project Area in the manner provided by the Act.

One or more issues of obligations may be sold at one or more times in order to implement the Redevelopment Plan, as amended, and as it may be amended in the future. Obligations may be issued on a parity or subordinate basis.

The City may, by ordinance, in addition to obligations secured by the tax allocation fund, pledge for a period not greater than the term of the obligations any part or any combination of the following:

- Net revenues of all or part of any redevelopment project;
- Taxes levied and collected on any or all property in the City;
- The full faith and credit of the City;
- A mortgage on part or all of a redevelopment project;
- Any other taxes or anticipated receipts that the City may lawfully pledge.

#### Equalized Assessed Valuation

The purpose of identifying the most recent equalized assessed valuation (“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 most recent (1999) equalized assessed valuation (EAV) of the Project Area is \$50,458,368 (see Appendix C). This EAV is based on 1999 EAV figures collected by Teska Associates, Inc. and is subject to verification by the County Clerk. After verification, the final figure shall be certified by the County Clerk of Cook County, Illinois. This certified amount shall become the Certified Initial EAV from which all incremental property taxes in the Project Area will be calculated by the County. If the 2000 EAV shall become available prior to the date of the adoption of the Redevelopment Plan by the City Council, the City may update the Redevelopment Plan by replacing the 1999 EAV with the 2000 EAV without further City Council action.

Upon completion of development of the Project Area as anticipated in Figure E, Future Land Use, it is anticipated that the equalized assessed valuation will be approximately \$299 million. The calculation assumes that assessments appreciate at a rate of 2% per year. The projection represents a 494% increase in the total equalized assessed valuation. Other new projects, rehabilitation of existing buildings, and appreciation of real estate values may result in substantial additional increases in equalized assessed valuation.

## **VII. FINANCIAL IMPACT OF REDEVELOPMENT**

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Without the adoption of the Redevelopment Plan and Project, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment, there is a prospect that blighting factors will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. 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.

Implementation of 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 City's effective use of tax increment financing can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long term, after the completion of all redevelopment improvements and activities, the completion of Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in EAV caused by the Redevelopment Project.

In 1994, the Act was amended to require 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. The City intends to monitor development in the area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

### Demand on Taxing District Services

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

*Cook County.* The County has principal responsibility for the protection of persons and property, the provision of public health services and the maintenance of County highways.

*Cook County Forest Preserve District.* The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public.

*Metropolitan Water Reclamation District of Greater Chicago.* This district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

*City of Chicago.* The City is responsible for the provision of a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; building, housing and zoning codes, etc.

*City of Chicago Library Fund.* This district is responsible for the provision of public library facilities and services throughout the City of Chicago.

*Board of Education of the City of Chicago and Associated Agencies.* General responsibilities of the Board of Education include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth grade.

*Chicago Community College District #508.* This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

*Chicago Park District.* The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs.

The replacement of vacant and underutilized property with non-residential or residential development may cause increased demand for services and/or capital improvements to be provided by several taxing jurisdictions. New non-residential development may include industrial and commercial facilities. New residential development may include a small number of minor developments and a large mixed use project at Kinzie Station.

Up to 1,800 new residents may be anticipated for the entire Project Area. The number of school-aged children is expected to be extremely small. According to the study An Analysis of the Market Potential for Residential Development - Central Core Area - City of Chicago (prepared by Tracy Cross and Associates, Inc., August 1999), residential development in the central core (including the Project Area) will not attract families. Potential buyers are most likely to be either young childless singles or couples, or mature households without children. This conclusion is based on the relative affordability of suburban homes and the types of amenities offered in central city versus suburban developments. As a result, although several taxing districts may be affected by an increase in adult population, the number of new school-aged children is expected to be insignificant.

Affected taxing districts include Cook County, the Metropolitan Water Reclamation District of Greater Chicago, the City of Chicago, the City of Chicago Library Fund, the Board of Education of the City of Chicago, Chicago Community College District #508, and the Chicago Park District. The estimated nature of these increased demands for services on these taxing districts, and the activities to address increased demand, are described below.

*Cook County.* The replacement of vacant and underutilized property with non-residential or residential development may cause increased demand for the services and programs provided by the County. Because many new residents in the Project Area are likely to relocate from other portions of the County, the increase in demand is not anticipated to be significant. A portion of Redevelopment Project Costs may be allocated to assist in the provision of such increased services, as provided in the Act and in this Redevelopment Plan.

*Metropolitan Water Reclamation District of Greater Chicago.* The replacement of vacant and underutilized property with new development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District. As it is expected that any increase in demand for treatment and sanitary and storm sewage associated with the Project Area will be minimal, no assistance is proposed for the Metropolitan Water Reclamation District.

*City of Chicago.* The replacement of vacant and underutilized property with new development may cause increased demand for the services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, etc. Such increases in demand may be significant. A portion of Redevelopment Project Costs may be allocated to assist in the provision of such increased services, as provided in the Act and in this Redevelopment Plan.

*City of Chicago Library Fund.* The replacement of vacant and underutilized property with residential development may cause increased demand for the services and programs provided by the Chicago Public Library. The increase in demand is not anticipated to be significant. A portion of Redevelopment Project Costs may be allocated to assist in the provision of such increased services, as provided in the Act and in this Redevelopment Plan.

*Board of Education of the City of Chicago and Associated Agencies.* The replacement of vacant and underutilized properties with mixed-use development may result in new residents. Based upon the characteristics of the market and the type of units which are likely to be developed, the number of school aged children is expected to be incidental. There are several schools near the Project Area (see Figure H), including Carpenter School (1250 W. Erie Street), Jenner School (1119 N. Cleveland Street), Jones High School (606 S. State Street), Manierre School (1420 N. Hudson Street), Otis School (525 N. Armour Street), Spaulding High School (1628 W. Washington Blvd.), and Wells High School (936 N. Ashland Street). As provided in the Act, the City will work with the Board of Education and its associate agencies to address any increase that does arise.

*Chicago Community College District #508.* The replacement of vacant and underutilized properties with mixed-use development may result in an increase in population within the Project Area. Therefore, demand for educational services and programs provided by the community college district may increase, although this change is not anticipated to be significant. The City will work with the Community College District #508 to address any increase that does arise.

*Chicago Park District.* The replacement of underutilized properties with non-residential and residential development may increase the population (primarily of adults) within the Project Area, so that demand for recreational services and programs provided by the Park District may increase. The following parks are located in the vicinity of the Project Area (see Figure H): Eckhart Park (Chicago Avenue and Noble Street), Grant Park, Seward Park (Orleans Street and Elm Street), Skinner Park (Adams Blvd. and Throop Street), Union Park (Ashland Street and Ogden Street), and Washington Square Park (Clark Street and Delaware Avenue). In addition, plans for a new 4-acre park are underway just to the east of the Project Area, at Erie Street on the east side of the Chicago River. This park will serve potential Project Area residents most directly. The City will work with the Chicago Park District to address any increase costs that do arise.

This proposed program to address increased demand for services or capital improvements provided by some or all of the impacted taxing districts is contingent upon: (a) the Redevelopment Project occurring as anticipated in the Redevelopment Plan, (b) the Redevelopment Project resulting in demand for services sufficient to warrant the allocation of Redevelopment Project Costs, and (c) the generation of sufficient incremental property taxes to pay for the Redevelopment Project Costs listed above. In the event that the Redevelopment Project fails to materialize, or involves a different scale of development than that currently anticipated, the City may revise this proposed program to address increased demand, to the extent permitted by the Act, without amending this Redevelopment Plan.

## VIII. FINDINGS OF NEED FOR TAX INCREMENT FINANCING

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Pursuant to the Act, TAI makes the following findings:

### Project Area Not Subject to Growth

Although the City and its surrounding regional area, as a whole, have evidenced growth, the Project Area has not been subject to growth and redevelopment through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan. The lack of growth is evidenced by the following:

#### *Presence of Blighting Factors*

Lack of investment is illustrated by the widespread extent and distribution of blighting factors, including deterioration, code violations, and excessive vacancies. As elaborated upon in the Eligibility Study (Appendix A), the presence of these factors to such a significant degree illustrates that appropriate private investment, particularly for maintenance and improvements to property, has not been undertaken in the Project Area.

#### *Lag of Growth in Equalized Assessed Value*

The Eligibility Study (Appendix A) examines the growth of equalized assessed value (EAV) in the Project Area over time. While the value of property within the Project Area has grown between 1994 and 1999, this growth has lagged the growth of the City as a whole in 1997 and 1998. This lag may represent a recent trend of decline, and is disturbing given the location of the Project Area. One would expect that property in such close proximity to the Loop would regularly exceed the rate of growth of the City (which includes numerous deteriorated neighborhoods that have experienced little or no investment for decades). In addition, the growth rate of the Project Area is less than the Consumer Price Index for All Urban Consumers in three of the last five years, which meets the statutory requirement for lag in growth of EAV as a blighting factor.

#### *Lack of Building Permit Activity Representing Substantial Investment*

An examination of building permit activity for the five year period between 1995 and 2000 shows a lack of private investment. During this period, a total of 46 building permits were issued to 29 individual parcels in the Project Area, at a total value of \$1,130,000. Of the 323 parcels in the Project Area, only 9% were subject to investment, as represented by building permit activity, in the past five years. Table 5 illustrates the type and value of these permits.

Table 5 Building Permits in the Project Area, 1995 to 2000

Type of Permit	Number of Permits	Value of Permits	Number of Parcels
Addition	3	\$70,600	3
Conversion	6	\$141,000	3
Demolition	3	\$59,900	3
New Building	16	\$314,000	6
Repairs	18	\$544,500	16
Total	46	\$1,130,000	31 <sup>1</sup>

Initially, it may appear that the \$1.13 million represents meaningful investment in the Project Area. However, upon further examination, this activity is neither widespread nor indicative of substantial private investment.

First, there were 18 permits issued to 16 properties for repairs. However, 10 of these 16 properties (63%) have been cited by the Building Department of the City of Chicago for code violations in the past five years. Of the \$544,500 for repair permits, \$350,000 (64%) was spent on properties with recent code violations. It is very likely that such repairs were made in order to correct code deficiencies on these properties with violations. Required repair and maintenance activities are unlikely to increase the value of property, and do not represent voluntary private investment by property owners.

Second, a majority of the permit activity was directed toward only three parcels. One property was issued 7 permits (15% of the total), at a value of \$332,000. Almost one third (29%) of the value of all building permit activity in the Project Area in the past five years is attributable to this single property. This fact indicates that private investment is not widespread throughout the Project Area. In addition, this particular parcel is the conversion of an existing non-residential site to residential lofts, which highlights the need for City intervention to maintain the industrial and commercial base of the Project Area. Two other parcels were also subject to large investments. One existing brewery/restaurant underwent repairs valued at \$150,000. A mixed use commercial building was issued repair permits valued at \$140,400. These three parcels, at a total building permit value of \$622,400, represent 55% of all investment in the Project Area in the past five years.

This analysis indicates that private investment is neither substantial nor widespread in the Project Area. Subtracting out what are likely to be involuntary expenditures of \$350,000 to correct code deficiencies on 10 parcels, and \$622,400 of new investment on only three properties, results in expenditures of only \$157,600 for the remaining 310 parcels over the past five years. Based on this evidence, private investment as represented by building permit activity is not substantial or widespread, and in fact may be contrary to the City's goal of preserving industrial and commercial uses.

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<sup>1</sup> One property was issued building permits in three categories: demolition, conversion, and new building. Therefore there were permits issued only to 29 individual properties.

The physical condition, lag in the growth of property values, and lack of widespread and substantial investment as represented by building permit activity support the finding that the Project Area has not been subject to growth and redevelopment through investment by private enterprise.

## **IX. OTHER ELEMENTS OF THE REDEVELOPMENT PLAN**

### **Conformance with Land Uses Approved by the Planning Commission of the City**

The Redevelopment Plan and Project described herein includes land uses which have been approved by the Chicago Plan Commission.

### **Date of Completion**

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 City 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 this Project Area is adopted (by December 31, 2024).

### **Implementation Schedule**

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area. It is anticipated that City 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 City. The estimated date for completion of Redevelopment Projects is no later than December 31, 2023.

### **Housing Impact Certification**

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 a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan.

The Project Area contains 157 occupied residential units, including 56 units above commercial uses and 101 units in multifamily buildings. In addition, the Salvation Army Men's Service Center contains accommodations for 189 persons. The City does not intend to acquire, or displace by any other means, any of these units. The City of Chicago hereby certifies that no displacement will occur as a result of activities pursuant to this Redevelopment Plan.

### **Provision for Amending the Redevelopment Plan**

The Redevelopment Plan may be amended pursuant to provisions of the Act.

### **Affirmative Action and Fair Employment Practices**

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

1. The assurance of equal opportunity in all personnel and employment actions, including, but not limited to: hiring, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.

2. Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprises and Woman Business Enterprises, the City Resident Construction Worker Employment Requirement, and the prevailing wage requirements as required in redevelopment agreements.
3. This commitment to affirmative action will ensure that all members of the protected groups are sought out to compete for job openings and promotional opportunities.
4. Redevelopers will meet City standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

In order to implement these principles, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the City shall be required to agree to the principles set forth in this section.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of gender, color, race or creed, etc. Neither party will countenance discrimination against any employee or applicant because of gender, marital status, national origin, age or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including hiring, upgrading and promotions, terminations, compensation, benefit programs and educational opportunities.

Anyone involved with employment or contracting activities for this Redevelopment Plan and Project will be responsible for conformance with this policy and the compliance requirements of applicable city, state, and Federal laws and regulations.

The City and the private developers involved in the implementation of the Redevelopment Plan and Project will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level for the project being undertaken in the Project Area. Any public/private partnership established for the development project in the Project Area will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites and facilities at which employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals. The partnership will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner.

The City shall have the right, in its sole discretion, to exempt certain small business, building owners, and developers from items 1 through 4 above.

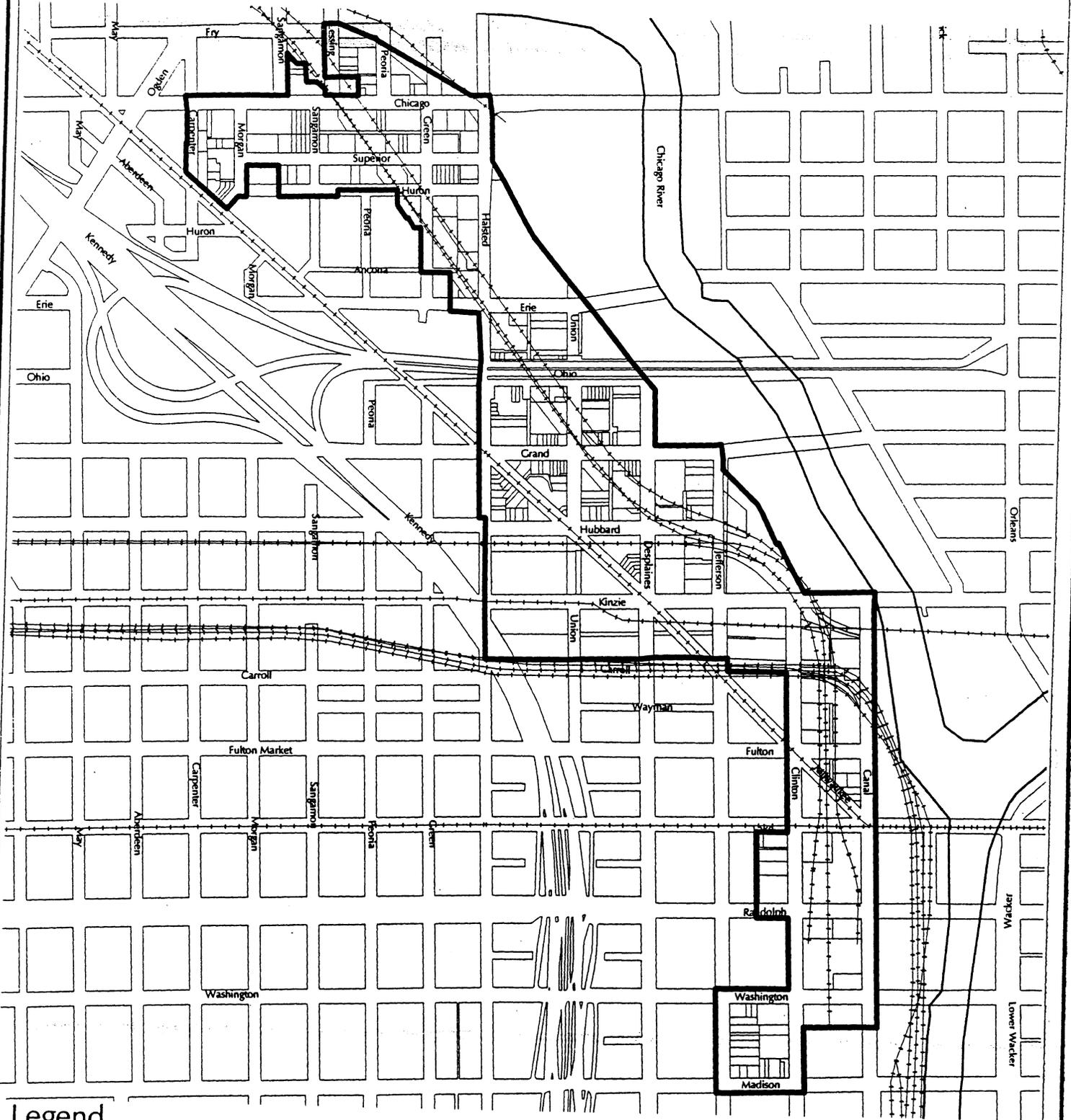
#### Affordable Housing

The City requires that developers who receive TIF assistance for market rate housing set aside 20% of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 120% of the area median income, and affordable rental units should be affordable to persons earning no more than 80% of the area median income.

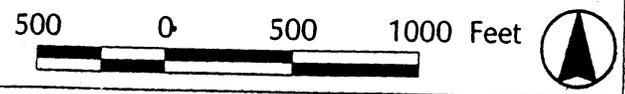
# Figure A Proposed Project Area River West TIF District - Chicago, Illinois

TESKA  
ASSOCIATES  
INC.

September 5, 2000



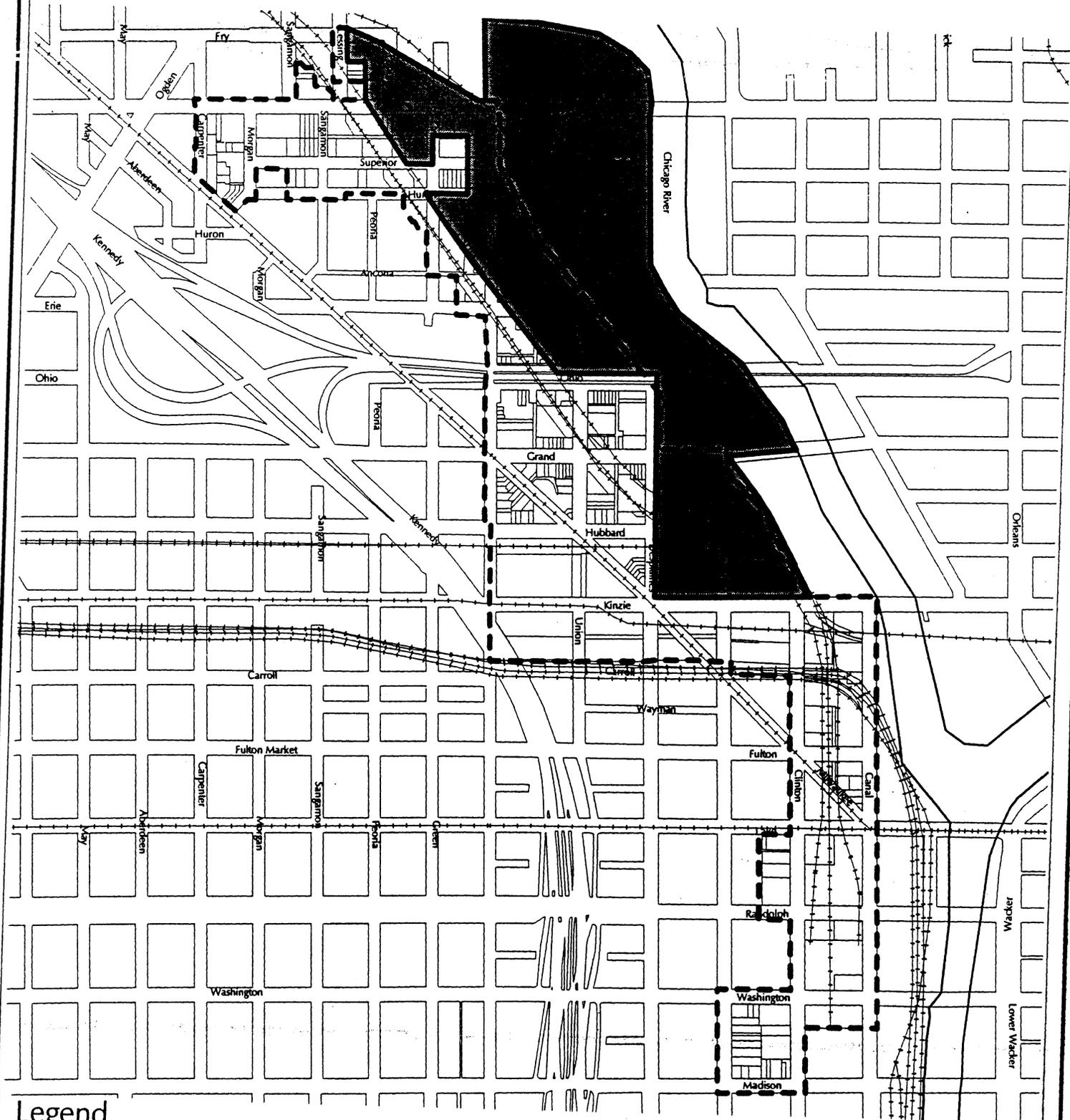
Legend  
Project Area



# Figure B Planned Manufacturing District (PMD) River West TIF District - Chicago, Illinois

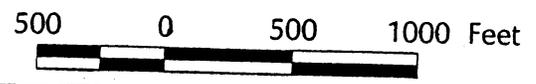
TESKA  
ASSOCIATES  
INC.

September 5, 2000



## Legend

- Planned Manufacturing District
- Project Area

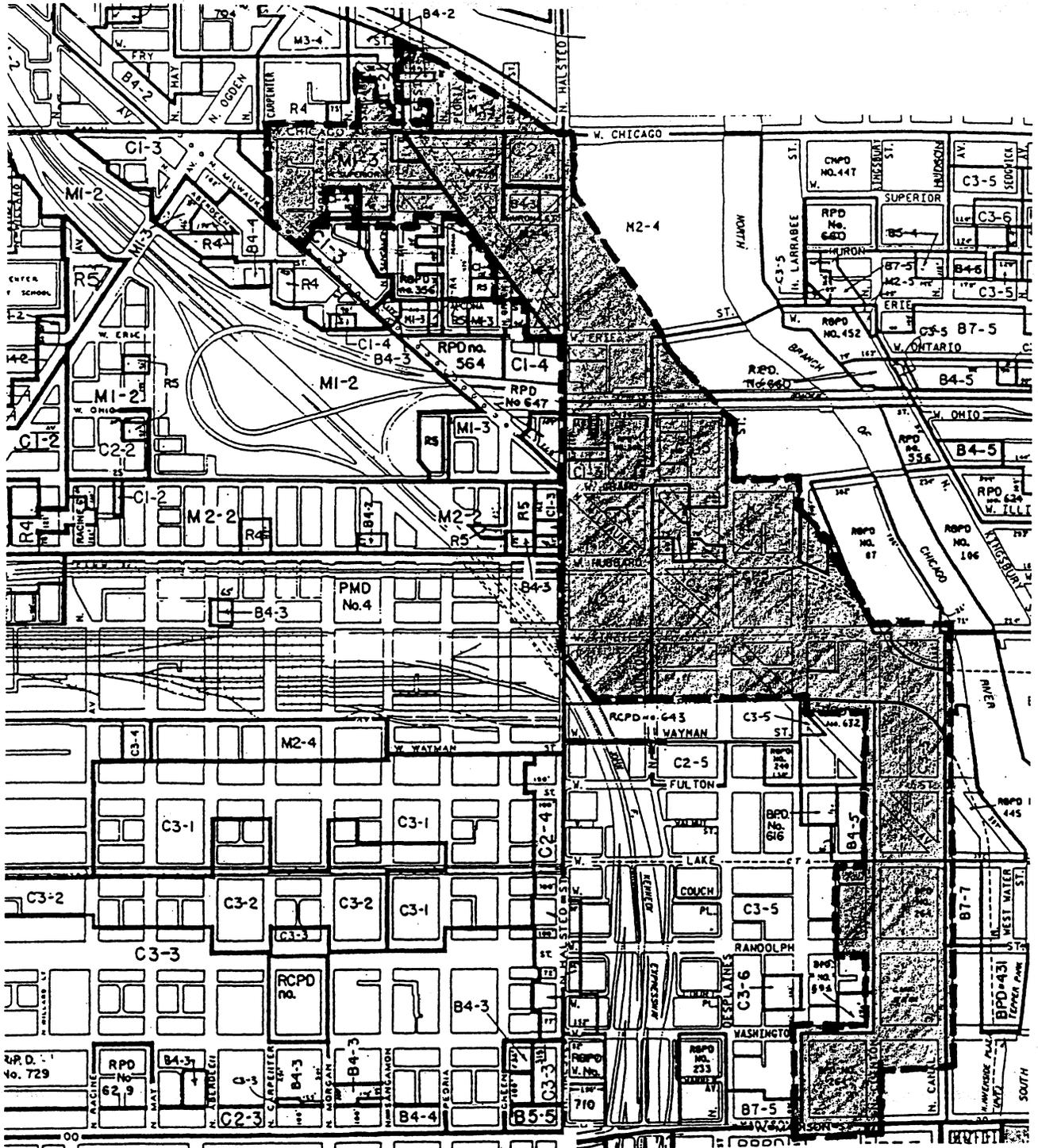


# Figure C Zoning

## River West TIF District - Chicago, Illinois

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September 5, 2000



### Legend

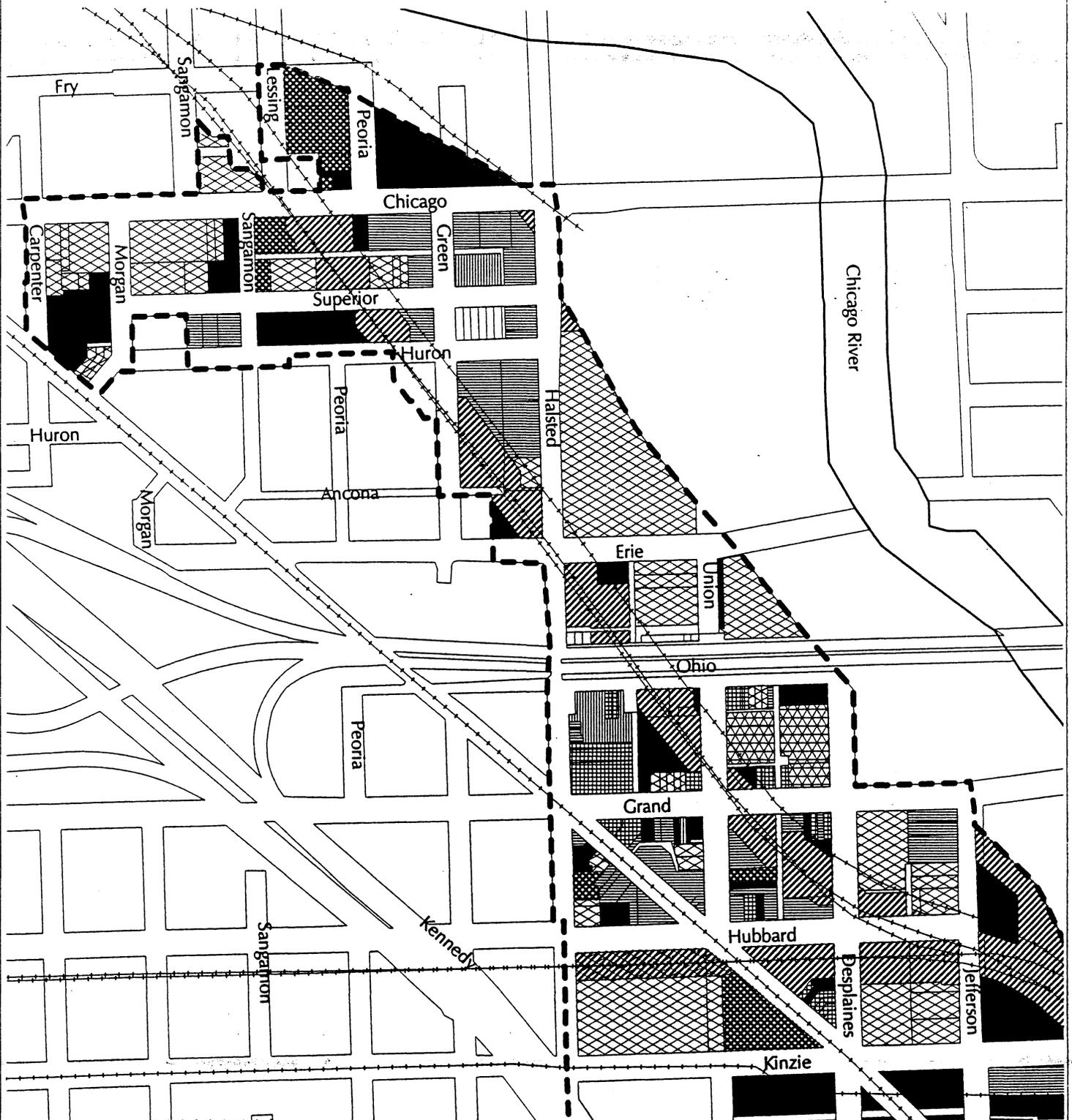
--- Project Area



**Figure D**  
**Existing Land Use (Page 1 of 2)**  
**River West TIF District - Chicago, Illinois**

**TESKA ASSOCIATES INC.**

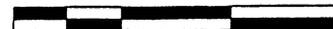
September 5, 2000



**Legend**

- |   |   |  |
|---|---|--|
|  Industrial                |  Commercial    |  Vacant       |
|  Multi-Family Residential  |  Institutional |  Project Area |
|  Mixed-Use Residential     |  Parking       |  |
|  Mixed-Use Non-Residential |  Railroad ROW  |  |

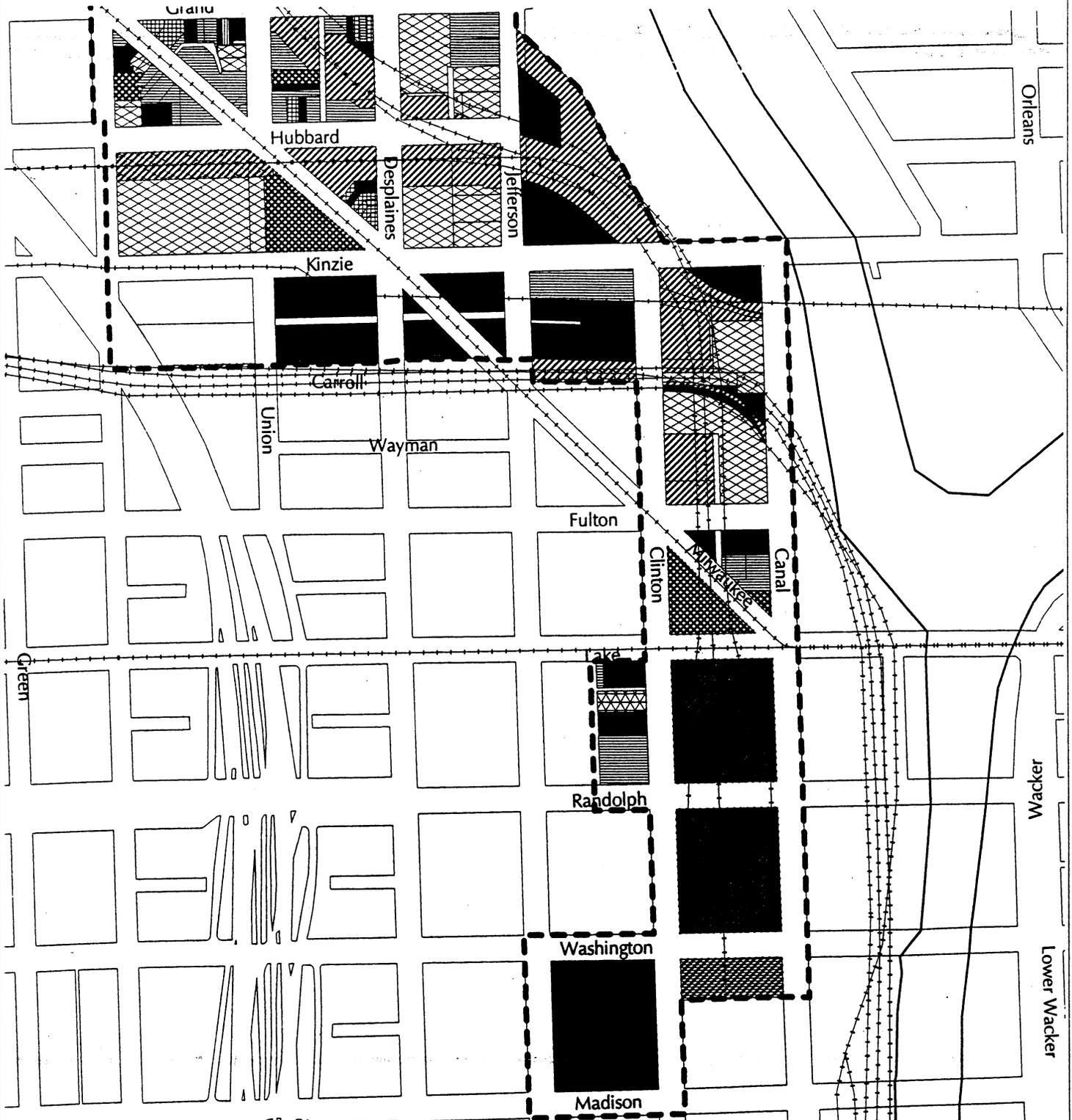
250 0 250 500 Feet



**Figure D**  
**Existing Land Use (Page 2 of 2)**  
**River West TIF District - Chicago, Illinois**

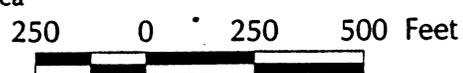
**TESKA ASSOCIATES INC.**

September 5, 2000



**Legend**

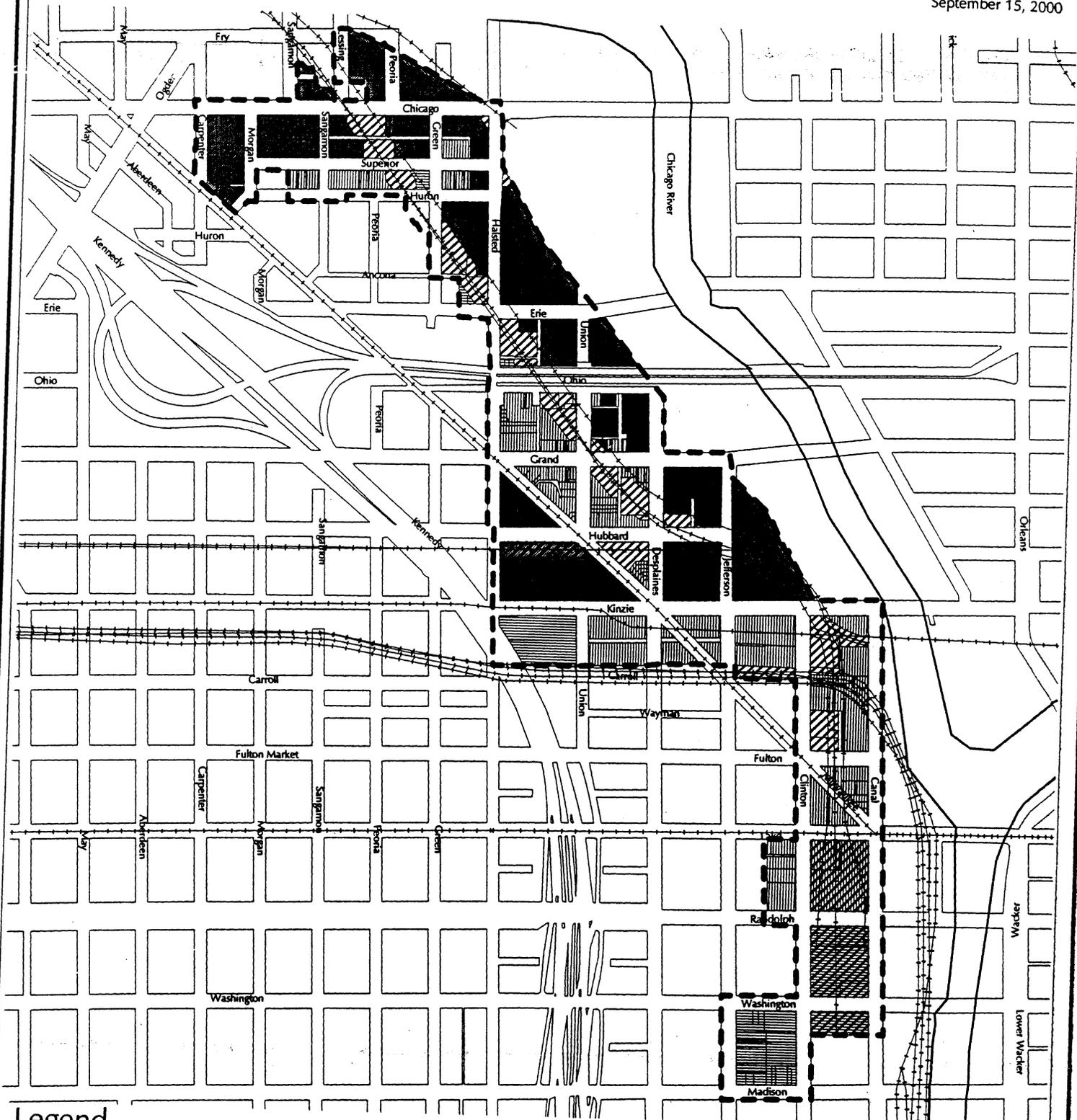
- |                           |               |              |
|---------------------------|---------------|--------------|
| Industrial                | Commercial    | Vacant       |
| Multi-Family Residential  | Institutional | Project Area |
| Mixed-Use Residential     | Parking       |              |
| Mixed-Use Non-Residential | Railroad ROW  |              |



# Figure E Future Land Use River West TIF District - Chicago, Illinois

TESKA  
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INC.

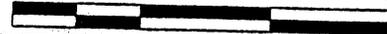
September 15, 2000



## Legend

- Industrial/Commercial Mixed-Use
- Commercial
- Residential/ Commercial Mixed-Use
- Institutional
- Railroad ROW
- Project Area

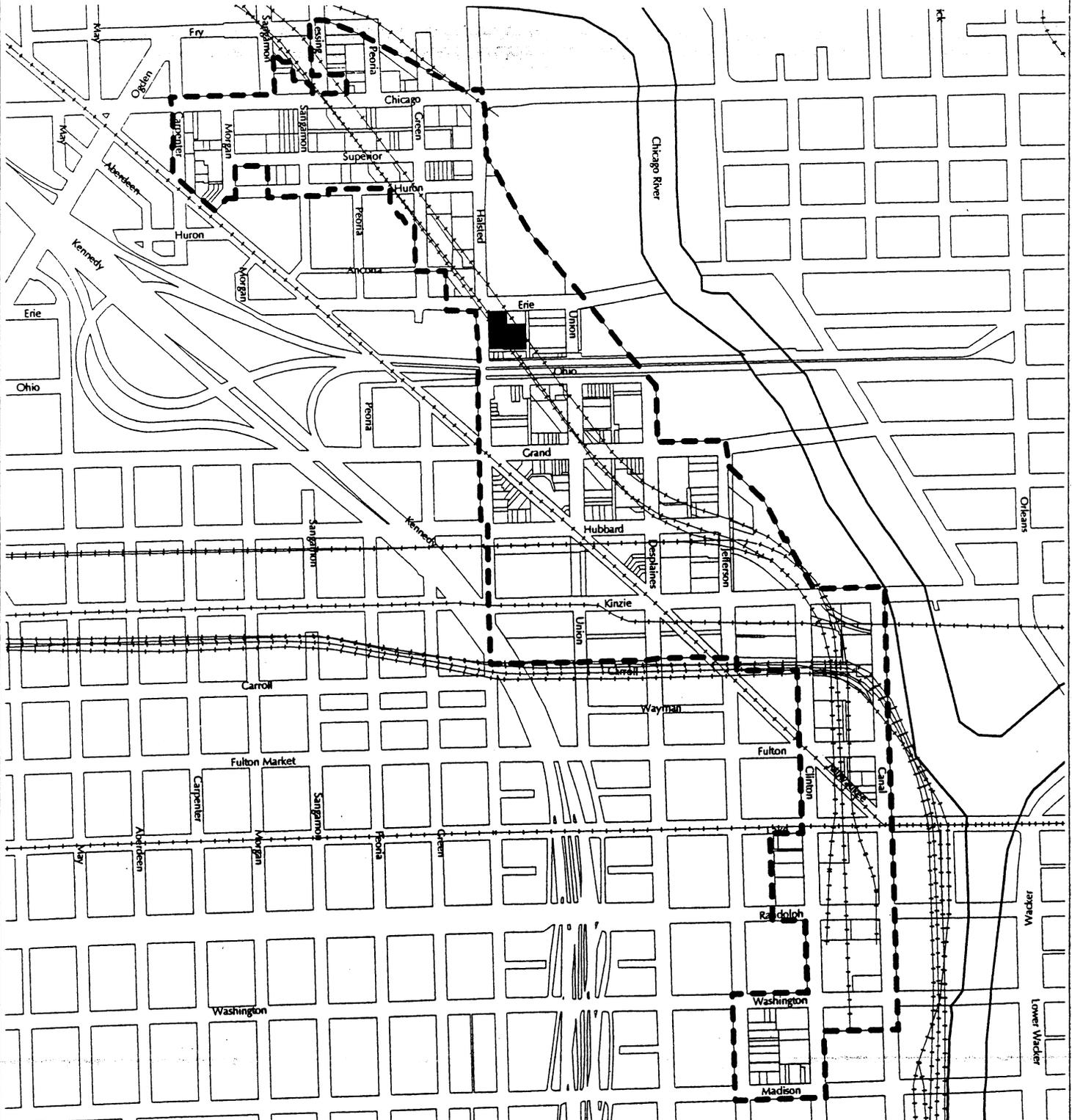
500 0 500 1000 Feet



# Figure F Land Acquisition Overview Map River West TIF District - Chicago, Illinois

TESKA  
ASSOCIATES  
INC.

September 5, 2000



## Legend

- Properties Authorized to be Acquired
- - - Project Area

500 0 500 1000 Feet

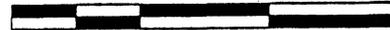


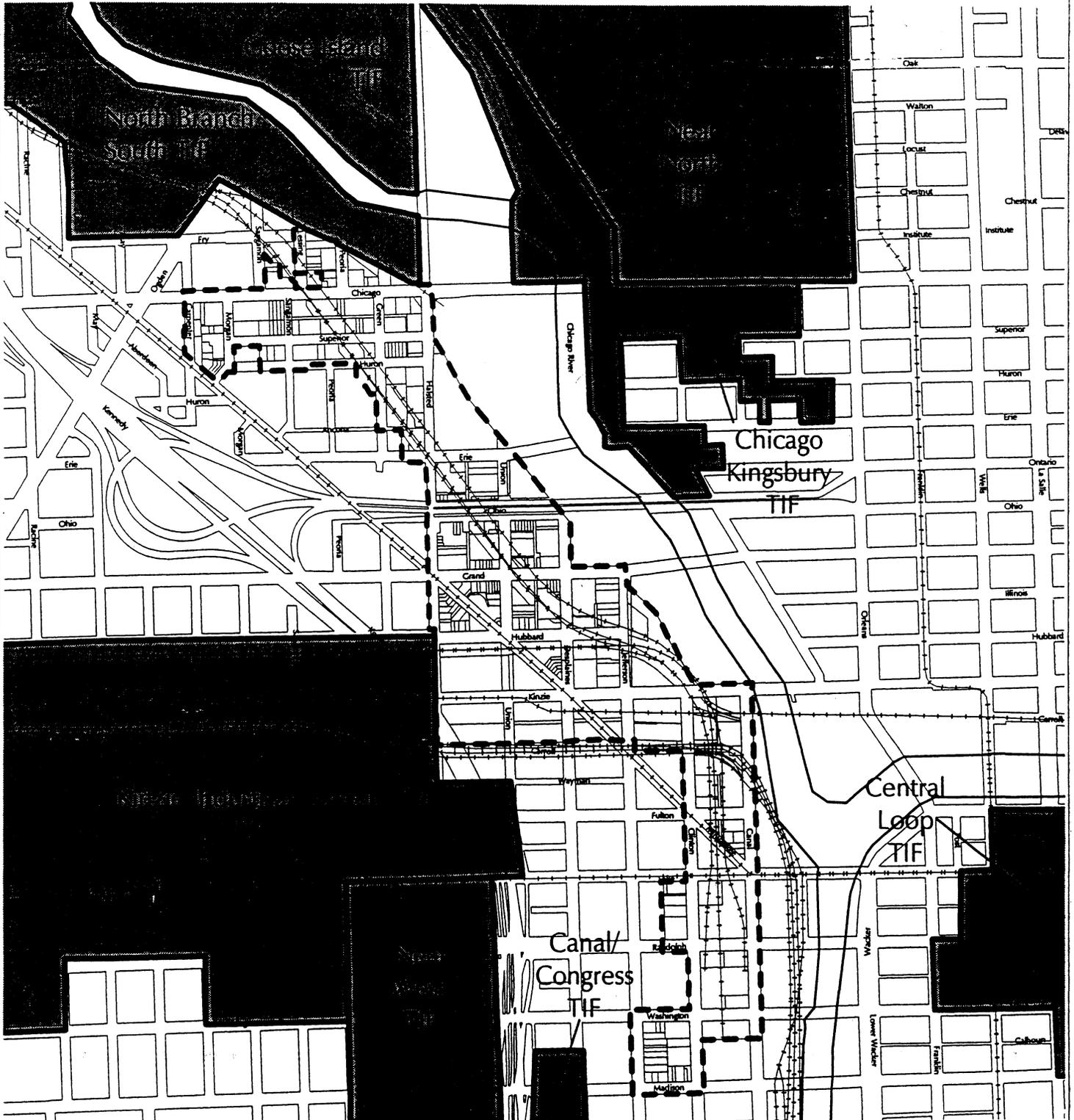
Figure G

# Other TIF Districts

## River West TIF District - Chicago, Illinois

TESKA  
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INC.

September 15, 2000



### Legend

- Other Tax Increment Finance Districts
- Project Area

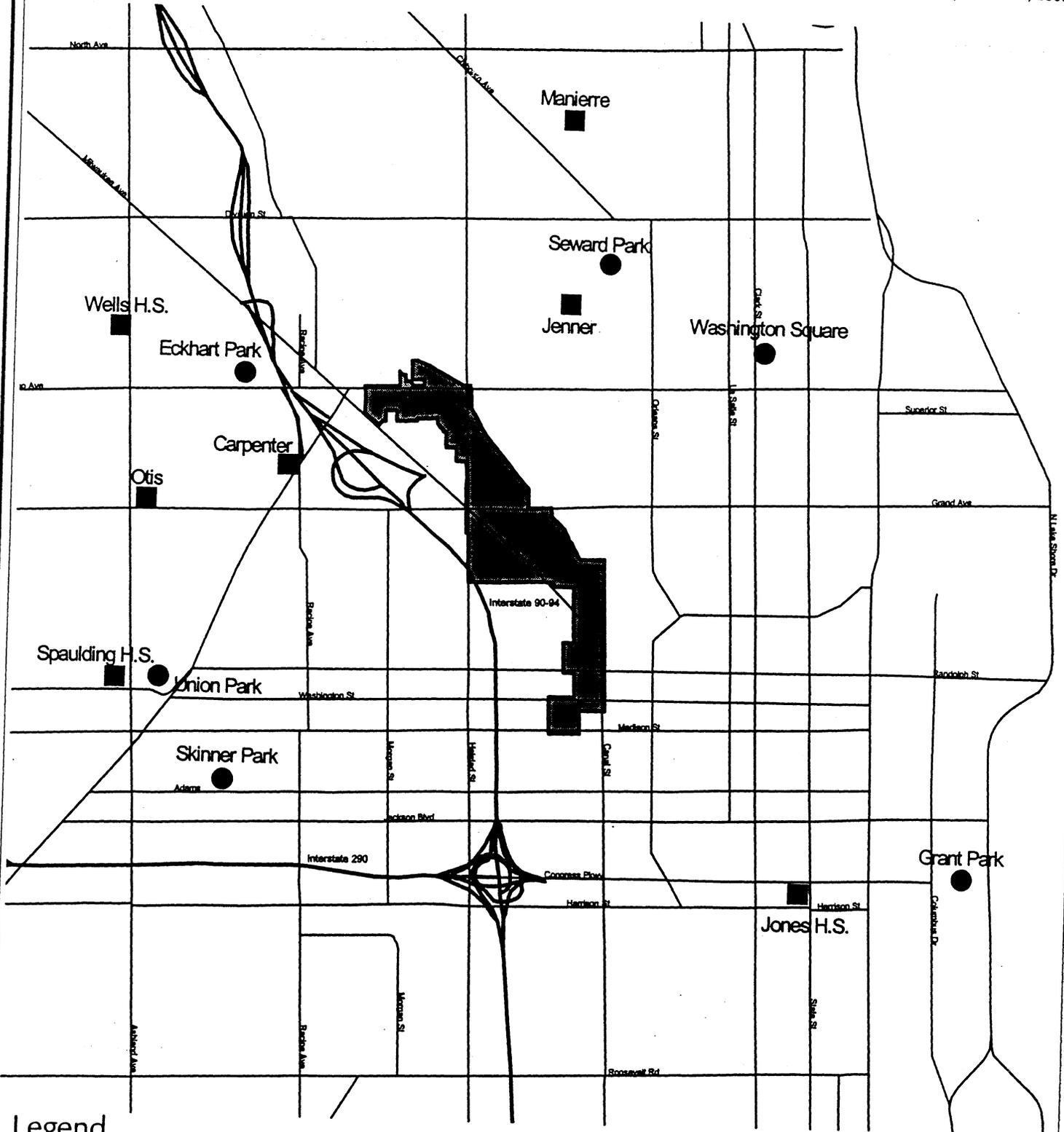
500 0 500 1000 1500 Feet



# Figure H Parks and Schools River West TIF District - Chicago, Illinois

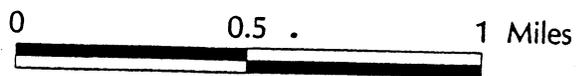
TESKA  
ASSOCIATES  
INC.

September 15, 2000



## Legend

- Parks
- Schools
- ▨ Project Area



**APPENDIX A:**

**ELIGIBILITY STUDY**

## INTRODUCTION

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The purpose of this report is to determine whether the River West Tax Increment Financing Redevelopment Project Area (the "Project Area"), qualifies for designation as a "conservation area" within the requirements set forth in the Tax Increment Association Redevelopment Act, 65 ILCS 5/11 - 74.4 - 1, et seq., as amended (the "Act").

The findings presented in this study are based on surveys and analyses conducted by Teska Associates, Inc. and Mann, Gin, Dubin and Frasier, Inc. for the Project Area of approximately 124 acres located within the West Town and Near West Side community areas. The boundary of the Project Area is shown in Figure 1.

Teska Associates, Inc. has prepared this report with the understanding that the City would rely on: (a) the findings and conclusions of this report in proceeding with the designation of the Project Area as a Project Area under the Act; and (b) the fact Teska Associates, Inc. has obtained the necessary information to conclude that the Project Area can be designated as a Project Area as defined by the Act.

The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 - 74.4 - 1, et seq., as amended (the "Act"), stipulates specific procedures which must be adhered to in designating a Project Area. A redevelopment project area is defined as:

*"..an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area, or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas" (65 ILCS 5/11-74.4-3(p)).*

Section 5/11-74.4-3(a) defines a "conservation area" as:

*"...any improved area within the boundaries of a Redevelopment Project Area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of three or more of the following factors is detrimental to the public safety, health, morals, or welfare and such an area may become a blighted area: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light, or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land use or layout; lack of community planning; environmental clean-up; and decline or lagging rate of growth in equalized assessed value."*

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding as a conservation area, this evaluation was made on the basis that the conservation area factors must be present to an extent that indicates that public intervention is appropriate or necessary. Secondly, the distribution of conservation area factors must be reasonably distributed throughout the Project Area, so that relatively strong areas are not arbitrarily included in the Project Area simply because of proximity to areas that qualify as a conservation area. This report identifies all existing conservation factors that satisfy the statutory requirements and indicate that public intervention is appropriate and necessary.

On the basis of this approach, the Project Area is eligible for designation as a "conservation area" within the requirements of the Act. Ninety-one of 103 buildings are 35 years of age or older. In addition to age, five of the thirteen qualifying factors required under the Act are present in and reasonably distributed throughout

the entire Project Area. The following characteristics qualify the Project Area: **deterioration of structures and surface improvements, presence of structures below minimum code standards, excessive vacancies, lack of community planning, and lag in growth of Equalized Assessed Value (EAV).** The entire Project Area is impacted by and shows the presence of these conservation factors.

## **DESCRIPTION OF THE PROJECT AREA**

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The Project Area is located approximately 1 mile northwest of the central business district of Chicago, in the West Town and Near West Side community areas. The Project Area generally encompasses the properties lying along the west side of the Chicago River between Fry Street on the north and Madison Street on the south, excluding those areas occupied by the Chicago Tribune facilities and the Kinzie Park development. The Project Area extends west to Carpenter Street in the vicinity of Chicago Avenue, and west to Halsted Street south of Erie Street. South of Carroll Street, the Project Area is generally located between Jefferson and Canal Streets.

The boundaries of the Project Area have been carefully established to include those properties that will gain an immediate and substantial benefit from the Redevelopment Plan. The Project Area contains 103 buildings on 323 parcels, and consists of approximately 124 acres within 36 legal blocks or portions thereof. Figure 1 delineates the precise boundaries of the Project Area.

## **ELIGIBILITY FINDINGS**

---

TAI, in association with Mann, Gin, Dubin, and Frazier, conducted a field survey of the subject properties in May, 2000. Based on an inspection of the improvements and grounds, field notes were taken which recorded the condition of the parcel. Photographs further document the observed conditions. Additional research was conducted at the Cook County Treasurer's Office, the City's Building Department, and the Landmarks Division of the Department of Planning and Development.

In order to be designated as a conservation area, at least 50% of the structures must be 35 years or more in age. Additionally, a combination of at least three of the other blighting factors must be present to a meaningful extent and reasonably distributed throughout the Project Area.

### Age of Buildings

Based on field analysis and historical records provided by the City of Chicago, 91 out of 103 (88%) of the buildings in the Project Area are more than 35 years old (see Figure 2). This exceeds the statutory requirement that at least 50% of the buildings in a conservation area be 35 years of age or older. These older buildings are well-distributed on 26 of 36 blocks (72%).

### Dilapidation

Dilapidation refers to 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.

No structures in the Project Area display this extreme physical state. This factor is not distributed throughout the Project Area, and therefore does not contribute to the designation of the Project Area.

### Obsolescence

Obsolescence is the condition or process of falling into disuse. Obsolete structures have become ill-suited for the original use.

Two buildings in the Project Area exhibit obsolescence. Both of these buildings are characterized by obsolete design. In one case, a former industrial building that is no longer useful for modern industry is being converted to residential use. Overall, obsolescence does not contribute towards the designation of the Project Area as a conservation area.

### Deterioration

With respect to buildings, deterioration refers to defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. The field survey found that nearly half of the structures in the Project Area (43 of 103 buildings, or 42%) are characterized by deterioration. The Project Area is also traversed by a number of railroad rights-of-way, including lines used for METRA commuter trains. The viaduct structures are characterized by significant deterioration, which contributes to a substandard appearance as well as potentially unsafe conditions. Over half of all blocks in the Project Area contain one or more deteriorated structures, attesting to the widespread distribution of this factor. In most cases, these defects are highly visible from public rights-of-way.

With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas may evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces. Deterioration of surface improvements was particularly widespread throughout the Project Area, on 24 of 36 blocks in the Project Area (67%). Deteriorated, cracked, uneven and crumbling roads and sidewalks were the most prevalent occurrence.

The extent and widespread distribution of deterioration (see Figure 3), both of structures and surface improvements, has a powerful negative effect upon neighboring properties. When buildings or improvements on adjacent properties are in a declining state, a property owner has less incentive to maintain or improve his or her own property. Therefore, deterioration has potential to spread, which could lead the entire Project Area to a blighted condition. Deterioration is therefore a contributing factor towards designation as a conservation area.

#### Presence of Structures Below Minimum Code Standards

Structures below minimum code standards include 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.

According to information provided by the Building Department of the City of Chicago, 70 of 103 buildings (68%) in the Project Area have been cited for violations of City building codes since 1994 (see Figure 4). Almost seven in ten buildings is or has been characterized by some form of violation. These violations are widespread throughout the district, appearing on 24 of 36 blocks (67%). The extent and distribution of buildings below minimum code standards contributes to the designation of the Project Area as a conservation area.

#### Illegal Use of Individual Structures

Illegal use of individual structures refers to 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.

The exterior field survey conducted by Teska Associates, Inc. found one parcel characterized by illegal dumping. This factor does not contribute to the designation as a conservation area.

#### Excessive Vacancies

Excessive vacancies refers to 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.

Seventeen of 103 buildings (17%) are presently vacant or partially vacant (see Figure 5). Deterioration, code violations, and the age of these buildings is often associated with the incidence of vacancies. Vacancies are distributed on 10 of 36 blocks in the Project Area (28%). Because the visibility of these vacancies is a drain upon the vitality of the area, this factor contributes towards the designation of the Project Area as a conservation area.

### Lack of Ventilation, Light, or Sanitary Facilities

Inadequate ventilation is characterized by 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.

No structures in the Project Area display this characteristic, and therefore this factor does not contribute to the designation of the Project Area.

### Inadequate Utilities

This factor relates to all 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: (a) of insufficient capacity to serve the uses in the redevelopment project area, (b) deteriorated, antiquated, obsolete, or in disrepair, or (c) lacking within the redevelopment project area.

According to information provided by the City, inadequate utilities is not a factor in the designation of the Project Area as a conservation area.

### Excessive Land Coverage and Overcrowding of Structures and Community Facilities

This factor relates to 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 reasonably required off-street parking, or inadequate provision for loading and service.

Relative to the urban context of the Project Area, no properties display excessive coverage. This factor does not make a contribution to the designation of the Project Area as a conservation area.

### Deleterious Land Use or Layout

Deleterious land uses include 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.

Eight of 323 parcels (2%) in the Project Area display deleterious land uses or layouts. The most common occurrence is parking or loading areas which encroach upon the right-of-way. This forces trucks and other vehicles to block traffic and pedestrian movements. Although these layouts pose potential risks to public

safety, the lack of distribution of this factor means that it does not contribute to the designation of the Project Area.

### Lack of Community Planning

Lack of community planning occurs when 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.

The Project Area, and indeed the entire City, was developed without the guidance of a comprehensive plan. However, it is the effects of more recent unplanned development that has brought negative consequences to the area. In particular, the areas lying south of Kinzie Street are located in close proximity to the Loop, yet many properties are underutilized with uses such as vacant land and parking areas. Properties in this area have inherent natural advantages related to their location (close to transit and freeway transportation, as well as the employment and growing residential base of the Loop), yet they are not developed to their potential.

Similarly, the northern portion is not appropriately developed. In recent years this portion of the Project Area has been characterized by an inappropriate mix of uses. The areas adjacent to the Project Area have witnessed an unprecedented growth in residential development. Residences are inherently incompatible with the existing industrial uses in the area, particularly due to the traffic, noise, odor and vibration impacts of industrial uses. The complaints of new residential neighbors, combined with the upward pressure on property values and taxes caused by residential developers, make the area substantially less attractive to existing and potential industrial uses. However, the City has determined that retaining and protecting existing industrial areas will have significant positive impacts upon the employment and tax base of the City. The Project Area is particularly conducive to industrial retention due to the accessibility and agglomeration possibilities.

Overall, the unplanned development of the area hampers the vitality of the western fringes of the Loop, has adverse impacts upon existing industry, and conflicts with the long term goals of the City. Based on these negative results, lack of community planning contributes to the designation of the Project Area as a conservation area.

### Environmental Clean-Up

This factor is relevant when 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.

During the eligibility survey, five sites were identified with environmental hazards such as unprotected storage barrels. In addition, the City of Chicago Department of Environment ("DOE") has identified twenty-three sites with Underground Storage Tanks and three sites with reported air emissions. DOE has also

indicated that the historic operations of the rail lines in the Project Area may have had adverse environmental impacts, and the older buildings in the Project Area are likely to contain asbestos and lead-based paints. Although the potential hazards posed by these circumstances are of great importance, the lack of EPA remediation costs or consultant studies means that environmental clean-up does not contribute to the designation of the Project Area as a conservation area.

#### Lag in Growth of Equalized Assessed Value

This factor can be cited if 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 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.

	1999	1998	1997	1996	1995	1994
Total Assessed Value of Project Area	22,420,959	22,181,750	22,172,040	20,592,855	20,496,658	20,499,329
Percent Change in AV from Prior Year	1.08%	0.04%	7.67%	0.47%	-0.01%	n/a
Equalization Factor	2.2505	2.1799	2.1489	2.1517	2.1243	2.1135
Total Equalized Assessed Value of Project Area	50,458,368	48,353,997	47,645,497	44,309,646	43,541,051	43,325,332
Percent Change in EAV from Prior Year	4.35%	1.49%	7.53%	1.77%	0.50%	n/a
Equalized Assessed Value of City of Chicago (Excluding Project Area)	38,397,614,214	37,170,486,062	36,051,214,562	33,412,386,140	33,056,894,261	33,002,397,696
Percent Change in City EAV from Prior Year	3.30%	3.10%	7.90%	1.08%	0.17%	n/a
CPI for All Urban Consumers	2.70%	1.60%	1.70%	3.30%	2.50%	n/a

The relatively high increase in EAV in 1997 is due to the fact that this was a reassessment year for the Project Area. In the absence of a property sale, building permit activity, demolition, etc., a property in Cook County is reassessed only once every three years. Therefore, an unusual increase in EAV during a reassessment year can be expected, as the assessor attempts to account for natural inflation to property values that has not been accounted for in the years since the last reassessment.

EAV increases in the other years are minimal. In fact, the change in assessed value (the actual value assigned by the Assessor) was negative in 1995. Only the increase in the equalization factor resulted in a positive increase in the EAV this year. In addition, the percent change in the EAV of the Project Area was less than the percent change in EAV of the balance of the City of Chicago in 1997 and 1998. The recent lag of growth in the Project Area behind the rest of the City may be indicative of a trend of decline. Of particular importance is the fact that the Project Area grew more slowly than the City in 1997 (a reassessment year). Even as the assessor attempted to account for three years of growth in this reassessment year, the Project Area did not keep pace with the rest of the City.

Finally, the percent change in EAV of the Project Area was less than the Consumer Price Index for All Urban Consumers in 1995, 1996, and 1998. Increases in value in these years are not even keeping pace with inflation in the general economy. This data meets the statutory requirement, such that lag in EAV is a contributing factor toward the designation of the Project Area as a conservation area.

## **CONCLUSION**

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Based on the findings contained herein, the Project Area as a whole qualifies as a conservation area according to the criteria established by the Act, because at least 50% of the structures in the Project Area are at least 35 years old, and because of the predominance and extent of parcels exhibiting the following qualifying conditions:

1. Deterioration of buildings and surface improvements
2. Presence of structures below minimum code standards
3. Excessive vacancies
4. Lack of community planning
5. Lag in growth of EAV

Each of these factors contributes significantly to the eligibility of the Project Area as a conservation area (a summary table is attached). These factors are present to a reasonable extent and are meaningfully distributed throughout the Project Area. All of these characteristics point to the need for designation of the Project Area, to be followed by public intervention in order that redevelopment might occur.

**River West Eligibility Study  
Summary of Eligibility Factors**

Parcels 323  
Buildings 103  
Blocks 36

	Number of Parcels Displaying Characteristic	Percent of All Parcels	Number of Buildings Displaying Characteristic	Percent of all Buildings	Number of Blocks Displaying Characteristic	Percent of All Blocks
Age			91	88%	26	72%
Dilapidation			0	0%	0	0%
Obsolescence			2	2%	1	3%
Deterioration						
<i>Structures</i>			43	42%	19	53%
<i>Surface Improvements</i>	151	47%			24	67%
Below Code			70	68%	24	67%
Illegal Use	1	0%			1	3%
Excessive Vacancy			17	17%	10	28%
Lack of Ventilation, etc.	0	0%			0	0%
Inadequate Utilities	0	0%			0	0%
Excessive Coverage/Overcrowding	0	0%			0	0%
Deleterious Use	8	2%			4	11%
Lack of Community Planning	<i>see Eligibility Report</i>					
Environmental Clean-Up	5	2%			2	6%
Lag in Growth of EAV	<i>see Eligibility Report</i>					

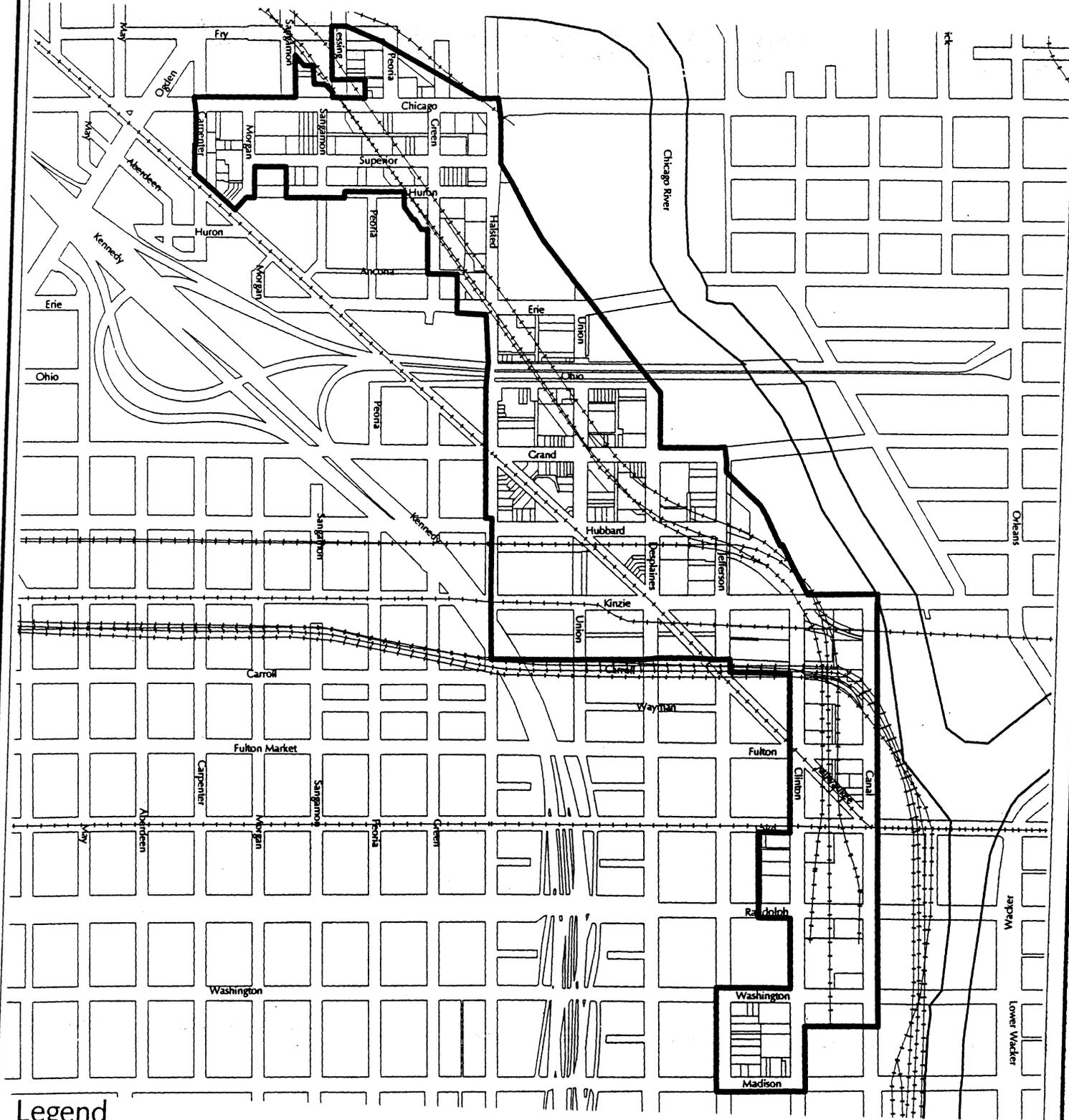
Figure 1

# Proposed Project Area

## River West TIF District - Chicago, Illinois

TESKA  
ASSOCIATES  
INC.

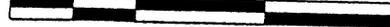
September 5, 2000



### Legend

 Project Area

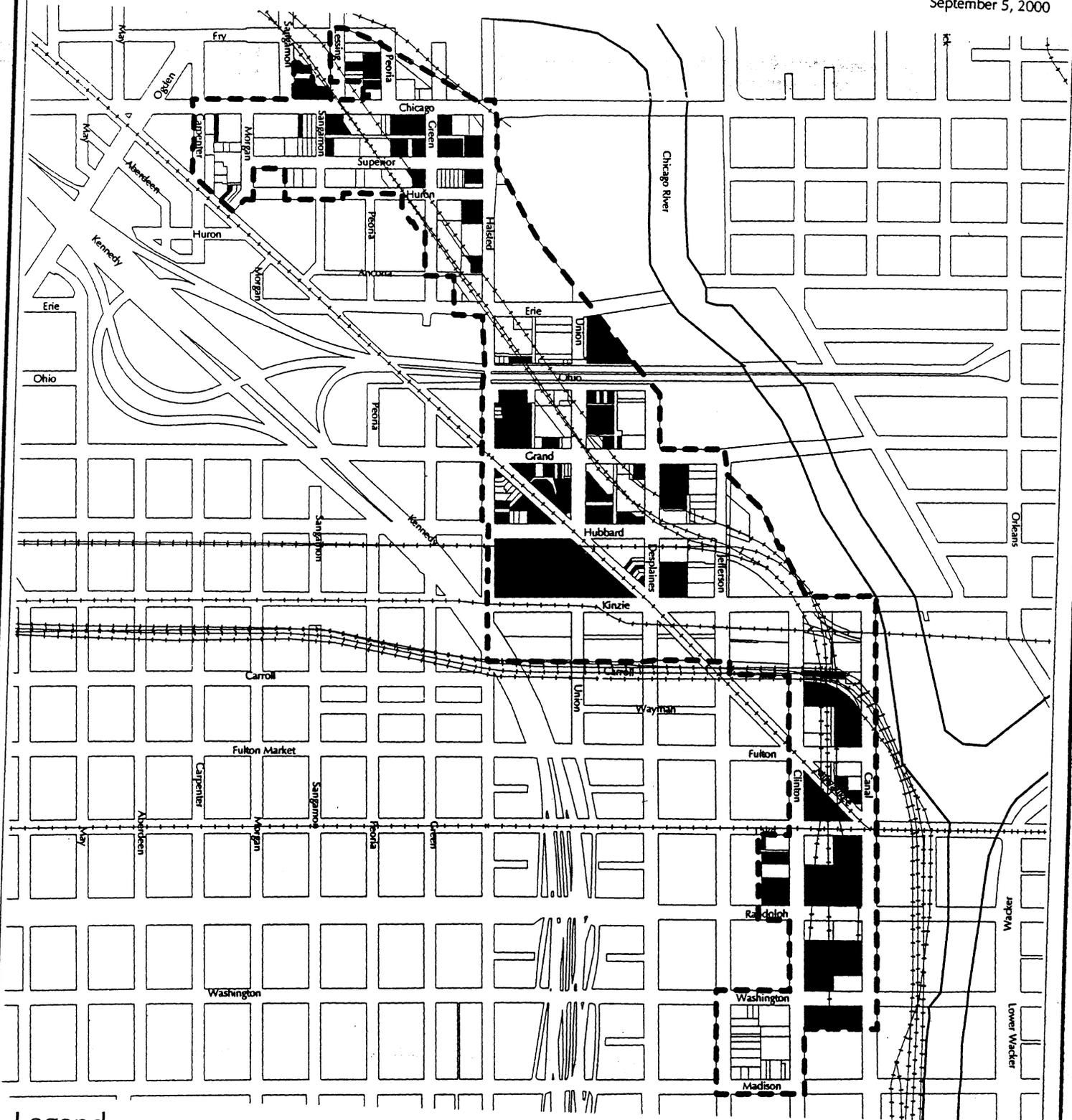
500 0 500 1000 Feet



# Figure 2 Eligibility Factor - Age River West TIF District - Chicago, Illinois

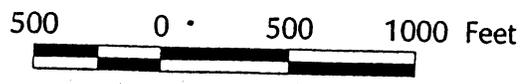
TESKA  
ASSOCIATES  
INC.

September 5, 2000



## Legend

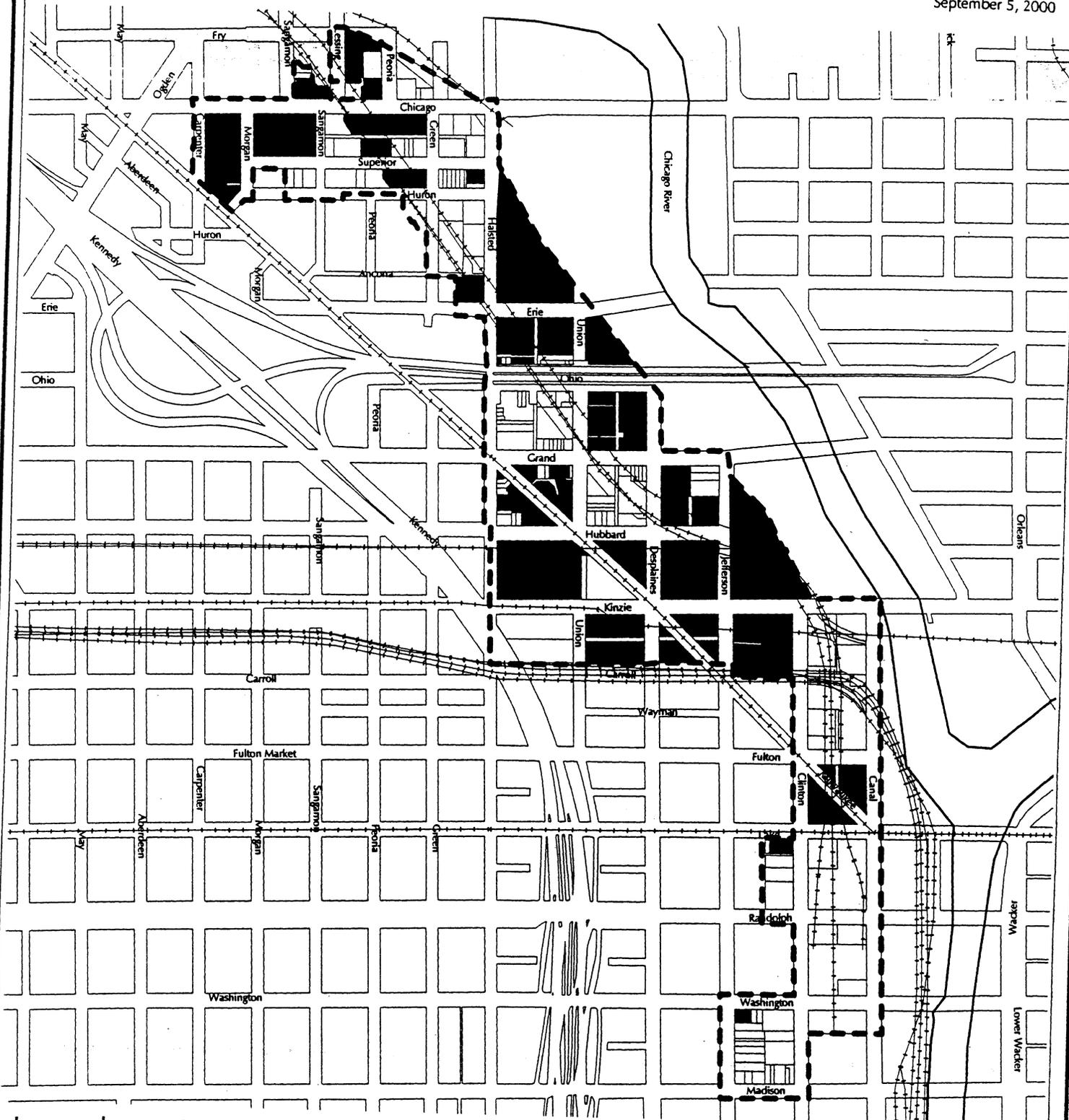
- Parcels With Structures Over 35 Years Old
- Project Area



**Figure 3**  
**Eligibility Factor - Deterioration**  
**River West TIF District - Chicago, Illinois**

**TESKA ASSOCIATES INC.**

September 5, 2000



**Legend**

- Parcels that Exhibit Deteriorated Structures and/or Site Improvements
- Project Area

500 0 500 1000 Feet

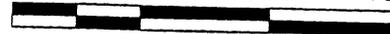


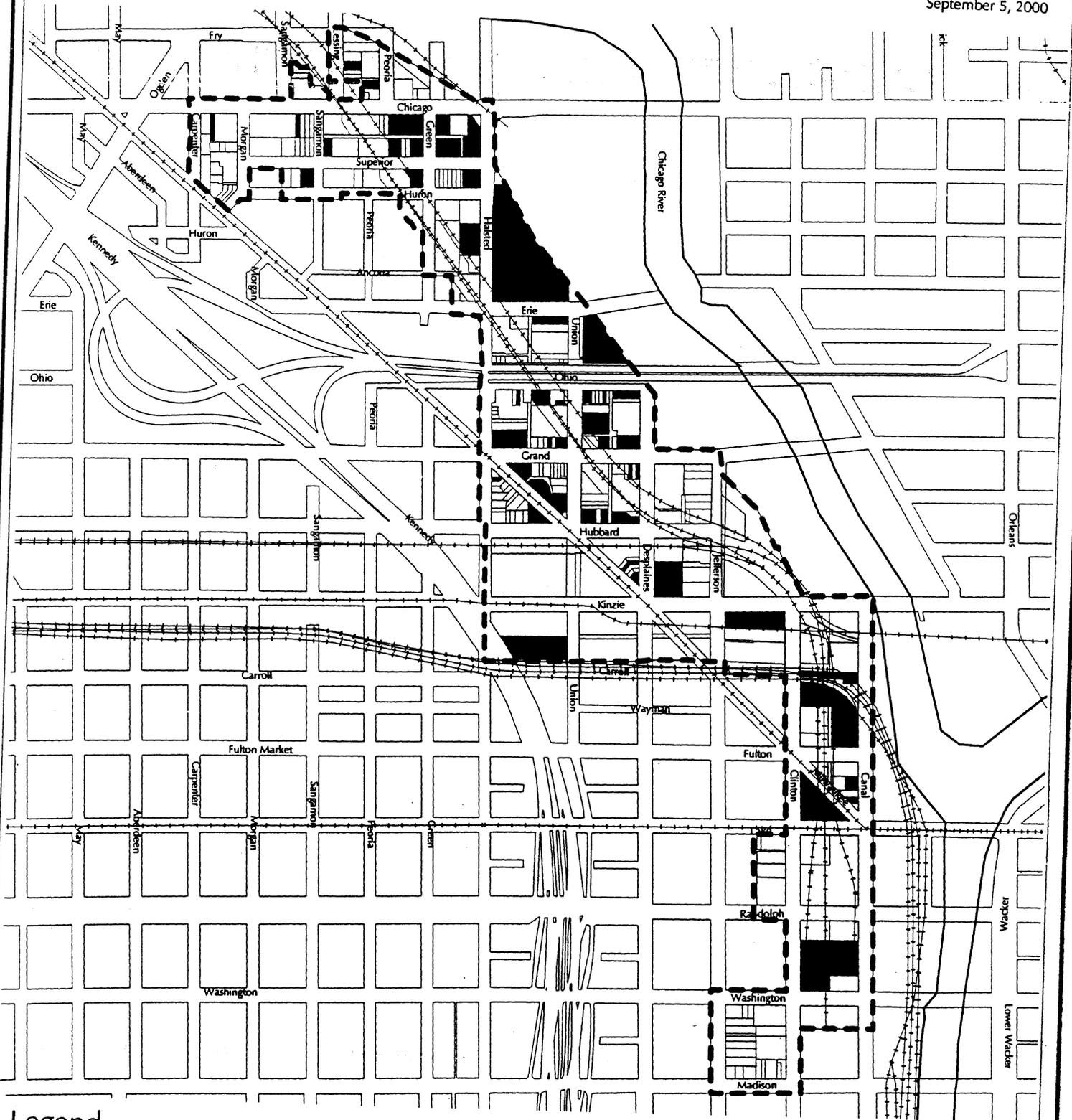
Figure 4

# Eligibility Factor - Below Minimum Code Standards

## River West TIF District - Chicago, Illinois

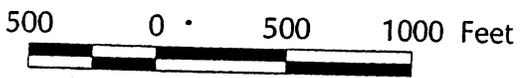
TESKA  
ASSOCIATES  
INC.

September 5, 2000



### Legend

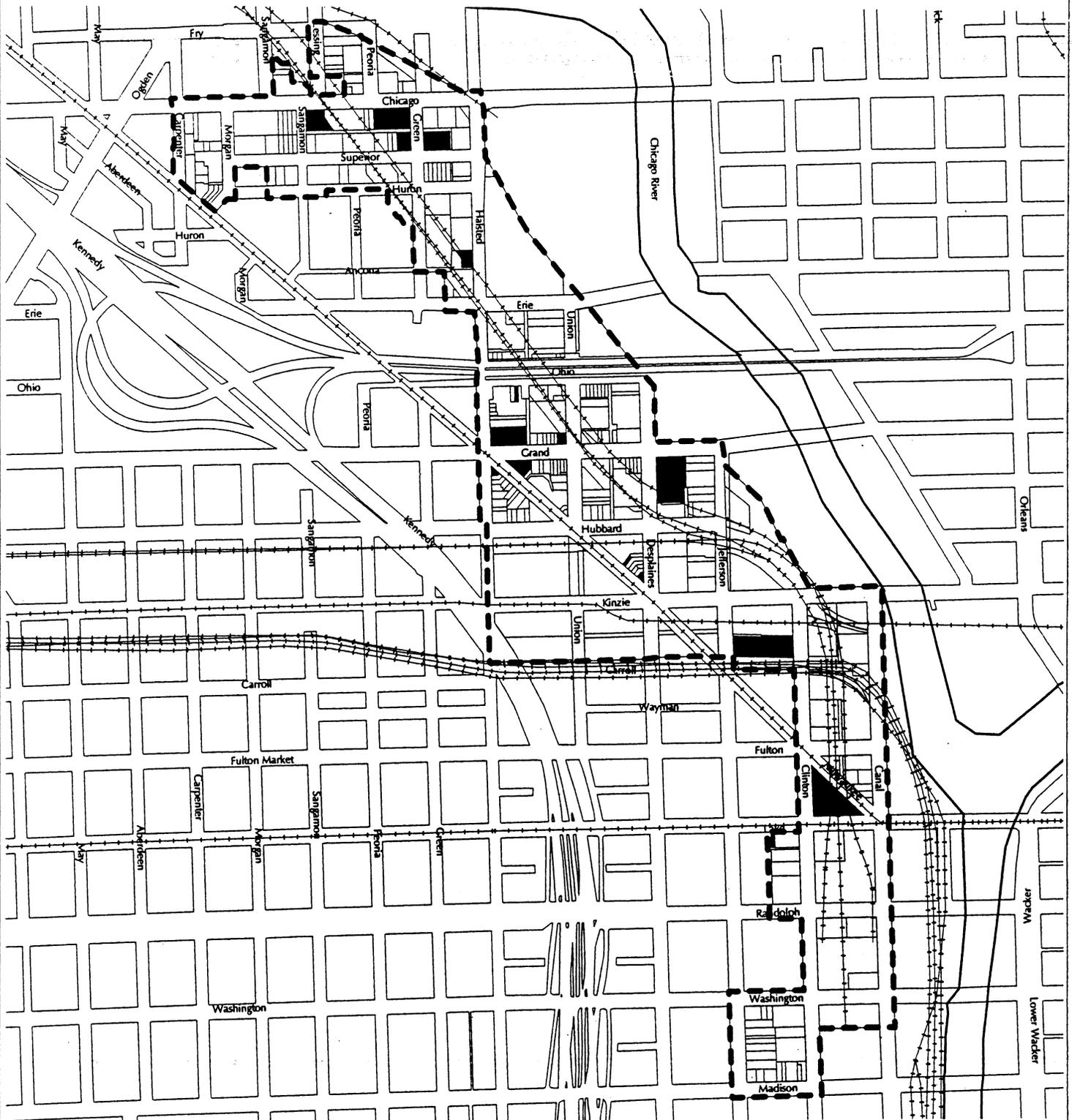
- Parcels With Structures and Site Improvements that Violate Municipal Codes
- - - Project Area



# Figure 5 Eligibility Factor - Excessive Vacancies River West TIF District - Chicago, Illinois

TESKA  
ASSOCIATES  
INC.

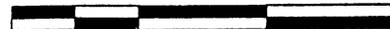
September 5, 2000



## Legend

- Parcels with Vacant Structures
- Project Area

500 0 500 1000 Feet



## **APPENDIX B:**

### **LEGAL DESCRIPTION**

## LEGAL DESCRIPTION

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1 A TRACT OF LAND COMPRISED OF PARTS OF THE SOUTHEAST QUARTER OF SECTION 5,  
2 NORTHEAST QUARTER OF SECTION 8, NORTHWEST QUARTER AND SOUTHWEST QUARTER OF  
3 SECTION 9 AND NORTHWEST QUARTER OF SECTION 16, ALL IN TOWNSHIP 39 NORTH, RANGE 14,  
4 EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

5 BEGINNING AT THE INTERSECTION OF THE EAST LINE OF NORTH CANAL STREET WITH SOUTH LINE  
6 OF WEST KINZIE STREET IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 9  
7 AFORESAID; THENCE SOUTHWARD ALONG THE EAST LINE OF SAID NORTH CANAL STREET TO THE  
8 NORTH LINE OF THE SOUTH 275.06 FEET (MEASURED PERPENDICULARLY) OF BLOCK 50 IN  
9 ORIGINAL TOWN OF CHICAGO, ACCORDING TO THE PLAT THEREOF RECORDED MAY 29, 1837;  
10 THENCE WESTWARD ALONG SAID LINE EXTENDED EAST AND WEST TO THE EAST LINE OF NORTH  
11 CLINTON STREET; THENCE SOUTHWARD ALONG SAID EAST LINE OF NORTH CLINTON STREET TO  
12 THE SOUTH LINE OF WEST MADISON STREET IN THE EAST HALF OF SAID NORTHWEST QUARTER  
13 OF SECTION 16; THENCE WESTWARD ALONG SAID SOUTH LINE OF WEST MADISON STREET TO THE  
14 WEST LINE OF SOUTH JEFFERSON STREET; THENCE NORTHWARD ALONG SAID WEST LINE  
15 (EXTENDED SOUTH AND NORTH) OF JEFFERSON STREET TO THE NORTH LINE OF WEST  
16 WASHINGTON; THENCE EASTWARD ALONG THE NORTH LINE OF SAID WEST WASHINGTON STREET  
17 TO THE WEST LINE OF NORTH CLINTON STREET AFORESAID; THENCE NORTHWARD ALONG SAID  
18 WEST LINE OF NORTH CLINTON STREET TO THE SOUTH LINE OF WEST RANDOLPH STREET; THENCE  
19 WESTWARD ALONG SAID SOUTH LINE OF WEST RANDOLPH STREET TO THE WEST LINE OF 18 FEET  
20 WIDE PUBLIC ALLEY, WEST OF NORTH CLINTON STREET; THENCE NORTH ALONG SAID WEST LINE  
21 OF PUBLIC ALLEY TO THE SOUTH LINE OF WEST LAKE STREET; THENCE EASTWARD ALONG THE  
22 SOUTH LINE OF SAID WEST LAKE STREET TO THE WEST LINE OF NORTH CLINTON STREET  
23 AFORESAID; THENCE NORTHWARD ALONG THE WEST LINE OF SAID NORTH CLINTON STREET TO  
24 THE SOUTHERLY RIGHT OF WAY LINE OF METRA (FORMERLY C. M. ST. P & P RAILROAD); THENCE  
25 WESTWARD ALONG SAID SOUTHERLY RIGHT OF WAY LINE TO THE EAST LINE OF NORTH  
26 JEFFERSON STREET AFORESAID; THENCE NORTHWARD ALONG SAID EAST LINE OF NORTH  
27 JEFFERSON STREET TO THE NORTH LINE OF WEST CARROLL AVENUE AS VACATED PER DOCUMENT  
28 NO. 5507201 AND RECORDED OCTOBER 6, 1914; THENCE WESTWARD ALONG SAID NORTH LINE  
29 OF VACATED WEST CARROLL AVENUE TO THE WEST LINE OF THE WEST HALF OF THE SAID  
30 SOUTHWEST QUARTER OF SECTION 9, ALSO BEING THE CENTER LINE OF NORTH HALSTED  
31 AVENUE, SAID POINT IS BELOW THE JOHN F. KENNEDY EXPRESSWAY; THENCE NORTHWARD  
32 ALONG THE CENTER LINE OF SAID NORTH HALSTED AVENUE TO THE NORTH LINE (EXTENDED  
33 EAST) OF WEST HUBBARD STREET IN THE EAST HALF OF THE NORTHEAST QUARTER OF SAID  
34 SECTION 8; THENCE WESTWARD ALONG SAID NORTH LINE (EXTENDED EAST) TO THE WEST LINE  
35 OF NORTH HALSTED AVENUE AFORESAID; THENCE NORTHWARD ALONG THE WEST LINE OF SAID  
36 NORTH HALSTED AVENUE ACROSS WEST GRAND AVENUE, WEST OHIO STREET AND CONTINUING  
37 ALONG SAID WEST LINE OF NORTH HALSTED AVENUE FOLLOWING THE WIDENING ACCORDING  
38 TO DOCUMENT NO. 25274905 RECORDED DECEMBER 10, 1979 TO THE SOUTH LINE OF WEST ERIE  
39 STREET, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 1 OF BLOCK 34 IN OGDEN'S  
40 ADDITION TO CHICAGO ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 9, 1879 AS  
41 DOCUMENT NO. 248024; THENCE WESTWARD ALONG THE SOUTH LINE OF SAID WEST ERIE STREET  
42 TO THE WEST LINE (EXTENDED SOUTH) OF LOT 4 OF BLOCK 35 IN OGDEN'S ADDITION TO  
43 CHICAGO AFORESAID; THENCE NORTHWARD ALONG THE WEST LINE (EXTENDED SOUTH) OF SAID  
44 LOT 4 TO THE NORTHWEST CORNER OF SAID LOT 4; THENCE WESTWARD ALONG THE NORTH  
45 LINES OF LOTS 5 AND 6 (EXTENDED WEST) OF SAID OGDEN'S ADDITION TO CHICAGO, TO THE

46 WEST LINE OF NORTH GREEN STREET; THENCE NORTHWARD ALONG THE WEST LINE OF SAID  
47 NORTH GREEN STREET TO THE SOUTHERLY RIGHT OF WAY LINE OF C & N.W. RAILROAD  
48 COMPANY, SAID POINT BEING 169.396 FEET SOUTH OF NORTHEAST CORNER OF BLOCK 10 IN  
49 RIDGELY'S ADDITION TO CHICAGO, ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 20,  
50 1859 AND RE-RECORDED ON SEPTEMBER 19, 1878 AS DOCUMENT NO. 194914; THENCE WESTWARD  
51 ALONG SAID SOUTHERLY RIGHT OF WAY LINE, 36.479 FEET; THENCE NORTHWESTERLY ALONG  
52 SOUTHWESTERLY LINE OF SAID C & N. W. RAILROAD COMPANY, 64.86 FEET; THENCE WESTWARD  
53 ALONG SOUTH LINE OF SAID C & N. W. RAILROAD COMPANY, 7.61 FEET; THENCE  
54 NORTHWESTERLY ALONG SOUTHWESTERLY LINE OF SAID C & N. W. RAILROAD COMPANY, 81.64  
55 FEET; THENCE NORTHWARD ALONG WEST LINE OF SAID C. & N. W. RAILROAD COMPANY TO THE  
56 CENTER LINE OF WEST HURON STREET; THENCE WESTWARD ALONG SAID CENTER LINE TO THE  
57 EAST LINE (EXTENDED NORTH ) OF LOT 1 IN BLOCK 11 IN RIDGELY'S ADDITION TO CHICAGO  
58 AFORESAID; THENCE SOUTHWARD ALONG SAID EXTENDED LINE TO THE SOUTH LINE OF WEST  
59 HURON STREET AFORESAID; THENCE WESTWARD ALONG THE SOUTH LINE OF SAID HURON  
60 STREET TO THE EAST LINE (EXTENDED SOUTH) OF LOT 7 OF BLOCK 4 IN SAID RIDGELY'S ADDITION  
61 TO CHICAGO; THENCE NORTHWARD ALONG EAST LINE, EXTENDED SOUTH, OF SAID LOT 7 TO  
62 THE SOUTH LINE OF WEST SUPERIOR STREET; THENCE WESTWARD ALONG SOUTH LINE OF SAID  
63 WEST SUPERIOR STREET TO THE EAST LINE OF NORTH MORGAN STREET; THENCE SOUTHWARD  
64 ALONG EAST LINE (EXTENDED SOUTH) OF SAID NORTH MORGAN STREET TO THE SOUTH LINE OF  
65 WEST HURON STREET AFORESAID; THENCE WESTWARD ALONG THE SOUTH LINE OF SAID HURON  
66 STREET TO THE SOUTHEASTERLY LINE OF NORTH MORGAN STREET; THENCE SOUTHWESTERLY  
67 ALONG SAID SOUTHEASTERLY LINE OF NORTH MORGAN STREET TO THE NORTHEASTERLY LINE  
68 OF NORTH MILWAUKEE AVENUE; THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY LINE  
69 OF SAID NORTH MILWAUKEE AVENUE TO THE WEST LINE OF CARPENTER STREET; THENCE  
70 NORTHWARD ALONG THE WEST LINE OF SAID NORTH CARPENTER STREET TO THE SOUTH LINE  
71 OF 7 FEET WIDE STRIP OF LAND VACATED PER DOCUMENT NO. 21958575 AND RECORDED ON  
72 JUNE 29, 1972; THENCE EASTWARD ALONG SAID VACATED LINE, 7 FEET; THENCE NORTHWARD  
73 ALONG THE EAST LINE OF SAID VACATED LINE TO THE SOUTH LINE (AS WIDENED) OF WEST  
74 CHICAGO AVENUE, SAID SOUTH LINE OF WEST CHICAGO AVENUE BEING 40 FEET SOUTH OF THE  
75 NORTH LINE OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 8 AFORESAID, THENCE  
76 WESTWARD ALONG THE SOUTH LINE OF SAID WEST CHICAGO AVENUE TO THE WEST LINE  
77 (EXTENDED SOUTH) OF 66 FEET WIDE NORTH CARPENTER STREET AFORESAID; THENCE  
78 NORTHWARD ALONG THE WEST LINE (EXTENDED SOUTH) OF SAID NORTH CARPENTER STREET TO  
79 THE NORTH LINE OF SAID WEST CHICAGO AVENUE; THENCE EASTWARD ALONG NORTH LINE OF  
80 SAID WEST CHICAGO AVENUE TO THE EAST LINE OF NORTH SANGAMON STREET; THENCE  
81 NORTHWARD ALONG THE EAST LINE OF SAID NORTH SANGAMON STREET TO THE  
82 SOUTHWESTERLY RIGHT OF WAY LINE OF C. & N. W. RAILROAD COMPANY; THENCE  
83 SOUTHEASTERLY ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE OF C. & N. W. RAILROAD  
84 COMPANY TO THE WEST LINE OF NORTH LESSING STREET; THENCE SOUTHWARD ALONG SAID  
85 WEST LINE OF NORTH LESSING STREET TO THE NORTH LINE OF WEST CHICAGO AVENUE; THENCE  
86 EASTWARD ACROSS SAID WEST CHICAGO AVENUE TO THE SOUTHWEST CORNER OF LOT 10 IN J.A.  
87 YALE'S RESUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 25, 1873 AS  
88 DOCUMENT 94836; THENCE EASTWARD ALONG SOUTH LINE OF LOTS 7, 8, 9 AND 10, SAID LINE  
89 ALSO BEING THE NORTH LINE OF WEST CHICAGO AVENUE, TO THE SOUTHEAST CORNER OF SAID  
90 LOT 7 IN SAID J.A. YALE'S RESUBDIVISION; THENCE NORTH ALONG EAST LINE OF SAID LOT 7 TO  
91 THE NORTHEAST CORNER OF SAID LOT 7, SAID CORNER ALSO BEING ON THE SOUTH LINE OF 16  
92 FEET WIDE PUBLIC ALLEY; THENCE WESTWARD ALONG SOUTH LINE (EXTENDED WEST) OF SAID 16  
93 FEET WIDE PUBLIC ALLEY TO THE WEST LINE OF NORTH LESSING STREET; THENCE NORTHWARD  
94 ALONG THE WEST LINE OF SAID NORTH LESSING STREET TO THE SOUTHWESTERLY RIGHT OF WAY  
95 LINE OF C. & N. W. RAILROAD COMPANY (NORTH OF WEST FRY STREET); THENCE SOUTHEASTERLY

96 ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE OF C. & N. W. RAILROAD COMPANY TO THE  
97 NORTH LINE OF WEST CHICAGO AVENUE AFORESAID; THENCE EASTWARD ALONG THE NORTH  
98 LINE OF SAID WEST CHICAGO AVENUE, CROSSING NORTH HALSTED STREET TO THE EAST LINE OF  
99 NORTH HALSTED STREET; THENCE SOUTHWARD ALONG THE EAST LINE OF NORTH HALSTED  
100 STREET TO THE SOUTHWESTERLY LINE OF C. & N. W. RAILROAD COMPANY; THENCE  
101 SOUTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF C. & N. W. RAILROAD COMPANY TO THE  
102 EAST LINE OF NORTH DES PLAINES STREET; THENCE SOUTHWARD ALONG EAST LINE OF SAID  
103 NORTH DES PLAINES STREET TO THE NORTH LINE OF WEST GRAND AVENUE; THENCE EASTWARD  
104 ALONG THE NORTH LINE OF SAID WEST GRAND AVENUE TO THE SOUTHWEST CORNER OF LOT  
105 15 IN WABANSIA IN SECTION 9 (ANTE FIRE); THENCE SOUTHWARD ACROSS SAID WEST GRAND  
106 AVENUE TO A POINT OF INTERSECTION OF SOUTH LINE OF SAID WEST GRAND AVENUE WITH EAST  
107 LINE OF NORTH JEFFERSON STREET; THENCE SOUTH ALONG SAID EAST LINE OF NORTH JEFFERSON  
108 STREET, 88.89 FEET; THENCE SOUTHEASTERLY ALONG SOUTHWESTERLY LINE OF PROPERTY  
109 HAVING PERMANENT INDEX NO. 17-09-112-018 TO A JOG IN SAID SOUTHWESTERLY LINE; THENCE  
110 NORTHEASTERLY ALONG SAID JOG LINE, 11.38 FEET; THENCE SOUTHEASTERLY ALONG  
111 SOUTHWESTERLY LINE OF SAID PROPERTY TO THE NORTH LINE OF WEST KINZIE STREET; THENCE  
112 EASTWARD ALONG NORTH LINE OF SAID WEST KINZIE STREET TO THE SOUTHWESTERLY LINE OF  
113 THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHWARD TO THE POINT OF  
114 BEGINNING, ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

**APPENDIX C:**

**1999 EQUALIZED ASSESSED VALUE BY TAX PARCEL**

## 1999 EQUALIZED ASSESSED VALUE BY TAX PARCEL

PIN	1999 EAV
17-05-423-006	207,629
17-05-423-009	75,437
17-05-424-001	75,522
17-05-424-002	243,054
17-05-424-003	96,594
17-05-424-004	24,123
17-05-424-005	22,822
17-05-424-006	0
17-05-424-007	114,778
17-05-424-008	1,386
17-05-424-011	162,846
17-05-424-012	32,641
17-05-424-013	14,757
17-05-425-007	44,886
17-05-425-008	40,331
17-05-425-009	5,658
17-05-425-010	17,399
17-05-425-019	61,927
17-08-207-002	32,675
17-08-207-006	87,398
17-08-207-011	48,766
17-08-207-012	104,011
17-08-207-013	21,405
17-08-207-014	181,892
17-08-207-015	24,373
17-08-207-016	48,032
17-08-207-017	49,682
17-08-207-018	51,545
17-08-207-019	40,779
17-08-207-020	79,062
17-08-207-021	10,111
17-08-207-022	197,918
17-08-207-023	21,047
17-08-208-011	42,051
17-08-208-012	42,687
17-08-208-013	16,264
17-08-208-014	17,061
17-08-208-015	237,344
17-08-208-016	88,172
17-08-208-017	12,522
17-08-208-018	12,828
17-08-208-019	12,828
17-08-208-020	13,087
17-08-208-021	420,645

17-08-209-003	9,398
17-08-209-004	18,105
17-08-209-005	552,586
17-08-209-006	110,288
17-08-209-010	0
17-08-209-011	79,197
17-08-209-012	64,569
17-08-209-013	64,569
17-08-209-014	476,728
17-08-209-015	151,720
17-08-209-016	704,179
17-08-209-017	0
17-08-210-001	305,721
17-08-210-004	249,769
17-08-210-006	1,817,328
17-08-210-008	656,219
17-08-210-009	65,364
17-08-212-003	121,174
17-08-212-004	169,026
17-08-212-005	312,768
17-08-213-001	89,604
17-08-213-002	31,575
17-08-213-004	355,435
17-08-213-005	64,821
17-08-213-006	0
17-08-214-001	17,993
17-08-214-002	17,993
17-08-214-003	17,993
17-08-214-004	27,737
17-08-214-005	17,993
17-08-214-006	14,396
17-08-214-007	303,559
17-08-214-008	16,759
17-08-223-004	191,371
17-08-223-007	202,135
17-08-223-009	167,500
17-08-223-010	0
17-08-223-011	0
17-08-223-012	52,437
17-08-223-013	30,746
17-08-223-015	0
17-08-227-004	6,326
17-08-227-005	0
17-08-227-006	12,470
17-08-501-001	0

PIN	1999 EAV
17-09-100-011	1,022,600
17-09-100-013	0
17-09-100-015	1,775,753
17-09-100-020	15,553
17-09-101-002	0
17-09-101-003	0
17-09-101-004	0
17-09-101-005	0
17-09-101-006	304,652
17-09-101-007	304,652
17-09-101-008	913,962
17-09-101-009	0
17-09-101-010	0
17-09-101-011	0
17-09-101-012	0
17-09-101-013	45,885
17-09-101-014	0
17-09-102-004	0
17-09-102-005	28,602
17-09-102-009	110,686
17-09-102-010	137,294
17-09-102-016	0
17-09-102-017	8,228
17-09-102-018	963
17-09-102-022	15,672
17-09-102-023	14,158
17-09-102-024	33,258
17-09-102-025	14,378
17-09-102-026	10,811
17-09-102-027	196,766
17-09-102-028	6,169
17-09-102-029	24,526
17-09-102-030	49,959
17-09-102-031	0
17-09-102-032	1,575
17-09-102-033	0
17-09-102-039	13,312
17-09-102-040	13,165
17-09-102-041	14,797
17-09-102-042-1001	23,218
17-09-102-042-1002	16,539
17-09-102-042-1003	17,270
17-09-102-042-1004	21,762
17-09-102-042-1005	19,005
17-09-102-042-1006	17,853
17-09-102-042-1007	15,094

17-09-102-042-1008	14,511
17-09-102-042-1009	24,080
17-09-102-042-1010	17,122
17-09-102-042-1011	24,717
17-09-102-042-1012	30,735
17-09-102-042-1013	16,831
17-09-102-042-1014	17,561
17-09-102-042-1015	17,705
17-09-102-042-1016	22,201
17-09-102-042-1017	17,414
17-09-102-042-1018	16,539
17-09-102-042-1019	19,298
17-09-102-042-1020	18,144
17-09-102-042-1021	15,243
17-09-102-042-1022	14,511
17-09-102-042-1023	19,442
17-09-102-042-1024	22,201
17-09-102-042-1025	21,909
17-09-102-042-1026	21,909
17-09-102-042-1027	16,249
17-09-102-042-1028	22,201
17-09-102-042-1029	31,930
17-09-102-042-1030	17,853
17-09-102-042-1031	17,853
17-09-102-042-1032	18,420
17-09-102-042-1033	22,784
17-09-102-042-1034	17,853
17-09-102-042-1035	17,270
17-09-102-042-1036	19,588
17-09-102-042-1037	19,494
17-09-102-042-1038	15,243
17-09-102-042-1039	14,804
17-09-102-042-1040	19,735
17-09-102-042-1041	22,201
17-09-102-042-1042	22,201
17-09-102-042-1043	22,201
17-09-102-042-1044	16,539
17-09-102-042-1045	22,928
17-09-102-042-1046	19,881
17-09-102-042-1047	18,276
17-09-102-042-1048	15,387
17-09-102-042-1049	14,658
17-09-102-042-1050	19,881
17-09-102-042-1051	22,784
17-09-102-042-1052	23,657
17-09-102-042-1053	22,636

PIN	1999 EAV
17-09-102-042-1054	17,122
17-09-102-042-1055	23,367
17-09-102-042-1056	21,326
17-09-102-042-1057	19,588
17-09-102-042-1058	15,517
17-09-102-042-1059	14,950
17-09-102-042-1060	20,171
17-09-102-042-1061	23,657
17-09-102-042-1062	24,519
17-09-102-042-1063	23,074
17-09-102-042-1064	17,414
17-09-102-042-1065	24,519
17-09-102-042-1066	1,733
17-09-102-042-1067	1,733
17-09-102-042-1068	1,733
17-09-102-042-1069	1,733
17-09-102-042-1070	1,733
17-09-102-042-1071	1,733
17-09-102-042-1072	1,733
17-09-102-042-1073	1,733
17-09-102-042-1074	1,733
17-09-102-042-1075	1,733
17-09-102-042-1076	1,733
17-09-102-042-1077	1,733
17-09-102-042-1078	1,733
17-09-102-042-1079	1,733
17-09-102-042-1080	1,733
17-09-102-042-1081	1,733
17-09-102-042-1082	1,733
17-09-102-042-1083	1,733
17-09-102-042-1084	1,017
17-09-102-042-1085	1,017
17-09-102-042-1086	1,017
17-09-102-042-1087	1,017
17-09-102-042-1088	1,017
17-09-102-042-1089	1,017
17-09-102-042-1090	1,017
17-09-102-042-1091	1,017
17-09-102-042-1092	1,017
17-09-102-042-1093	1,017
17-09-102-042-1094	1,017
17-09-102-042-1095	1,017
17-09-102-042-1096	1,017
17-09-102-042-1097	1,017
17-09-103-001	106,030
17-09-103-002	123,800

17-09-103-003	61,211
17-09-103-004	61,211
17-09-103-005	62,820
17-09-103-006	51,352
17-09-103-007	77,572
17-09-103-008	0
17-09-103-009	0
17-09-103-011	18,789
17-09-103-012	109,797
17-09-103-018	0
17-09-103-025	26,668
17-09-103-031	0
17-09-103-033	6,621
17-09-103-034	0
17-09-103-035	0
17-09-103-036	0
17-09-103-037	5,773
17-09-104-001	148,758
17-09-104-002	288,627
17-09-104-003	43,516
17-09-104-004	31,226
17-09-104-005	16,973
17-09-104-006	27,544
17-09-104-007	4,033
17-09-104-008	38,306
17-09-104-009	8,705
17-09-104-010	9,673
17-09-104-011	10,062
17-09-104-012	57,836
17-09-104-013	57,869
17-09-104-020	38,945
17-09-104-021	24,688
17-09-104-024	301,992
17-09-105-001	28,629
17-09-105-002	21,211
17-09-105-003	23,905
17-09-105-004	26,785
17-09-105-005	29,581
17-09-105-006	19,298
17-09-105-007	31,759
17-09-105-008	25,350
17-09-105-009	25,692
17-09-105-013	42,323
17-09-105-014	51,960
17-09-105-015	107,578
17-09-105-016	10,307

PIN	1999 EAV
17-09-105-017	10,307
17-09-105-028	146,463
17-09-105-029	24,211
17-09-105-030	37,642
17-09-105-031	73,861
17-09-105-032	71,564
17-09-106-004	19,854
17-09-106-005	114,895
17-09-106-006	74,260
17-09-106-007	99,463
17-09-106-008	20,833
17-09-106-009	275,191
17-09-106-011	5,822
17-09-106-012	37,244
17-09-106-013	26,011
17-09-106-014	58,313
17-09-106-017	0
17-09-106-020	246,468
17-09-106-021	0
17-09-106-022	81,353
17-09-106-023	21,850
17-09-106-025	138,415
17-09-106-026	0
17-09-106-027	11,298
17-09-107-001	526,588
17-09-107-004	22,870
17-09-107-005	22,870
17-09-107-006	45,636
17-09-107-007	20,795
17-09-107-008	21,308
17-09-107-009	35,628
17-09-107-010	4,654
17-09-107-011	0
17-09-107-012	0
17-09-107-013	5,097
17-09-107-020	0
17-09-108-003	1,411,318
17-09-108-004-6001	0
17-09-108-004-6002	0
17-09-109-001	0
17-09-109-002	32,171
17-09-109-003	0
17-09-109-004	16,487
17-09-109-005	13,832
17-09-109-006	31,370
17-09-109-007	5,273

17-09-109-008	25,955
17-09-109-009	126,163
17-09-110-002	591,848
17-09-110-003	0
17-09-111-008	286,048
17-09-111-009	298,860
17-09-111-012	0
17-09-111-014	0
17-09-111-015	85,821
17-09-111-016	1,141,321
17-09-112-014	219,187
17-09-112-015	66,169
17-09-112-019	0
17-09-112-020	14,354
17-09-300-007	770,355
17-09-300-008	0
17-09-300-009	422,183
17-09-301-002	0
17-09-301-006	295,209
17-09-302-002	0
17-09-302-006	402,405
17-09-303-002	633,153
17-09-303-009	313,441
17-09-303-020	569,383
17-09-303-021	0
17-09-305-004	0
17-09-305-005	0
17-09-305-010	677,166
17-09-305-013	37,869
17-09-305-014	261,936
17-09-305-018	0
17-09-305-021	753,949
17-09-305-022	61,380
17-09-305-024	35,236
17-09-305-026	28,221
17-09-305-028-6001	0
17-09-305-028-6002	0
17-09-305-031	0
17-09-305-032	0
17-09-305-033-6001	0
17-09-305-033-6002	0
17-09-305-034	0
17-09-305-035	63,394
17-09-305-037	18,580
17-09-305-039	2,784
17-09-305-040	50,611

PIN	1999 EAV
17-09-305-041	0
17-09-305-042	102,164
17-09-305-043	41,938
17-09-305-044	0
17-09-316-001	237,236
17-09-317-001	316,270
17-09-317-003	303,435
17-09-317-004	105,287
17-09-317-005	27,393
17-09-317-006	226,187
17-09-317-007	372,446
17-09-323-004	174,911
17-09-323-005	323,953
17-09-323-006	1,664,146
17-09-323-007	492,225
17-09-323-008	4,852,710
17-09-324-003	0
17-09-324-004	0
17-09-324-005	0
17-09-324-007	0
17-09-333-003	0
17-09-333-004	0
17-09-333-005	0
17-09-333-006	0
17-09-333-007	0
17-09-333-008	0
17-09-333-009	0
17-09-333-010-8001	0
17-09-333-010-8002	2
17-09-341-001	263,104
17-09-341-002	87,700
17-09-341-003	88,042
17-09-341-004	238,690
17-09-341-005	264,841
17-09-341-006	88,278
17-09-341-007	176,561
17-09-341-008	252,232
17-09-341-009	315,291
17-09-341-010	317,438
17-09-341-011	134,841
17-09-341-012	107,871
17-09-341-013	161,809
17-09-341-014	729,824
17-09-341-015	353,124
17-09-341-016	814,181
17-09-341-017	120,735

17-09-341-018	83,282
17-09-341-022	77,730
17-09-341-023	111,240
17-09-341-024	297,759
17-09-342-003	0
17-09-342-004	1,680,329
17-09-342-005	2,977,641
17-09-305-030	17,669
<b>Total</b>	<b>50,458,368</b>

## **River West Redevelopment Project Area 2001 Annual Report**

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### **(2) AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)**

During 2001, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**River West Redevelopment Project Area  
2001 Annual Report**

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**(3) MAYOR'S CERTIFICATION - 65 ILCS 5/11-74.4-5(d)(3)**

Please see attached.

STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK     )

CERTIFICATION

TO:

Daniel W. Hynes  
Comptroller of the State of Illinois  
James R. Thompson Center  
100 West Randolph Street, Suite 15-500  
Chicago, Illinois 60601  
Attention: Carol Reckamp, Director of Local  
Government

Dolores Javier, Treasurer  
City Colleges of Chicago  
226 West Jackson Boulevard, Rm. 1149  
Chicago, Illinois 60606

Gwendolyn Clemons, Director  
Cook County Department of Planning &  
Development  
69 West Washington Street, Room 2900  
Chicago, Illinois 60602  
Attn: Kay Kosmal

Dean L. Viverito, Comptroller  
Forest Preserve District of Cook County  
536 North Harlem Avenue  
River Forest, Illinois 60305  
Attn: Barbara McKinzie

Michael Koldyke, Chairman  
Chicago School Finance Authority  
135 S. LaSalle Street, Suite 3800  
Chicago, Illinois 60603

David Doig, General Superintendent & CEO  
Chicago Park District  
541 N. Fairbanks Court, 7th Floor  
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer  
Chicago Board of Education  
125 South Clark Street, 5th Floor  
Chicago, Illinois 60603  
Attn: Linda Wrightsell

Mary West, Director of Finance  
Metropolitan Water Reclamation District of  
Greater Chicago  
100 East Erie Street, Room 2429  
Chicago, Illinois 60611

Lawrence Gulotta, Treasurer  
South Cook County Mosquito Abatement  
District  
155th & Dixie Highway  
P.O. Box 1030  
Harvey, Illinois 60426  
Attn: Dr. K. Lime, Manager

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq., (the "Act") with regard to the River West Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

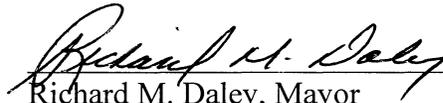
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2001, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 28th day of June, 2002.

  
Richard M. Daley, Mayor  
City of Chicago, Illinois

**River West Redevelopment Project Area  
2001 Annual Report**

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**(4) OPINION OF LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)**

Please see attached.



City of Chicago  
Richard M. Daley, Mayor

Department of Law

Mara S. Georges  
Corporation Counsel

City Hall, Room 600  
121 North LaSalle Street  
Chicago, Illinois 60602  
(312) 744-6900  
(312) 744-8538 (FAX)  
(312) 744-2963 (TTY)

<http://www.ci.chi.il.us>

June 28, 2002

Daniel W. Hynes  
Comptroller of the State of Illinois  
James R. Thompson Center  
100 West Randolph Street, Suite 15-500  
Chicago, Illinois 60601  
Attention: Carol Reckamp, Director of Local  
Government

Dolores Javier, Treasurer  
City Colleges of Chicago  
226 West Jackson Boulevard, Rm. 1149  
Chicago, Illinois 60606

Gwendolyn Clemons, Director  
Cook County Department of Planning &  
Development  
69 West Washington Street, Room 2900  
Chicago, Illinois 60602  
Attn: Kay Kosmal

Dean L. Viverito, Comptroller  
Forest Preserve District of Cook County  
536 North Harlem Avenue  
River Forest, Illinois 60305  
Attn: Barbara McKinzie

Michael Koldyke, Chairman  
Chicago School Finance Authority  
135 S. LaSalle Street, Suite 3800  
Chicago, Illinois 60603

David Doig, General Superintendent &  
CEO  
Chicago Park District  
541 N. Fairbanks Court, 7th Floor  
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer  
Chicago Board of Education  
125 South Clark Street, 5th Floor  
Chicago, Illinois 60603  
Attn: Linda Wrightsell

Mary West, Director of Finance  
Metropolitan Water Reclamation District  
of Greater Chicago  
100 East Erie Street, Room 2429  
Chicago, Illinois 60611

Lawrence Gulotta, Treasurer  
South Cook County Mosquito Abatement  
District  
155th & Dixie Highway  
P.O. Box 1030  
Harvey, Illinois 60426  
Attn: Dr. K. Lime, Manager

Re: River West Redevelopment Project Area (the "Redevelopment  
Project Area")

Dear Addressees:

I am Corporation Counsel of the City of Chicago, Illinois (the "City"). In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.



June 28, 2002

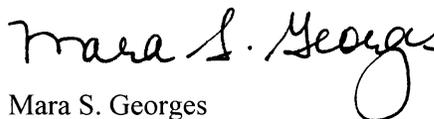
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Housing, Department of Finance and Office of Budget and Management, have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such Department(s) and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed, subject to the limitations hereinafter set forth, unless and except to the extent set forth in an Exception Schedule attached hereto as Schedule 1.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,



Mara S. Georges  
Corporation Counsel

**SCHEDULE 1**

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**River West Redevelopment Project Area  
2001 Annual Report**

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**(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)**

During 2001, there was no financial activity in the Special Tax Allocation Fund.

**River West Redevelopment Project Area  
2001 Annual Report**

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**(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)**

During 2001, the City did not purchase any property in the Project Area.

## **River West Redevelopment Project Area 2001 Annual Report**

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### **(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)**

- (A)** Projects implemented in the preceding fiscal year.
- (B)** A description of the redevelopment activities undertaken.
- (C)** Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/00 to 12/31/01, and of such investments expected to be undertaken in Year 2002; also, a project-by-project ratio of private investment to public investment from 11/1/00 to 12/31/01, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

## **River West Redevelopment Project Area 2001 Annual Report**

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### **(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)**

During 2001, no projects were implemented.

### **(7)(B) - 65 ILCS 5/11-74.4-5(d)(7)(B)**

Redevelopment activities undertaken within this Project Area during the year 2001, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

### **(7)(C) - 65 ILCS 5/11-74.4-5(d)(7)(C)**

During 2001, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

## **River West Redevelopment Project Area 2001 Annual Report**

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**(7)(D) - 65 ILCS 5/11-74.4-5(d)(7)(D)**

The Project Area has not yet received any increment.

**(7)(E) - 65 ILCS 5/11-74.4-5(d)(7)(E)**

During 2001, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

**River West Redevelopment Project Area  
2001 Annual Report**

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**(7)(F) - 65 ILCS 5/11-74.4-5(d)(7)(F)**

Joint Review Board Reports were submitted to the City. See attached.

**(7)(G) - 65 ILCS 5/11-74.4-5(d)(7)(G)**

TABLE 7(G)  
PROJECT BY PROJECT REVIEW OF PUBLIC AND PRIVATE INVESTMENT  
AND RATIO OF PRIVATE TO PUBLIC INVESTMENT \*

Projects Estimated To Be Undertaken During 2002	Private Investment Undertaken	Public Investment Undertaken	Ratio Of Private/Public Investment
Project 1: LaSalle Street Capital, Inc.	\$315,409,959	\$27,037,699	12:1

\* Each public investment amount reported is the maximum amount that could be made under the provisions of the corresponding Project/Redevelopment Agreement and may not necessarily reflect actual expenditures, if any, as reported under Sections 2 or 5 herein. The total public investment ultimately made under the Project/Redevelopment Agreement will depend upon each future occurrence of various conditions set forth in that agreement.

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CITY OF CHICAGO  
JOINT REVIEW BOARD

Report of proceedings of a hearing  
before the City of Chicago, Joint Review  
Board held on October 13, 2000, at 10:00 a.m.  
City Hall, Room 1003, Conference Room,  
Chicago, Illinois, and presided over by  
Mr. John McCormick, Chairman.

PRESENT:

- MR. JOHN MC CORMICK, Chairman
- MR. DENNIS SIENKO
- MS. MELINDA HOLBY
- MR. L. I. BARRON
- MS. SUSAN MARICK
- MS. PHILAMINA SWOOP

REPORTED BY: Accurate Reporting Service  
200 N. LaSalle Street  
Chicago, Illinois  
By: Jack Artstein, C.S.R.

1           MR. MC CORMICK: For the record, my name  
2 is John McCormick, I'm the Representative of the  
3 City of Chicago, which under Section 11-74.4-5 of  
4 the Tax Increment Allocation Redevelopment Act, as  
5 well, as statutory designated members of the Joint  
6 Review Board. Until the election of a Chairperson,  
7 I will moderate the Joint Review Board meetings.

8           For the record, there will be two  
9 meetings of the Joint Review Board. One to review  
10 the proposed 53rd Street/Jackson Financing District  
11 and one to review the proposed River West Tax  
12 Increment Financing District. The date of this  
13 meeting was announced at and set by the Community  
14 Development Commission of the City of Chicago at  
15 its September 12th and 26th, the year 2000  
16 meetings. Notice of these meetings of the Joint  
17 Review Board was also provided by certified mail to  
18 each of the taxing districts represented on the  
19 board, which includes the Chicago Board of  
20 Education, the Chicago Community Colleges District  
21 508, the Chicago Park District, Cook County and the  
22 City of Chicago and the Public Member.

23           Public notice of these meetings was  
24 also posted as of Wednesday, October 11th, 2000, in

1 various locations throughout City Hall. What the  
2 proposed redevelopment plan would result in the  
3 displacement of residents from ten or more  
4 inhabited residential units or would include 75 or  
5 more inhabited residential units. The TIF Act  
6 requires that the Public Member of the Joint Review  
7 Board must reside in the proposed redevelopment  
8 project area. In addition, the Municipalities  
9 Housing Study determines if the majority of  
10 residential units in the proposed redevelopment  
11 project area are occupied by very low, low or  
12 moderate income households, as defined in Section 3  
13 of the Illinois Affordable Housing Act, the Public  
14 Member must be a person resides in very low, low or  
15 moderate income housing with the proposed  
16 redevelopment project area.

17 Although, the City of Chicago's  
18 proposed redevelopment plans for the 53rd Street  
19 and River West District do not include the housing  
20 impact studies because the plan certified that no  
21 displacement of an inhabited residential unit will  
22 occur. The City has attempted to find a  
23 resolution, each of these areas to fill the  
24 position of Public Member.

1                   With us today is Philamina Swoop.

2                   MS. SWOOP: That's correct.

3                   MR. MC CORMICK: Are you familiar with the  
4 boundaries of the proposed 53rd Street Tax  
5 Increment Financing Redevelopment Project Area?

6                   MS. SWOOP: Yes.

7                   MR. MC CORMICK: What is the address of  
8 your primary residence?

9                   MS. SWOOP: 1421 East 53rd, my only  
10 residence.

11                   MR. MC CORMICK: Okay. Is such residence  
12 within the boundaries?

13                   MS. SWOOP: -- with the rest of the  
14 country.

15                   MR. MC CORMICK: Is such resident address  
16 within the boundaries of the proposed 53rd Street  
17 Tax Increment Financing Redevelopment Area?

18                   MS. SWOOP: Yes, it is.

19                   MR. MC CORMICK: Thank you. Have you  
20 provided representatives of the City of Chicago's  
21 Department of Planning and Development with  
22 accurate information concerning your income and  
23 income of other members of the household residing  
24 in such address?

1 MS. SWOOP: That's right.

2 ALDERMAN PRECKWINKLE: That's right. We  
3 checked the income guidelines.

4 MR. MC CORMICK: That's fine. Based on  
5 the information provided to you by the Department  
6 of Planning and Development regarding applicable  
7 income level of, for low, very low, low, moderate  
8 income household, do you generally qualify as a  
9 member of very low, low or moderate income  
10 household?

11 MS. SWOOP: Oh, yes.

12 MR. MC CORMICK: Thank you. Ms. Swoop,  
13 are you willing to serve as a Public Member for the  
14 Joint Review Board for the 53rd Street Tax  
15 Increment Financing Redevelopment Area?

16 MS. SWOOP: Yes, I do.

17 MR. MC CORMICK: Thank you. I will  
18 entertain a motion that Philamina Swoop be selected  
19 as the Public Member. Is there a motion?

20 MS. MARICK: So moved.

21 MR. MC CORMICK: Is there a second?

22 MR. SIENKO: Second.

23 MR. MC CORMICK: All in favor, please vote  
24 by saying, aye.

1 (Board in chorus aye.)

2 MR. MC CORMICK: All opposed, please vote  
3 by saying, no.

4 Let the record reflect that Philamina  
5 Swoop has been selected as the Public Member for  
6 the 53rd Street Tax Increment Financing  
7 Redevelopment Project Area.

8 Our next order of business is to  
9 select a Chairperson for the Joint Review Board.  
10 Are there any nominations?

11 MS. BARRON: I'd like to nominate John  
12 McCormick.

13 MR. MC CORMICK: Is there a second for  
14 this nomination?

15 PARTICIPANT: Second.

16 MR. MC CORMICK: Let the record reflect  
17 that there are no other nominations. All in favor  
18 of the nomination, please vote by saying aye.

19 (Board in chorus aye.)

20 MR. MC CORMICK: All opposed vote, please  
21 vote by saying nay.

22 Let the record reflect that John  
23 McCormick has been elected Chairperson and will now  
24 serve as Chairperson for the remainder of the

1 meeting.

2 As I mention at this meeting there  
3 will be, we will be reviewing a plan for the 53rd  
4 Street TIF District proposed by the City of  
5 Chicago. Staff of the City's Department of  
6 Planning and Development and Law and other  
7 departments have reviewed this plan, which was  
8 introduced at the City's Community Development  
9 Commission on September 12th, 2000. We will listen  
10 to a presentation by the consultant on the plan.  
11 Following the presentation, we can address any  
12 questions that the members might have for the  
13 consultant or City staff.

14 The recent amendment to the TIF Act  
15 requires us to base our recommendations to approve  
16 or disapprove the 53rd Street plan and the  
17 designation of the 53rd Street TIF Area on the  
18 basis of the area and the plan satisfying the plan  
19 requirements, the eligibility criteria defined in  
20 the TIF Act and objectors of the TIF Act.

21 If the Board approves the plan and the  
22 designation of the area, the Board will issue an  
23 advisory non-binding recommendation by the vote of  
24 the majority of those members present and voting.

1 Such recommendation shall be submitted to the City  
2 within 30 days after the Board meeting. Failure to  
3 submit such recommendation shall be deemed approval  
4 by the Board.

5 If the Board disapproves the plan and  
6 the designation of the area, the Board must issue a  
7 written report describing why the plan and area  
8 failed to meet one or more of the objectors of the  
9 TIF Act. Both the plan requirements and the  
10 eligibility criteria of the TIF Act. The City will  
11 then have 30 days to resubmit a revised plan. The  
12 Board and the City must also confer during this  
13 time to try to resolve issues that led to the  
14 Board's disapproval.

15 If such issues cannot be resolved or  
16 if the revised plan is disapproved, the City may  
17 proceed with the plan but the plan can be approved  
18 only by three-fifths vote of the City Council,  
19 excluding positions of members who are vacant or  
20 those members that are ineligible to vote because  
21 of conflicts of interest.

22 Okay, I'd like to start the  
23 presentations of the consultant, is S. B. Friedman  
24 & Associates.

1                   MR. FRIEDMAN: Thank you, John. For the  
2 record, I'm Steve Friedman. I'm the President of  
3 S. B. Friedman & Company and we are the consultant  
4 who prepared the plan and project and eligibility  
5 study for the proposed 53rd Street Tax Increment  
6 Financing District.

7                   The proposed 53rd Street Tax Increment  
8 Finance District is shown on this map as extending  
9 along Lake Park on the Metro tracks from the,  
10 exactly what's -- East 49th Street as extended,  
11 East 49th Street as extended and down the tracks,  
12 along the tracks, under the viaduct at 53rd Street  
13 and then down to 54th Street back around, following  
14 along 53rd Street, along the District, picking up  
15 the public parks along the edges and along back up  
16 picking up and including the Kenwood Academy.

17                   The District is primarily oriented  
18 along the commercial frontages but incorporates  
19 the, some of the public, adjoining public  
20 facilities, which immediately abut the District.

21                   The basic purpose of or the genesis of  
22 this district is, in fact, as part of implementing  
23 a vision for the Hyde Park Retail District. A plan  
24 that was completed in March of 2000 under the

1 egress of the Planning Department worked closely  
2 with the neighborhood and then the Mayor's Office  
3 and the community groups through what is called  
4 the, Planning Out Program. And this, the plan  
5 identified a number of retail areas within Hyde  
6 Park, including 53rd Street as the principal one  
7 and numerated a number of deficiencies and  
8 potentials as part of the Retail District.

9 It was determined that the best tool  
10 available to achieve the vision, one of the tools  
11 necessary was to create a Tax Increment Financing  
12 District. Some of the goals of the plan, just to  
13 provide a context for the work of the Tax Increment  
14 Financing proposal, district, were to try to create  
15 a vibrant mixed use center for the Hyde Park Retail  
16 District which would be 53rd Street as the main  
17 piece of that, to improve all the streetscape on  
18 all the retail streets, strengthen access to the  
19 retail district and to improve the viaducts, to  
20 develop a long term parking strategy and to  
21 establish design guidelines for buildings and  
22 signs. And one of the important observations of  
23 the study and plan that went to the observation is  
24 a substantial purchasing power in the retail

1 districts in the Hyde Park market, which is not  
2 being captured within Hyde Park. Much leaving the  
3 area going to other neighborhoods, some of it, we  
4 know from other studies, the shopping patterns,  
5 that people leave this part of the City and  
6 actually head south out of the City resulting in  
7 the loss of sales tax revenue, as well as the loss  
8 of property values in the City.

9 So these were some of the facts and  
10 factors that led to the desire to explore the  
11 creation of and the eligibility for having a Tax  
12 Increment Financing District that would include  
13 53rd Street as the key retail district within Hyde  
14 Park.

15 With that as background, I'm going to  
16 ask Rob Lindquist, who served as our Project  
17 Manager for this, this project and did the  
18 eligibility study to go through the eligibility  
19 factors and then he will hand the presentation back  
20 to me and I will go through the plan objectives and  
21 strategies and the land use and the budget for your  
22 consideration.

23 MR. LINDQUIST: As Steve said, there was  
24 some concern that 53rd Street was beginning to fall

1           into decline. There was an amount of disinvestment  
2           there and so our initial study area was focused  
3           along 53rd Street. Although, we studied all the  
4           boundaries of 53rd Street to determine what the  
5           optimal boundary would be for including property  
6           within this plan.

7                         There's two considerations. One, one  
8           has to be eligible and the other is, do we expect  
9           it to substantially benefit from inclusion in the  
10          plan. And that's how we arrived at the boundaries.  
11          So that we stopped here because it becomes much  
12          more residential and really the buildings are in  
13          better shape and don't qualify. We stopped at the  
14          west end, as well as, this wasn't included for  
15          instance because it's so residential/condo and it's  
16          purely residential along here, even though there's  
17          a school just west of here, which we might have  
18          liked to include and some people in the community  
19          wanted to include. But there was no way to include  
20          it and stay within the eligibility requirements of  
21          the law.

22                         We decided to designate this area as a  
23          conservation area which has an initial pre-  
24          requisite of 50 percent or more of the buildings

1       having been 35 years of age or older. That  
2       criteria was easily met, as 75 percent of the  
3       buildings are 35 years of age or older. And then  
4       we had to find at least three other eligibility  
5       factors which are present and meaningful extent and  
6       reasonably distributed.

7                   We found four factors that were  
8       sufficient to qualify the area and three other  
9       factors which, well, probably not quite strong  
10      enough to qualify the area due half way to the case  
11      that, the area qualifies under the eligibilities  
12      part of the law. The factors which we found  
13      present to a meaningful extent and reasonably  
14      distributed were lack of growth in EAV. The EAV is  
15      a metra property value and the law requires that  
16      the area grow at a rate less than the balance of  
17      the municipality, in this case, the City of Chicago  
18      for, in less than three of the last five years.

19                   In this case, it lags the City of  
20      Chicago for the last five years. It was also found  
21      to lag Hyde Park Township, which was the general  
22      area surrounding it, which lagged also the City of  
23      Chicago.

24                   The second factor is structures below

1 and minimum code. In order to evaluate this  
2 factor, we relied on data provided by the City of  
3 Chicago's Department of Buildings and looked at  
4 code violations or citations issued over the last  
5 five years for the properties in the area.

6 In fact, the majority of the buildings  
7 had been cited for code violations for the last  
8 five years and in fact, 71 percent of the blocks.  
9 So over half the buildings and three-quarters of  
10 the blocks are effected by code violations. That  
11 doesn't mean that or that backgrounds owned  
12 wouldn't be sufficient to qualify an area just  
13 because they had some citations. But it's an  
14 indicator that there's problems. It often reflects  
15 the level of deterioration that we can see from the  
16 field survey and so it shows that interior  
17 conditions, there might be some level of  
18 deterioration there too, as reflected by the code  
19 violations.

20 The third factor is excessive land  
21 coverage and for the percentage in terms of total  
22 buildings is not that high, 18 out of 63 or 29  
23 percent of the buildings. This factor manifests  
24 itself on an areawide level. Much of 53rd Street

1 or the frontage of 53rd Street does not have alleys  
2 in back like much of Chicago does. And this  
3 results in lack of off-street parking, inadequate  
4 provision for loading and service, garbage has to  
5 be picked up on the side streets here, loading is  
6 done either on 53rd Street or sidestreets and that  
7 leads to traffic congestion some, some extent  
8 threatens safety of pedestrians and generally makes  
9 it hard for the area to continue to grow and  
10 develop.

11 Let's see, the next factor is  
12 inadequate utilities, 92 percent of the blocks were  
13 serviced to some extent by water mains that were  
14 either or already antiquated or, or considered  
15 obsolete and that their capacity is below  
16 contemporary standards or the standards which 53rd  
17 Street now requires. Most of the water mains, in  
18 fact, are over 100 years old and so they're both  
19 obsolete and deteriorating and will need to be  
20 replaced.

21 There's three supporting factors all  
22 of which are relatively strong advocates, the first  
23 is deterioration, 27 percent of the buildings were  
24 found, evidence of deterioration. We didn't -- and

1 deterioration as a factor effected half of the  
2 blocks in the area. Although, in effecting a  
3 block, we also looked at surface improvements,  
4 condition of alleys and parking lots, et cetera and  
5 that's why there's this disparity between 27  
6 percent of the buildings and 50 percent of the  
7 blocks effected.

8 We did not call it a major factor  
9 probably because of the distribution of the factor,  
10 it wasn't necessarily as well distributed as the  
11 factors and having the same kind of impact on the  
12 area and because a lot had to do with surface  
13 improvements while that deterioration might be more  
14 easily remediated and so it's not necessarily a  
15 major factor but it certainly adds its weight to  
16 the case.

17 Deleterious land use and lay out was  
18 found for only six buildings but effect seven or 29  
19 percent of the blocks and mostly in this core area  
20 here, which is the intersection of 53rd Street and  
21 Hyde Park. And it refers to the adverse effects of  
22 incaptible land use relationship. For example,  
23 this block here where Harper Court is, you have  
24 commercial frontage here and then Harper Court laid

1 out here and this is public, a combination of  
2 public alleys and right-of-ways and then a City  
3 parking lot. So there's people walking through  
4 alleys, which are also being used as right-of-ways,  
5 which is also being used for loading and service.  
6 That's the best example of deleterious land use.

7           Obsolescence is not as widespread, it  
8 was more of isolated incidences of particular  
9 buildings that were falling into disuse and usually  
10 that's several factors associated with them.

11           Now the overall goal of the  
12 redevelopment plan is, of course, reduce or  
13 limiting the conditions which qualify the area as a  
14 conservation area and so, Steve's going to talk  
15 about how these conditions will be reduced or  
16 eliminated through implementation of the plan.

17           MR. FRIEDMAN: Thank you, Rob. Okay, so  
18 summarize, we're proposing this as a conservation  
19 area. We have age. We have four factors that we  
20 consider to be present at a major extent, lack of  
21 growth, EVA, which is very qualifiable, structures  
22 below minimum codes, excessive land coverage and  
23 lack utilities. And the lack of growth in the EAV  
24 factors defined in the law, as to how you measure

1 it, and so that was pretty, pretty cut and dry.

2 The, the nature of the plan is to  
3 attempt in large measures to implement the goals of  
4 the vision plan or the vision for Hyde Park Retail  
5 District. And hence, the proposal is to provide  
6 for resources to help implement that plan, which  
7 include resources for streetscaping, to provide,  
8 provision for on and off-street parking. And this  
9 goes back to the, to the issue of how do you  
10 resolve the excessive land coverage factor that Rob  
11 described and the idea is that the development of  
12 more, more developed, including potentially  
13 structured parking may be part of relieving both  
14 the parking and loading problem in an area where we  
15 don't have alleys. We're not proposing to tear  
16 down the area and create alleys, although,  
17 certainly in, in any redevelopment that occurs and  
18 there are projects under discussion in this area.  
19 The traffic patterns would be paid careful  
20 attention but rather to use the provision of off-  
21 street parking and the provision of potentially  
22 structured parking to relieve the pressure that is  
23 on the street and to provide, therefore, for more  
24 loading zones and loading opportunities and

1 otherwise to make the area function more  
2 effectively.

3 To facilitate the improvement and  
4 expansion of public facilities, including the  
5 schools and the parks that are adjacent to or in  
6 the district, to foster the replacement of public  
7 infrastructure, as noted, the public infrastructure  
8 is aged and, and would need to be replaced. And,  
9 of course, there have been debates about the proper  
10 role of TIF and the payment of paying for  
11 infrastructure as opposed to the general City  
12 budget. But it is an eligible expense and is one  
13 that a portion of these dollars will be expected to  
14 be looked to for a supplement to monies that are in  
15 the general capital budget for such replacement.

16 The overlapping plans will be  
17 supported include the vision plan but we're also  
18 looking to coordinate this with other available  
19 Federal, State and private resources. Facilitate  
20 the preservation, rehabilitation of anchor retail  
21 and institutional uses, including the historically  
22 and architecturally significant buildings. This is  
23 a conservation oriented plan. This is an area with  
24 a great deal, not right down here but as you go up

1 through this part of the district with a  
2 streetscape, a street wall referred to in the  
3 vision plan that is of great significance to the  
4 City and to the community. It is very attractive  
5 and the plan is intended to help preserve that and  
6 to facilitate the preservation of it.

7 Potential --

8 MS. MARICK: Can you tell me what a street  
9 wall is.

10 MR. FRIEDMAN: Street, okay, sorry. A  
11 clearer term, the street wall is a concept of, it's  
12 like, it's the buildings as they face and address  
13 the street. So when you have buildings that are  
14 lined up along this street in a uniform way, it is  
15 referred to as a street wall. I'm not sure that's  
16 a great -- well, that's not a bad picture. There's  
17 a street wall here on this, this piece of it. So  
18 it is, when the stores come up to the sidewalk,  
19 right to the edge of the sidewalk and there's no  
20 parking between the sidewalk and the front door of  
21 the store, the, that is what's generally referred  
22 to in plannerese as the street wall. The wall of  
23 buildings along the street. And most of the  
24 streets that people find enjoyable to walk down,

1 the streets, the buildings relate to the street,  
2 close to the sidewalk line and are not interrupted  
3 by parking in front, Michigan Avenue, the street  
4 wall is maintained consistently. We could get into  
5 a broader discussion of urban design issues but,  
6 that's what constitutes -- the main theme of  
7 uniformity of that street, of the set backs in  
8 relationship to the buildings along the street.

9 Overall strengthening the economic  
10 situation, creating proper environment for  
11 educational and other facilities, encouraging the  
12 development of mixed use, commercial, retail,  
13 industrial use and institution uses that respect  
14 the historic character of the area. And as I  
15 mentioned is discussed, active plans for the  
16 development in this area is met by one of the major  
17 anchor businesses in the area and that is a key  
18 consideration as to try to make sure this is  
19 environment, aesthetically in character with  
20 historic character.

21 There may be environmental problems  
22 for which we want to be able to use the funds in  
23 the plan to remediate, that relate to some gas  
24 stations in the area. The, so that is included as

1 a goal or as an objective as well. And then  
2 through the implementation of the plan to provide  
3 opportunities for women-owned, minority-owned,  
4 locally-owned businesses to share in the benefits  
5 of the district, to support job training and to  
6 support the cost of day care, as provided for in  
7 the Act. Operations established by businesses  
8 which would serve employees of the businesses who  
9 are eligible and working in the RPA.

10 The City has certified that there will  
11 be no residential displacement as a result of this  
12 plan. So that the City will not, will not use TIF  
13 resources for the redevelopment of buildings or  
14 relocation of buildings where housing units will be  
15 displaced. It is a mixed -- there's some mixed use  
16 buildings within the district. It is hoped that  
17 future buildings that are built in the district are  
18 also, would also be mixed use but in doing so, the  
19 City will not assist anything where existing units  
20 will be displaced.

21 The major strategies again relate to  
22 the objectives implemented in public improvements,  
23 development of underutilized sites, encouraging  
24 private sector activities which again relates at

1 the current time, there's been some concern about  
2 speculative TIF districts. This one is based on a  
3 plan and is also not speculative in a sense, there  
4 is a potential development that is under active  
5 planning and supporting new development and  
6 preparing sites, if necessary. As I mentioned  
7 there's a specific site, there is a potential shift  
8 from gas stations to another use. It could occur  
9 certainly in the 23 years of planning and we want  
10 to have the availability of funds to deal with it.

11 The proposed budget is 20 million  
12 dollars and is primarily focused initially upon  
13 public works improvement. As you know, funds can  
14 be transferred between categories without any  
15 further action by the City Council. But we, we use  
16 the budget to try to reflect what the main intent  
17 is and the main intent here is for public works  
18 improvements and that's where 85 percent of the  
19 budget funds are allocated this quote. As other  
20 projects become, come to the fore, that require TIF  
21 funds it could be individually evaluated to  
22 determine whether that consistencies extend beyond  
23 infrastructure and public improvements.

24 The existing and future land use

1 proposed, existing land use shows the interspersing  
2 of mixed use and commercial uses. This is the  
3 Kimbark Shopping Plaza at this end, this is the  
4 Hyde Park Bank at this end and the, there's  
5 scattered institutional uses.

6 The land use plan, the TIF plan,  
7 simply controls what you could spend TIF money on.  
8 It does not impact the other lines only. So the  
9 true control plan use is still held by the  
10 underlying zoning, however, this allows for how,  
11 how TIF money can be used. And what we've said is,  
12 we've said basically mixed use throughout the whole  
13 area except in this institutional park land, which  
14 is being preserved. With the help, with the  
15 thinking that over the 23 years of the plan, some  
16 of the uses in here and over the years, a number of  
17 kind of strip center type uses have found their way  
18 in here with little parking in front, putting in  
19 Kimbark Plaza and another one in this area. As  
20 those, as conditions change, those may be  
21 redeveloped in a mixed use format, in which there  
22 may be commercial uses on the ground floor and  
23 residential uses above. And so the plan provides  
24 for that kind of approach in development of the

1 area.

2 We look at how well the area meets --

3 MS. MARICK: So, Steve, are you saying  
4 that part of the plan calls for removing some of  
5 that strip?

6 MR. FRIEDMAN: It doesn't call for, but it  
7 allows for it.

8 MS. MARICK: It allows for it.

9 MR. FRIEDMAN: It allows for it. We are  
10 not, not out to get those guys, if you will. But  
11 it allows for and the vision is that this would  
12 become restored as an urban mixed use district,  
13 which is what the primary condition of it is today  
14 with retail on the first floor and residential  
15 above and the parking tended to be accessed in  
16 some, some way from behind, facilitated where we  
17 have alleys, harder where we don't have alleys.  
18 So those things would be worked out over the 23  
19 years.

20 There, there are two findings that we  
21 need to meet that, that there has not been adequate  
22 present investment, growth and development in the  
23 private sector. The prior discussion of lack of  
24 growth in the EAV is one of the evidences that this

1 area is lagging. Other commercial districts in the  
2 City and in the areas with incomes comparable to or  
3 even lower than those available in this market  
4 area, have been growing and have been able to grow  
5 primarily due to easier physical conditions to work  
6 with, partly with the presence of alleys. And they  
7 have been growing in other areas as well is the  
8 fact that this has been lagging not only in the  
9 City but in the township. And the township itself  
10 is lagging in the City, which suggests to us, that  
11 the test is met.

12 The other evidence that we look at is  
13 building permits and there were only two for new  
14 construction. One of which, discussed to the bulk  
15 of 44 percent of the total private investments for  
16 one building is the Hyde Park Bank Building, work  
17 on that building. We have not seen private  
18 investment in this area in any kind of general  
19 ascertained ways, very specific, to a particular  
20 anchor that is doing, making some investment but  
21 has not yet, but has not stimulated broad  
22 investment.

23 MR. SIENKO: And that is the Bank.

24 MR. FRIEDMAN: And that's the Bank. Based

1 on the fact that nothing has been happening other  
2 than the Bank and the shortage of resources that  
3 are necessary, the amount of resources necessary to  
4 implement the objectives of this plan and to  
5 implement the objectives that are even incorporated  
6 in the TIF plan, we have concluded but for the  
7 creation of the TIF, the things that we want to see  
8 happen and more particularly this public objective,  
9 are necessary to help this area function  
10 effectively as a retail district, cannot happen or  
11 not likely happen without the adoption of the TIF  
12 plan --

13 With that, I will turn it back to you  
14 for questions.

15 MR. MC CORMICK: Okay. Based on the  
16 presentations do any members of the Joint Review  
17 Board have any questions?

18 MR. SIENKO: I have one. In terms of the  
19 Budget I see a million five for job training. Can  
20 you tell me a little bit about what you had in mind  
21 there?

22 MR. FRIEDMAN: Rob, do you want --

23 MR. SIENKO: And I guess my question is,  
24 is that outset -- is that on top of public funds,

1           you know, people in that area might qualify under  
2           the -- Investment Act on top of that.

3                     MR. FRIEDMAN:   Rob, do you want to take  
4           that.

5                     MR. LINDQUIST:   Okay.

6                     MR. SIENKO:   Job training question.

7                     MR. LINDQUIST:   There has been some  
8           discussion, meetings of the working group and  
9           community meetings and this is, job training was  
10          some benefit, can be utilized here and it's  
11          something they felt was important part of the  
12          community objectives.  It can, it has to be focused  
13          within the RPA and so to that extent it does help  
14          revitalize the retail in the RPA by providing local  
15          people the opportunity to, to work there.

16                    MR. SIENKO:   So potentially it might be  
17          job training either relating to either some of the  
18          reconstruction activities or some of the group  
19          businesses that might amend something along those  
20          lines.

21                    MR. LINDQUIST:   Yes.

22                    MR. FRIEDMAN:   Now is your question going  
23          to the questions of whether community colleges can  
24          provide some of that job training?

1           MR. SIENKO: Not necessarily, eventually,  
2 of course. I'm just wondering how this relates to  
3 some of the public money that's already --

4           MR. FRIEDMAN: The job training is focused  
5 on the distribution -- you want to comment on this  
6 further?

7           ALDERMAN PRECKWINKLE: Right. I'm Toni  
8 Preckwinkle. I'm the Alderman of the Ward. I think  
9 there was a sense, we wanted to make some  
10 investment in the people who lived both within the  
11 Tax Increment Financing District and in the  
12 community around it. And that one of the ways to  
13 do that was to supplement the public resources that  
14 are available for employment training with some  
15 additional resources that might be needed or  
16 appropriate.

17                       So, and we talked about providing a  
18 program that might help people with, with retail  
19 skills, helping people be better prepared for the  
20 new retail jobs that might emerge or for other  
21 jobs. There are a lot of doctors and dentists  
22 offices, professional offices, that are there, for  
23 which we thought there might be some assistance to  
24 perspective employees, as well.

1 MR. SIENKO: That's correct.

2 MR. MC CORMICK: Any other questions?

3 MS. HOLBY: Actually, I have one. What  
4 are the public use areas that are going to be in  
5 the proposal going to mixed use?

6 MR. FRIEDMAN: There's nothing --

7 ALDERMAN PRECKWINKLE: There's no public  
8 uses going to mixed uses. Sorry, institutional  
9 public use will be increased, the colors --

10 MR. FRIEDMAN: This parking lot, yeah.  
11 It's parking actually and this probably will end up  
12 being part of this proposed new development here.

13 MR. LINDQUIST: And the blue to the north,  
14 there's Kenwood --

15 MR. FRIEDMAN: Yeah, Kenwood Academy.  
16 These are, these are parking lots.

17 MS. HOLBY: Okay.

18 ALDERMAN PRECKWINKLE: One of them, the  
19 one on the north end is city-owned? City-owned at  
20 grade parking lot, the one at the south end is at  
21 grade parking lot for the Bank and for its tenants.

22 MS. HOLBY: Okay.

23 MR. MC CORMICK: Any further questions?

24 ALDERMAN PRECKWINKLE: I'm sorry. You

1 know, I didn't want you think that we're going to  
2 take park land and school land and turn them into  
3 mixed use development. That wasn't the idea.

4 MS. HOLBY: I was just curious.

5 MR. LINDQUIST: It's, that's mixed and the  
6 proposed use allows for -- there's still going to  
7 be some public parking there and hopefully more,  
8 actually. But it allows for reconfiguration of, of  
9 it. We don't know exactly how it's going to end up  
10 being laid out at this point.

11 MR. SIENKO: Any creation of alleys are an  
12 intricate part of the plan?

13 MR. FRIEDMAN: Well, the creation of some  
14 kind of transportation --

15 MR. SIENKO: But whether it be --

16 MR. FRIEDMAN: -- in certain areas, trying  
17 to create alleys would be, would create wholesale  
18 mayhem and we're not doing that. This plan had, as  
19 part of it and I really sure, you know,  
20 unfortunately, nobody who did this plan is here to  
21 speak to, but has -- Park and Ashton which is a  
22 traffic and parking consulting firm. So that a lot  
23 of attention was paid to how to deal with the  
24 parking and traffic issues here over time.

1                   Where possible, internal circulation  
2 will be created so this area is expected to be  
3 reconstructed and reconfigured and this area, the  
4 two areas where the most possible is less, is not  
5 to possible and likely in this area, here there is  
6 an alley. If there were wholesale reconstruction  
7 of a block for some reason, I think there would be  
8 a definite intent to create internal, internal  
9 circulation. The primary strategy is to provide  
10 relief from the, in this area, by providing  
11 additional parking down close to the, well close to  
12 the Metra Station and also to make this area more  
13 attractive so that the walking flow is enhanced.  
14 And we again, we tried to relieve some of the  
15 traffic pressure while still getting more customers  
16 into the area.

17                   MR. LINDQUIST: With deliveries, I spoke  
18 primarily, primarily will be on the street and I  
19 think part of the proposal, I think if I'm not  
20 mistaken, Alderman, is for there to be more loading  
21 zones on the street or hours of loading zones.

22                   ALDERMAN PRECKWINKLE: Yeah, one of the  
23 two -- to respond to your concern about congestion.  
24 I think the principal way you're going to have to

1 address congestion is to get the passenger vehicles  
2 off the street into structured parking and reduce  
3 congestion in that way. Because the absence of  
4 alleys makes it virtually impossible for us to  
5 figure out how we're going to deal with the  
6 loading. You know, it's either got to be on 53rd  
7 Street or on the side streets given the absence of  
8 alleys and the only way, we create alleys is to  
9 take people's houses because the commercial  
10 district abuts right up against the residential.

11 MR. LINDQUIST: And that would be a bad  
12 thing.

13 ALDERMAN PRECKWINKLE: Yes.

14 MR. MC CORMICK: Any further questions?  
15 If there are no further questions, I'll entertain a  
16 motion that this Joint Review Board finds that the  
17 proposed redevelopment plan, 53rd Street Tax  
18 Increment Financing Redevelopment Project Area,  
19 satisfies the redevelopment plan requirements under  
20 the TIF Act. The eligibility criteria defined in  
21 the 11-74.4-3 of the Act and the objectives of the  
22 TIF Act and that based on such findings approve  
23 such a plan, approve such proposed plan and the  
24 designation of such area as a redevelopment project

1 area under the TIF Act, is there a motion?

2 MS. MARICK: So moved.

3 MR. MC CORMICK: Is there a second to the  
4 motion?

5 MR. SIENKO: Second.

6 MR. MC CORMICK: If there is any further  
7 discussion, if not, all in favor, please vote by  
8 saying aye.

9 (Board in chorus aye.)

10 MR. MC CORMICK: All opposed vote by  
11 saying no.

12 Let the record reflect that the Joint  
13 Review Board's approval of the proposed 53rd Street  
14 Redevelopment Plan designation and the 53rd Street  
15 Tax Increment Financing Redevelopment Project Area  
16 as a redevelopment project area under the Act. I'd  
17 like to, as Chairman of the Board, thank Philamina  
18 Swoop as our Public Member for her assistance and  
19 also I'd like to thank Alderman Preckwinkle for her  
20 assistance today.

21 ALDERMAN PRECKWINKLE: Thank you very  
22 much. Thank you all.

23 MR. MC CORMICK: Okay. Let's move to the  
24 River West Tax Increment Financing District, under

1 11-74.4-5 of the Tax Increment Allocation  
2 Redevelopment Act, is one of the statutory  
3 designated members of the Joint Review Board from  
4 the River West Tax Increment Financing District.  
5 The date of this meeting was announced at and set  
6 by the Community Development Commission of the City  
7 of Chicago at its September 26th, 2000 meetings.  
8 Until the election for a Chairperson for the River  
9 West Joint Review Board, I will moderate this  
10 meeting.

11 Notices of this meeting of the Joint  
12 Review Board was also provided by certified mail to  
13 each taxing district represented on the Board,  
14 which includes the Chicago Public Board of  
15 Education, the Chicago Community Colleges District  
16 508, the Chicago Park District, Cook County and the  
17 City of Chicago and the Public Member. Prior  
18 notice of this meeting was also posted as of  
19 Wednesday, October 11th, 2000, in various locations  
20 throughout City Hall. What a proposed  
21 redevelopment plan would result in the displacement  
22 of residents from ten or more inhabited residential  
23 units or would include 75 more inhabited  
24 residential units, the TIF Act requires that the

1 Public Member of the Joint Review Board must reside  
2 in the proposed redevelopment project area.

3 In addition, if the Municipalities  
4 Housing Impact Study determines that majority of  
5 the residential units in the proposed redevelopment  
6 project area were occupied by very low, low or  
7 moderate income households, as defined in Section 3  
8 of the Illinois Affordable Housing Act, the Public  
9 Member must be a person who resides in very low,  
10 low or moderate income housing with the, within the  
11 proposed redevelopment project area.

12 Although, the City of Chicago's  
13 proposed redevelopment project plan for the River  
14 West District does not include the housing impact  
15 study because the plan certifies that no  
16 displacement of inhabited residential units will  
17 occur. The City has attempted to find a resident  
18 of the River West Area to fill the position of the  
19 Public Member. Scott Stein has volunteered to be  
20 the Public Member. I'd like somebody from the  
21 Joint Review -- or DPD Staff is here with us, could  
22 you introduce yourself.

23 MS. WAYNE: My name is Dinah Wayne. I'm a  
24 planner with the Department of Planning and

1 Development.

2 MR. MC CORMICK: What is the address of  
3 Mr. Scott's primary residence?

4 MS. WAYNE: 525 North Halsted.

5 MR. MC CORMICK: Is such address within  
6 the boundaries of the proposed River West Tax  
7 Increment Financing Redevelopment Project Area?

8 MS. WAYNE: Yes.

9 MR. MC CORMICK: Has he provided  
10 representatives of the City of Chicago's Department  
11 of Planning and Development with information  
12 concerning his income and income of any family  
13 members of the household residing at such address?

14 MS. WAYNE: Yes.

15 MR. MC CORMICK: Based on the information  
16 provided the Department of Planning and Development  
17 by Mr. Stein, does he qualify as a member of very  
18 low, low or moderate income?

19 MS. WAYNE; No.

20 MR. MC CORMICK: Okay.

21 MS. WAYNE: Although, the TIF consultants  
22 gave us evidence indicating that there were  
23 majority of low, very low and moderate income  
24 people living the district. We were unable to find

1 a Public Member who was willing to serve. The  
2 person was willing to serve as a Public Member and  
3 we worked closely with the Alderman and with the  
4 institution in the area and we weren't able to come  
5 up with that person. But Mr. Stein has indicated  
6 his willingness to serve as this member.

7 MR. MC CORMICK: Okay.

8 MS. WAYNE; However, he was unable to be  
9 here today, so you may wish to reconvene the  
10 meeting for October 27th, when he could be here to  
11 grade a presentation.

12 MR. MC CORMICK: I want to entertain a  
13 motion -- okay. We received word that the Public  
14 Member just mentioned, could not attend today's  
15 meeting. Therefore, I will entertain a motion to  
16 reconvene this Joint Review Board Meeting -- okay.

17 I will -- first, I will entertain a  
18 motion that Scott Stein be selected as a Public  
19 Member. Is there a motion?

20 MS. MARICK: So moved.

21 MR. MC CORMICK: Is there a second?

22 MR. SIENKO: Second.

23 MR. MC CORMICK: All in favor, please vote  
24 by saying, aye.

1 (Board in chorus aye.)

2 MR. MC CORMICK: All opposed? Let the  
3 record reflect that Scott Stein has been selected  
4 as a Public Member for the River West Tax  
5 Incremental Financing Redevelopment Project Area.

6 We received word late yesterday that  
7 the Public Member, Mr. Stein, could not attend  
8 today's meeting. Okay, excuse me. Okay.

9 Our next order of business is to  
10 select a Chairperson for the Joint Review Board.  
11 Are there any nominations?

12 MS. MARICK: I nominate John McCormick.

13 MR. MC CORMICK: Are there any other  
14 nominations?

15 Let the record reflect that there were  
16 no other nominations. All in favor, please, for  
17 nomination, please vote -- please vote by saying,  
18 aye.

19 (Board in chorus aye.)

20 MR. MC CORMICK: All those opposed vote by  
21 saying, no.

22 Let the record reflect that John  
23 McCormick has been elected as Chairperson and will  
24 now serve as Chairperson for the remainder of the

1 meeting. Okay. We received word late yesterday  
2 that the Public Member could not attend today's  
3 meeting.

4 Therefore, we will reconvene this  
5 Joint Review Board Meeting on October 27th, 11:00  
6 a.m. in Room 1003A. Oh, okay. At 121 North  
7 LaSalle Street, Chicago, Illinois. Okay, I've --  
8 I've already had motion to -- yeah, I ask for a  
9 motion to adjourn.

10 MR. BARRON: So moved.

11 MR. MC CORMICK: Second.

12 MS. MARICK: Second.

13 MR. MC CORMICK: Okay, we're adjourned.

14 (Whereupon the meeting was  
15 adjourned at 11:00 a.m.)  
16  
17  
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19  
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21  
22  
23  
24

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF C O O K )

I, JACK ARTSTEIN, depose and say  
that I am a verbatim court reporter doing business  
in the County of Cook and City of Chicago; that  
I caused to be transcribed the proceedings  
heretofore identified and that the foregoing is  
a true and correct transcript of the aforesaid  
hearing.

*Jack Artstein*  
\_\_\_\_\_  
JACK ARTSTEIN

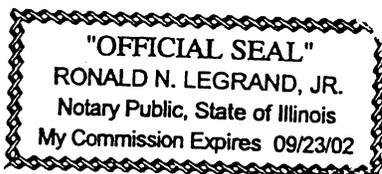
SUBSCRIBED AND SWORN TO

BEFORE ME THIS 31<sup>st</sup> DAY

OF October,

A.D. 2000.

*Ronald N. LeGrand, Jr.*  
\_\_\_\_\_



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**(8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE  
MUNICIPALITY - 65 ILCS 5/11-74.4-5(d)(8)(A)**

During 2001, there were no obligations issued for this Project Area.

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**(9) ANALYSIS OF DEBT SERVICE - 65 ILCS 5/11-74.4-5(d)(8)(B)**

During 2001, there were no obligations issued for the Project Area.

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**(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)**

During 2001, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

# River West Redevelopment Project Area 2001 Annual Report

## (11) GENERAL DESCRIPTION AND MAP

The River West Redevelopment Project Area is generally bounded by the properties lying along the west side of the Chicago River between Fry Street on the north and Madison Street on the south, excluding areas occupied by Chicago Tribune facilities and the Cans Park development. The Project Area extends west to Carpenter Street in the vicinity of Chicago Avenue, and west to Halstead Street south of Erie Street. South of Carroll Street, the Project Area is generally located between Jefferson and Canal Streets. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

