
2001 Annual Report

Lawrence/Broadway Redevelopment Project Area



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

JUNE 30, 2002

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 Lawrence/Broadway 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

Lawrence/Broadway 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 Lawrence/Broadway
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Alicia Mazur Berg
Commissioner



Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

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

The Project Area was designated on June 27, 2001. The Project Area may be terminated no later than June 27, 2024.

**LAWRENCE/BROADWAY
TAX INCREMENT FINANCING
REDEVELOPMENT AREA PROJECT AND PLAN**

City of Chicago, Illinois
Department of Planning and Development

This Redevelopment Plan is subject to review
and comment and may be revised
after public hearing.

Prepared by:
Trkla, Pettigrew, Allen & Payne, Inc.

February 26, 2001
Revised May 29, 2001

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TAX INCREMENT FINANCING ELIGIBILITY STUDY

I. INTRODUCTION

This document is to serve as a redevelopment plan (the “Redevelopment Plan”) for an area that is located in the Uptown and Edgewater community areas in the City of Chicago (the “City”) and generally includes the Broadway frontage bounded by Berwyn Avenue on the north and Leland Avenue on the south; and also includes the area bounded by Ainslie Street on the north, Lakeside Place on the south, and the east frontage of Sheridan Road on the east. This area is subsequently referred to in this document as the Lawrence/Broadway Tax Increment Financing Redevelopment Project Area, (the “Project Area”). The Project Area is illustrated in *Figure 1. Project Area Boundary* and legally described in Section II.

The Project Area is situated in the heart of Uptown at the intersection of Broadway and Lawrence and Racine Avenues. The Project Area extends northward along Broadway into the southern edge of the Edgewater Community Area. The Uptown and Edgewater communities boast a rich history characterized by rapid development, a vibrant entertainment district, distinctive architecture, and a diverse population.

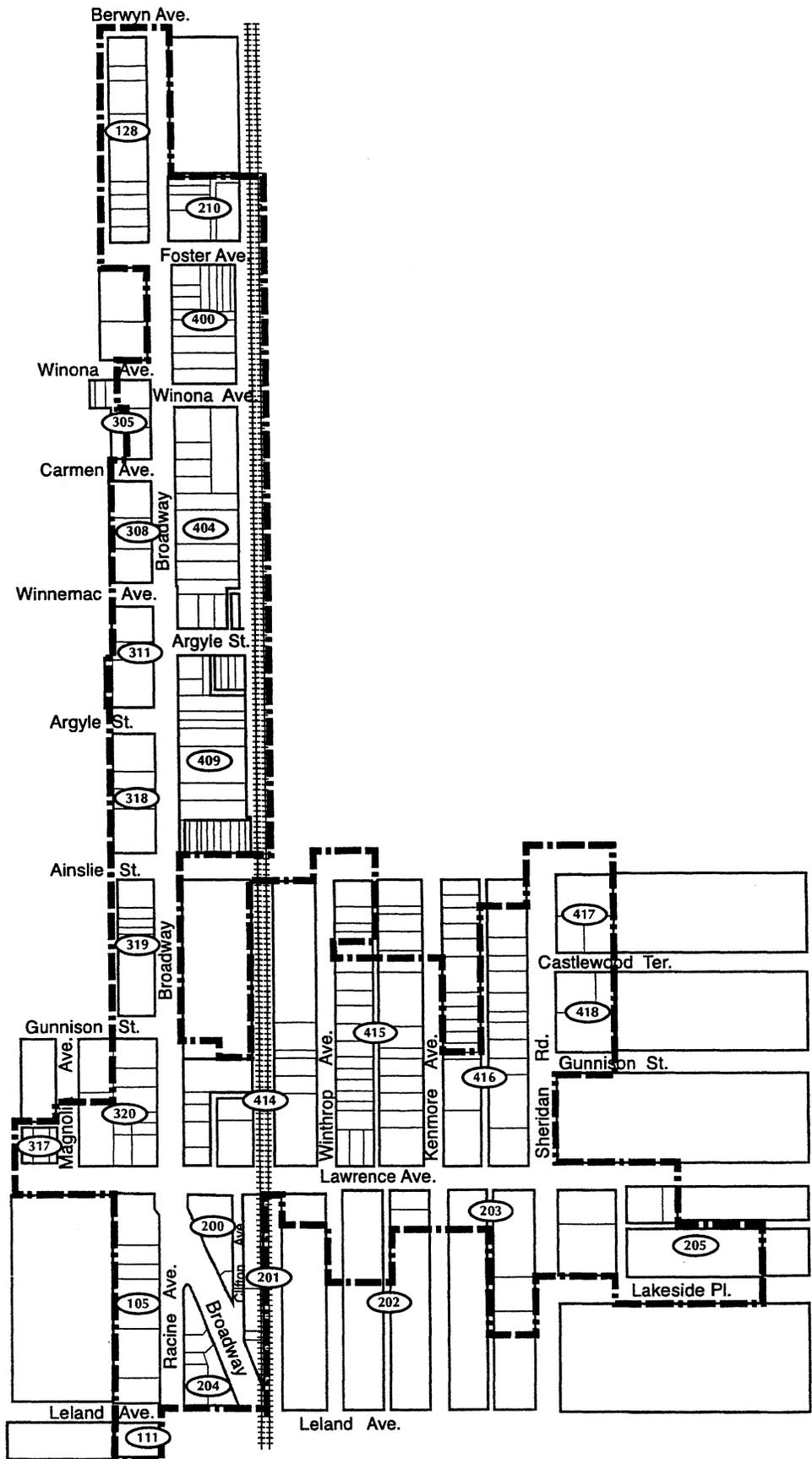
Historical Context

Originally known as Cedar Lawn, the area first began to experience rapid growth in the 1870s and 1880s following the development of the Chicago, Milwaukee and St. Paul Railroad and street car service which connected this area to downtown Chicago. Uptown, which encompassed the Edgewater area until 1970, was annexed to the City of Chicago in 1889. The extension of elevated rail service to Wilson Avenue further contributed to Uptown’s development as a major commercial center outside the Loop. In the first decades of the 20th century, Uptown emerged as an entertainment, shopping and recreation destination.

In 1906, the Uptown Store, a commercial center from which the community eventually took its name, opened at 4720-46 North Broadway. Over the next decade, a shopping district, second only to Chicago’s Loop developed around the Lawrence-Broadway-Wilson area. By the early 1920s the Uptown area was crowded with restaurants, theaters, cafes, nightclubs and dance halls. The Wilson Avenue and Clarendon Avenue beaches attracted crowds of people to the area by day and the many nightclubs and movie houses drew people by night. The Lakeside Theater, Green Mill Gardens, Riviera Theater, Uptown Theater and Aragon Ballroom are among those buildings that remain from the era of the grand movie palaces.

Even during its heyday, the residential character of the community was densely populated. High land values and Uptown’s popularity among young single and married people led to a concentration of apartment houses, apartment hotels and hotels. Overcrowding became acute during the housing shortage that followed World War II, when many units were divided into even smaller one and two room units, which were rented at low costs.

Two factors contributed to the cause of Uptown’s decline beginning in the 1930s. The first factor was the extension of Lake Shore Drive in 1933. The extension cut off Uptown from its direct access to Lake Michigan and diverted traffic away from Uptown’s commercial district



105 Block Number
 Project Area Boundary

Figure 1
PROJECT AREA BOUNDARY

2-20-01

along Broadway between Wilson and Lawrence. This commercial isolation was compounded by suburbanization and the post World War II housing boom, which attracted young singles and married people away from the community and into the suburbs. They were replaced by lower income, new migrants who could afford the older, downsized apartment units. These factors, coupled with the struggling economic conditions left from the Depression era, contributed to the overall decline of the area.

Declining conditions in the area sparked the formation of the Uptown Chicago Commission (UCC), whose goal has been to promote commercial development and revitalization of the heart of Uptown. In response to concerns regarding low-income residential displacement a number of housing organizations were created. The Heart-of-Uptown Coalition, Voice of the People, and Organization of the Northeast, among others have attempted to maintain a diverse economic and cultural community in Uptown.

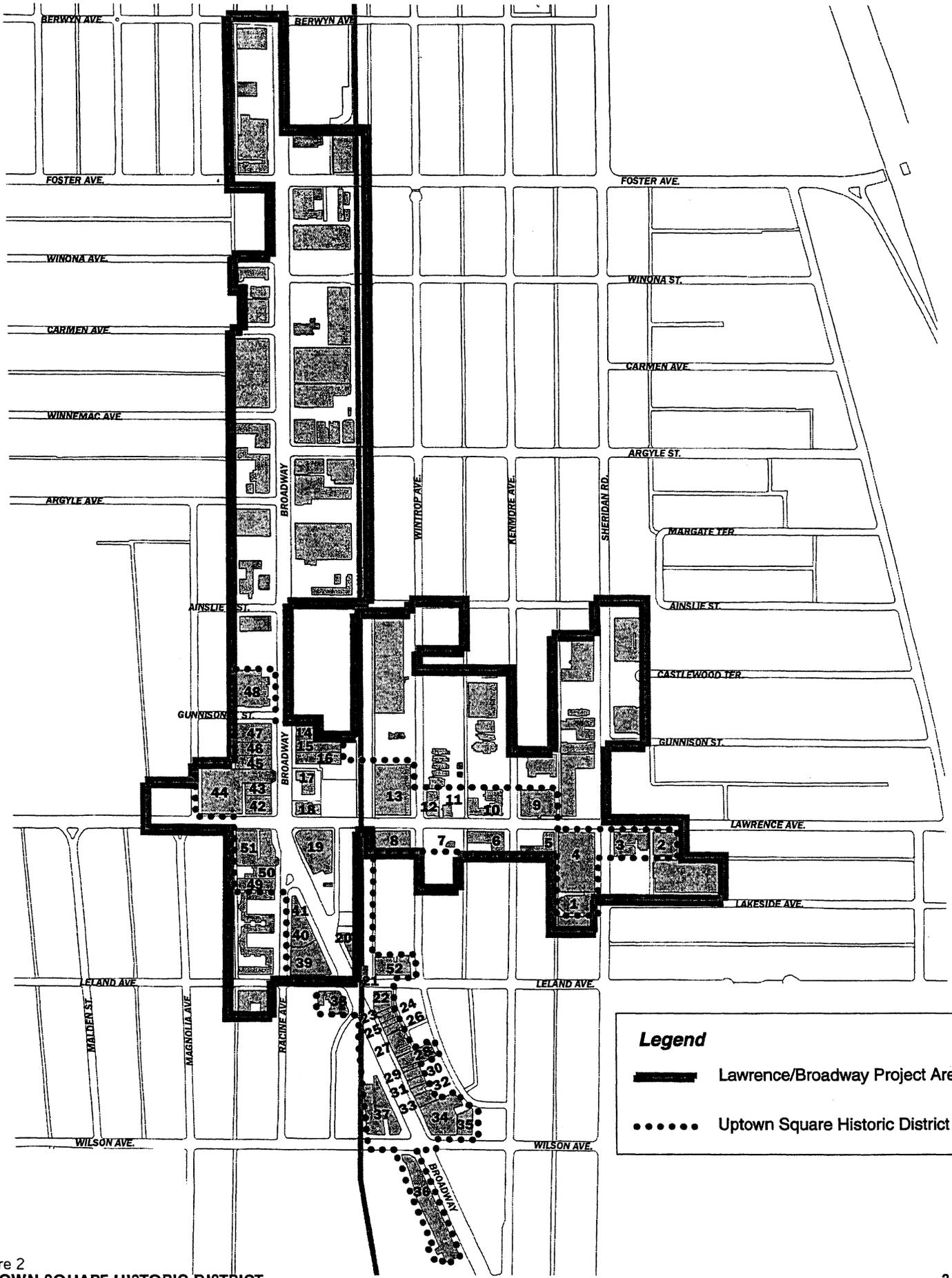
Today, Uptown is one of the most racially and ethnically diverse communities in Chicago with a concentration of unique architectural and cultural assets. It contains some of the oldest buildings in the City and continues to suffer from vacancies, deterioration, and obsolescence.

Uptown Square Historic District

The Uptown Square Historic District, a large portion of which is located in the Lawrence/Broadway Project Area, was officially listed on the National Register of Historic Places in January of 2001. The Uptown Square Historic District includes a range of significant architecture reflecting a period of significance from 1900 to 1950, including turn-of-the-century storefronts with apartments above, grand Spanish Baroque and Moorish entertainment facilities, Classical Revival terra cotta-clad office buildings, an Art Deco post office, and Art Deco and Venetian Gothic apartment hotels. The district is distinguished from its surroundings by its architecture, its scale, and its organization as a cohesive commercial and entertainment district. The district contains a collection of 52 buildings and one structure (the elevated rail line) of which 44 buildings and elevated rail line are contributing and 8 buildings are non-contributing¹. Of the 52 buildings in the historic district, 29 contributing buildings and the elevated rail line are located within the Project Area. *Figure 2* illustrates the location of the buildings and the boundaries of the Uptown Square Historic District. *Table 1* identifies each of the buildings and structures with this district.

As part of its strategy to encourage managed growth and stimulate private investment within the Project Area, the City engaged Trkla, Pettigrew, Allen & Payne, Inc. (“TPAP”) to study whether the Project Area of approximately 73.6 acres qualifies as a “conservation area” under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended (the “Act”). The Project Area, described in more detail below as well as in the

¹ Contributing buildings were constructed during the period of significance and possess historic integrity through their location, design, setting, materials, workmanship and feeling which reflect their character at that time. Non-contributing buildings within the district were either constructed after 1950 or do not possess historic integrity.



Legend

-  Lawrence/Broadway Project Area
-  Uptown Square Historic District

Figure 2
UPTOWN SQUARE HISTORIC DISTRICT

Table 1. Uptown Square Historic District Buildings

	Address	Historic Name	Contributing*/ Non-Contributing
1.	4730 N. Sheridan Road	Lakeside Theater	Yes
2.	941 W. Lawrence	Peoples Church of Chicago	Yes
3.	947-959 W. Lawrence 4751-4759 N. Sheridan	Lawrence-Sheridan Apartments	Yes
4.	1001-1015 W. Lawrence 4750-4770 N. Sheridan	Mutual Insurance Building	Yes
5.	1025-1037 W. Lawrence	Lakeside Plaza	No
6.	1039-1053 W. Lawrence	Wilton Hotel	Yes
7.	1055-63 W. Lawrence	Bulk Petroleum Gas Station	No
8.	1101-1113 W. Lawrence	1105 Lawrence Professional Building	Yes
9.	1020 W. Lawrence	New Lawrence Hotel	Yes
10.	1042-1048 W. Lawrence 4800-4808 N. Kenmore	Middlekauf Apatments	Yes
11.	1058-1060 W. Lawrence	Lawrence Apartments	Yes
12.	1064 W. Lawrence	Fleur-de-Lis Apartments	Yes
13.	1100-1110 W. Lawrence	Aragon Ballroom	Yes
14.	4833 N. Broadway	Chicago Motor Club Building	Yes
15.	4829 W. Broadway	Riviera Garage	No
16.	4821 N. Broadway	North Shore Fireproof Building #2	Yes
17.	4811-4815 N. Broadway	Automotive Building	No
18.	4801 N. Broadway	Clancy Building	Yes
19.	4753 N. Broadway	Uptown National Bank Building	Yes
20.	4703-4715 N. Broadway	Uptown Broadway Building	Yes
21.	4701 N. Broadway	H. W. Rubloff Building	Yes
22.	4657-63 N. Broadway	Kresge Building	Yes
23.	4653 N. Broadway		Yes
24.	4647-51 N. Broadway		Yes

* Contributing buildings were constructed during the Uptown Square Historic District period of significance and possess historic integrity through their location, design, setting, materials, workmanship and feeling which reflect their character at that time. Non-contributing buildings within the district were either constructed after 1950 or do not possess historic integrity.

	Address	Historic Name	Contributing/ Non-Contributing
25.	4645 N. Broadway		Yes
26.	4643 N. Broadway		Yes
27.	4635-41 N. Broadway		Yes
28.	4631 N. Broadway		Yes
29.	4629 N. Broadway		Yes
30.	4623 N. Broadway		Yes
31.	4621 N. Broadway		Yes
32.	4619 N. Broadway		Yes
33.	4613-17 N. Broadway		Yes
34.	4601-11 N. Broadway		No
35.	1050 W. Wilson	Wilson Avenue Theater	Yes
36.	4520-70 N. Broadway	McJunkin Building	Yes
37.	4600-4620 N. Broadway	Wilson Avenue CTA Station	Yes
38.	4660-66 N. Broadway	Barry Building	Yes
39.	4700-4714 N. Broadway	Plymouth Hotel	Yes
40.	4720-4726 N. Broadway	Loren Miller & Company Store	Yes
41.	4728-4740 N. Broadway	Sheridan Trust and Savings Bank	Yes
42.	4800-4810 N. Broadway	Green Mill Gardens	Yes
43.	4812 N. Broadway	4812 N. Broadway Building	Yes
44.	4814-4816 N. Broadway	Uptown Theater	Yes
45.	4818-4822 N. Broadway	North Shore Fireproof Building #1	Yes
46.	4824-4826 N. Broadway	4824 Broadway Building	No
47.	4840 N. Broadway	Spiegel Furniture Store	Yes
48.	4850 N. Broadway	Uptown Post Office	Yes
49.	4734-4736 N. Racine	Fox Building	Yes
50.	4740-4744 N. Racine	Keane Building	No
51.	4746-4760 N. Racine	Riviera Theater and Office Building	Yes
52.	1106-1116 W. Leland	Monroe Building	Yes

accompanying Eligibility Study, has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the adoption of the Plan.

Small scale or piecemeal redevelopment efforts may occur in limited portions of the Project Area. However, the presence of extensive vacancies, obsolete buildings and platting, deterioration and other blight factors throughout the Project Area are likely to preclude the revitalization of the Project Area on a scale sufficient to return it to a sound, sustainable condition without the intervention of the City.

A. Lawrence/Broadway Tax Increment Financing Redevelopment Project Area

The Project Area contains 121 buildings and consists of 25 full and partial blocks. The Project Area encompasses a total of approximately 73.6 acres including alley, street and rail rights-of-way. For a map depicting the boundaries and legal description of the Project Area, see Section II, *Legal Description and Project Boundary*.

The Project Area can be described as a “mixed-use” area that includes a range of commercial, office, residential, and public uses. Several major commercial corridors run through the Project Area including Broadway Avenue, Lawrence Avenue and Sheridan Road. A concentration of entertainment uses are located near the intersection of Broadway and Lawrence, where the Aragon Ballroom, Riviera Theater, Green Mill Lounge, and vacant Uptown Theater once brought crowds in great numbers. The Uptown Bank and the vacant Goldblatt’s department store are among the largest commercial buildings that remain from the Uptown community’s heyday in the 1910s and 1920s.

Like the commercial corridors, the residential portion of the Project Area encompasses a wide range of densities and styles. Residential properties are generally located east of the CTA elevated tracks (the “El”) though some are found along Racine Avenue. The Project Area includes 2 and 3 flat rental and condominium buildings, walk-up and mid-rise apartments, single room occupancy hotels, senior housing facilities, and high-rise apartments.

The significant portion of the buildings in the Project Area is over 35 years old.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Evidence of this lack of growth and development is detailed in *Section VI* and summarized below.

- Of the 121 buildings in the Project Area, 107 (88.4%) are 35 years of age or older.
- Of the 121 buildings in the Project Area, 85 (70%) are classified as deteriorating.
- Obsolescence is present in 41 of the 121 buildings within the Project Area. Fifteen of the 25 full or partial blocks exhibit obsolete platting due to narrow widths and limited depths.

- Over the five-year period from January 1995 to September 2000, 69 building code violations were issued to properties within the Project Area, which represents 57% of the buildings in the Project Area.
- Between 1994 and 1999, the Equalized Assessed Valuation (the “EAV”) of the Project Area increased from \$35,052,045 to \$39,448,972, an increase of \$4.4 million (12.54%), which is an average annual rate of 2.49%. Over the same period, the EAV for the balance of the City as a whole increased by an average annual rate of 3.31 percent.
- The total EAV of the Project Area has decreased in *two* of the last five calendar years, has lagged behind that of the balance of the City for *four* of the last five calendar years and has lagged behind the Consumer Price Index for All Urban Consumers (CPI-U) for the United States in *three* of the last five calendar years.²

Although the Project Area enjoys a prominent location near Lake Michigan, the condition of the Project Area is characterized by obsolescence, deterioration, structures below minimum code standards, excessive vacancies, excessive land coverage and overcrowding of structures and community facilities, deleterious land-use or layout, lack of light, ventilation, or sanitary facilities, and an overall lack of community planning. These physical conditions combined with the cost of conserving architectural and historically significant buildings in the Project Area continue to impede growth and development through private investment. Without the intervention of the City and the adoption of Tax Increment Financing and this Redevelopment Plan, the Project Area would not reasonably be expected to be redeveloped.

B. Tax Increment Financing

In January 1977, Tax Increment Financing (“TIF”) was authorized by the Illinois General Assembly through passage of the Act. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance eligible “redevelopment project costs” with incremental property tax revenues. “Incremental Property Tax” or “Incremental Property Taxes” are derived from the increase in the current EAV of real property within the redevelopment 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 that results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance redevelopment project costs, a municipality may issue obligations secured by Incremental Property Taxes to be generated within the redevelopment project area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality;

² The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a fixed market basket of consumer goods and services. The broadest, most comprehensive CPI is the “CPI for All Urban Consumers for the U.S. City Average for All Items, 1982-84=100” (CPI-U) and is based on the expenditures reported by almost all urban residents and represents about 80 percent of the total U.S. population. The CPI data are also published for metropolitan areas, which measure how much prices have changed over time for a given area. The CPI is the most widely used measure of price change for application in escalation agreements for payments such as rental contracts, collective bargaining agreements, alimony, child support payments, etc.

(d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates. This financing generates revenues by allowing the municipality to capture, for a certain number of years, the new tax revenues produced by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and redevelopment project costs necessary to implement the redevelopment plan have been paid. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

C. The Redevelopment Plan for the Lawrence/Broadway Tax Increment Financing Redevelopment Project Area

As evidenced in *Section VI*, 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.

TPAP has prepared Redevelopment Plan and the related Eligibility Study with the understanding that the City would rely on (i) the findings and conclusions of the Redevelopment Plan and the related Eligibility Study in proceeding with the designation of the Redevelopment Plan, and (ii) the fact that TPAP has obtained the necessary information so that the Redevelopment Plan and the related Eligibility Study will comply with the Act.

This 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 on a comprehensive and planned basis to ensure that private investment in rehabilitation and new development occurs:

1. 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;
2. On a reasonable, comprehensive and integrated basis to ensure that the factors of blight and conservation are eliminated; and
3. Within a reasonable and defined time period so that the Project Area may contribute productively to the economic vitality of the City.

Redevelopment of the Project Area will constitute a complex endeavor. The success of this redevelopment effort will depend to a large extent on the cooperation between the private sector and agencies of local government. Adoption of this Redevelopment Plan will make possible the implementation of a comprehensive program for redevelopment of the Project Area. By means of

public investment, the Project Area will become a stable environment that will attract new private investment. Public investment will set the stage for redevelopment by the private sector. Through this Redevelopment Plan, the City will provide a basis for directing the assets and energies of the private sector to ensure a unified and cooperative public-private redevelopment effort.

This Redevelopment Plan sets forth the overall “Redevelopment Project” to be undertaken to accomplish the City’s above-stated goals. During implementation of the Redevelopment Project, the City may, from time to time: (i) undertake or cause to be undertaken public improvements and other redevelopment project activities authorized under the Act; and (ii) enter into redevelopment agreements and intergovernmental agreements with private or public entities to construct, rehabilitate, renovate or restore private improvements on one or several parcels (items (i) and (ii) are collectively referred to as “Redevelopment Projects”).

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

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 blight and conservation area conditions which have limited development of the Project Area by the private sector.

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 anticipated benefits include:

- The enhancement of the economic base arising from rehabilitation of existing buildings and the re-use of vacant and underutilized properties with new and improved uses.
- Rehabilitation, renovation, and/or restoration of historically and architecturally significant buildings.
- An increased sales tax base resulting from potential new and existing retail, entertainment and business development.
- An increase in construction, business, retail, commercial, and other full-time employment opportunities for existing and future residents of the City.
- A mix of housing styles, rental costs and sale prices, and densities that meet the diverse needs of the Uptown and Edgewater communities.

II. LEGAL DESCRIPTION AND PROJECT BOUNDARY

The boundaries of the Project Area have been drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken as part of this Redevelopment Plan. The boundaries of the Project Area are shown in Figure 1, *Project Area Boundary*, and are generally described below:

The Project Area is generally bounded on the north by Berwyn Avenue (west of the CTA elevated tracks) and Ainslie Street (east of the CTA elevated tracks); on the south by Lakeside Place and Leland Avenue; on the west by the alley west of Broadway; and on the east by the rear line of the properties fronting the east side of Sheridan Road.

The boundaries of the Project Area are legally described in Exhibit I at the end of this report.

III. ELIGIBILITY CONDITIONS

The results summarized in this section are more fully described in a separate report that presents the definition, application and extent of the conservation and blight factors in the Project Area. The report, prepared by TPAP is entitled "Broadway and Lawrence Redevelopment Project Area Tax Increment Financing Eligibility Study," (the "Eligibility Study") and is attached as Exhibit V to this Redevelopment Plan.

A. Summary of Project Area Eligibility

Based upon surveys, inspections and analyses of the Project Area, the Project Area qualifies as a "conservation area" within the requirements of the Act. Fifty percent (50%) or more of the buildings in the Project Area have an age of 35 years or more, and the Project Area is characterized by the presence of a combination of three or more of the conservation factors listed in the Act, rendering the Project Area detrimental to the public safety, health and welfare of the citizens of the City. The Project Area is not yet a blighted area, but it may become a blighted area. Specifically, the Eligibility Study finds that:

- One hundred and seven (107) buildings, which represents 88.4% of the buildings in the Project Area, are 35 years of age or older.
- Of the 13 factors set forth in the Act for conservation areas, 9 factors are found to be present.
- Of the 9 factors present, all are present to a major extent and reasonably distributed throughout the Project Area. These factors include: obsolescence; deterioration; structures below minimum code standards; excessive vacancies; excessive land coverage and overcrowding of structures and community facilities; inadequate utilities; deleterious land use or layout; lack of community planning; and declining or lagging rate of growth of total equalized assessed valuation.
- The Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

B. Surveys and Analyses Conducted

The conservation factors found to be present in the Project Area are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted for the Project Area include:

1. Exterior survey of the condition and use of each building;
2. Field survey of site conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses within the Project Area and their relationships to surroundings;
4. Comparison of current land use to current zoning ordinance and the current zoning map;

IV. REDEVELOPMENT GOALS AND OBJECTIVES

Comprehensive and coordinated investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area and the elimination of conditions that have impeded redevelopment of the Project Area in the past. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base, and additional employment opportunities.

This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section V presents more specific objectives for development and design within the Project Area and the redevelopment activities that the City plans to undertake to achieve the goals and objectives presented in this section.

A. General Goals

Listed below are the general goals adopted by the City for redevelopment of the Project Area. These goals provide overall focus and direction for this Redevelopment Plan.

1. An environment which will contribute more positively to the health, safety and general welfare for residents in the Project Area and the surrounding community, and which will support a diverse and affordable community.
2. The enhancement of Uptown and Edgewater as multi-cultural, economically diverse, affordable, and mixed-use communities that are fostered by the creation and preservation of affordable, low cost, and mixed income housing, business, community and performing arts, entertainment uses and commercial opportunities.
3. The elimination of the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area.
4. The establishment of the Project Area as a dynamic commercial, retail, and residential destination location for living, shopping, entertainment, community and performing arts, and employment.
5. The retention and enhancement of economically sound and viable existing businesses within the Project Area.
6. The preservation of the historic and architecturally significant character of the Project Area.
7. An improved quality of life in the Project Area and the surrounding community.
8. A mix of housing styles, rental costs and sale prices, and densities that meets the diverse needs of the Uptown and Edgewater communities for rental and ownership opportunities for very low, low and moderate income residents.
9. The attraction of complementary new commercial and business development to supplement existing businesses and create new job opportunities within the Project Area.

5. Analysis of original and current platting and building size and layout;
6. Analysis of vacant portions of the site and buildings;
7. Analysis of building floor area and site coverage;
8. Review of previously prepared plans, studies and data;
9. Analysis of City of Chicago building code violation data from 1995 to 2000; and
10. Analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1994 to 1999.

10. An environment which will preserve or enhance the value of properties within and adjacent to the Project Area, improving the real estate and sales tax base for the City and other taxing districts having jurisdiction over the Project Area.
11. The attraction of employers to the Project Area that provide living wage salaries and employment of residents within and surrounding the Project Area in jobs in the Project Area and in adjacent redevelopment project areas.

B. Redevelopment Objectives

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Reduce or eliminate those conditions that qualify the Project Area as a conservation area while maintaining the economic and cultural diversity of the area. These conditions are described in detail in Exhibit V to this Redevelopment Plan.
2. Strengthen the economic well being of the Project Area by returning vacant and underutilized properties to the tax rolls.
3. Create an environment that stimulates private investment in the upgrading and expansion of existing businesses and the construction of complementary new businesses and commercial enterprises that serve the needs of a culturally and economically diverse and affordable community.
4. Provide needed incentives to encourage a broad range of improvements in business retention, rehabilitation and new development utilizing available tools, particularly those designed to assist small businesses.
5. Support the preservation and rehabilitation of existing multi-family and low-, very-low and moderate income housing throughout the Project Area, consistent with the Act.
6. Support the development of new housing, including rental and for-sale units for low- and very low-income households, consistent with the Act.
7. Encourage the rehabilitation and re-use of historic and/or architecturally significant buildings. Encourage state-of-the-art energy efficiency practices in all buildings.
8. Promote a concentration of entertainment, cultural and performing arts, and related uses in the proximity of the Lawrence and Broadway intersection to build on the area's history, status as a National Register historic district, and promote the area as a center for existing multi-cultural and performance arts.
9. Promote cooperative arrangements between businesses which would permit existing parking lots to be used by neighboring businesses during off-peak periods. There shall be no elimination of housing for the sole purpose of creating parking.
10. Assemble or encourage the assembly of land into parcels of appropriate shape and sufficient size for redevelopment in accordance with this Redevelopment Plan.

11. Encourage visually attractive buildings, rights-of-way and open spaces and encourage high standards of design. Preserve existing open space and seek additional land for open space opportunities wherever possible.
12. Upgrade public utilities, infrastructure and streets, including streetscape and beautification projects, improvements to parks, schools and mass transit stations, including improving accessibility for people with disabilities, as required.
13. Establish job readiness and job training programs to provide residents within and surrounding the Project Area with the skills necessary to secure living wage jobs in the Project Area and in adjacent redevelopment project areas.
14. Create new job opportunities for City residents utilizing the most current hiring programs and appropriate job training programs.
15. Provide opportunities for women-owned, minority-owned and local businesses and local residents to share in the redevelopment of the Project Area, including employment and construction opportunities.
16. Encourage improvements in accessibility for people with disabilities.

V. REDEVELOPMENT PROJECT

This section presents the Redevelopment Project anticipated to be undertaken by the City and by private entities on behalf of the City in furtherance of this Redevelopment Plan. Previous plans, reports and policies have been reviewed and form the basis for some of the recommendations presented in this Redevelopment Plan.

The Redevelopment Project described in this Redevelopment Plan and pursuant to the Act includes: a) the overall redevelopment concept; b) the land use plan; c) improvement and development recommendations; d) development and design objectives; e) a description of redevelopment improvements and activities; f) estimated redevelopment project costs; g) a description of sources of funds to pay estimated redevelopment project costs; h) a description of obligations that may be issued; and i) identification of the most recent EAV of properties in the Project Area and an estimate of future EAV.

A. Overall Redevelopment Concept

The Project Area should be improved and revitalized as a mixed-use commercial area with adjacent residential uses and community facilities that complements and serves the neighborhoods within and surrounding the Project Area.

The entire Project Area should be marked by improvements in infrastructure, job and business retention and expansion, new business and residential development, and enhancement of the area's overall image and appearance. Improvement projects should include: the rehabilitation and reuse of existing commercial and office buildings; new office, residential, and commercial construction; street and infrastructure improvements; public facilities improvements including CTA stop improvements; creation of open space, streetscaping, landscaping and other appearance enhancements; creation of adequate off-street parking facilities and improvements that encourage use of public transit, bicycles, and pedestrian access; and the provision of new amenities which both businesses and residents expect to find in a contemporary mixed-use urban neighborhood.

The Project Area should have good vehicular and pedestrian accessibility and should be served by street, sidewalk and servicing areas that provide safe and convenient access to and within the Project Area.

It is preferred that the Project Area have a coherent overall design and character that conserves, to the greatest extent possible, the diverse mix of businesses, commercial, entertainment and residential uses and enhances the unique character of the historical district.

B. Land Use Plan

Figure 3 presents the Land-Use Plan that will be in effect upon adoption of this Redevelopment Plan.

The location of the Project Area just minutes from Lake Shore Drive, with excellent rail access to Downtown or Evanston makes it appropriate for retail, commercial, institutional, open space and/or entertainment. Close proximity to Lake Shore Drive, the CTA Lawrence Ave El Station, numerous CTA bus routes, and Lake Michigan make the Project Area attractive for residential uses. Ultimately, the overall land use of the Project Area is not intended to change. However, the Project Area's capacity for a vibrant and creative mix of uses will be significantly enhanced through rehabilitation, renovation and adaptive reuse of existing structures, attraction of new businesses, and the upgrading of public facilities, infrastructure and other amenities.

The entire Project Area should be marked by improvements in infrastructure, job and business retention and expansion, new business and residential development, and enhancement of the area's overall image and appearance. Improvement projects should include: the rehabilitation and reuse of existing commercial and office buildings; new office, residential, and commercial construction; street and infrastructure improvements; creation of open space, streetscaping, landscaping and other appearance enhancements; creation of adequate off-street parking facilities and improvements that encourage use of public transit, bicycles, and pedestrian access; and the provision of new amenities which both businesses and residents expect to find in a contemporary mixed-use urban neighborhood.

The Land Use Plan designates three general land use categories within the Project Area, as described below:

Residential – Residential land use areas include existing residential neighborhoods and locations suitable for residential use. Development of new housing will be encouraged on vacant sites within blocks where residential uses already exist. New residential development should be compatible with existing residential development in design, scale and density. Schools, day care homes and centers, parks, churches and similar uses which support and are compatible with residential neighborhoods should be permitted within designated residential land use areas.

Institutional– These areas encompass existing community facilities operated by public or semi-public entities including public schools, park facilities, museums, CTA facilities, community centers, and churches. Public and institutional uses within the Project are identified and illustrated in *Figure 4. Community Facilities*. In general, these uses should be retained and enhanced as public and institutional uses.

Mixed-Use – Mixed-use areas comprise the large majority of the Project Area and are generally situated along the three major commercial corridors of Broadway, Lawrence Avenue and Sheridan Road. Each of these corridors should be revitalized as vibrant and distinctive mixed-use area that includes a complementary mix and range of uses.

The mixed-use areas have been classified into 4 subareas, each of which would be suitable for a different mix and concentration of uses, and each of which warrants a different approach to improvement and redevelopment. These mixed-use subareas are illustrated in *Figure 3. Land Use Plan* and discussed below.

Mixed-Use Subarea A

Broadway, North of Gunnison Street should be revitalized as an attractive and convenient mixed-use area with a commercial focus. While this portion of the corridor should continue to provide important retail and service businesses, it is also an appropriate location for offices, employment uses, public buildings, institutions, cultural facilities, open space and housing. Emphasis should be given to improving and enhancing viable existing buildings. Similar and complementary uses should be concentrated to encourage multi-stop shopping and pedestrian traffic.

Mixed-Use Subarea B

The subarea emanating outward from the *Lawrence/Broadway Intersection* is home to a number of historic entertainment venues, including the Uptown Theater, Riviera Theater, Green Mill Gardens, and Aragon Ballroom. These buildings, together with a number of stores and businesses once formed the heart of a vibrant shopping and entertainment district. This subarea should be redeveloped as a cohesive and distinctive mixed-use area with a concentration of entertainment, commercial and residential uses that reinvigorates this important Uptown intersection and restores vitality to the Uptown and Edgewater communities.

The City should encourage development and redevelopment opportunities that re-establish this subarea as an entertainment-oriented mixed-use area. Appropriate uses in this subarea would include: a range of multi-family residential uses; entertainment uses that enable the preservation and re-use of historic and architecturally significant landmarks within the area; retail and restaurant businesses that serve and support surrounding neighborhoods, businesses and entertainment uses; commercial uses that provide contemporary office space; and a range of public facilities, open spaces and pedestrian amenities. To implement this plan, economically viable existing businesses should be retained and enhanced, and new retail, entertainment, residential, and business development should be undertaken in the existing vacant or underutilized properties within this area.

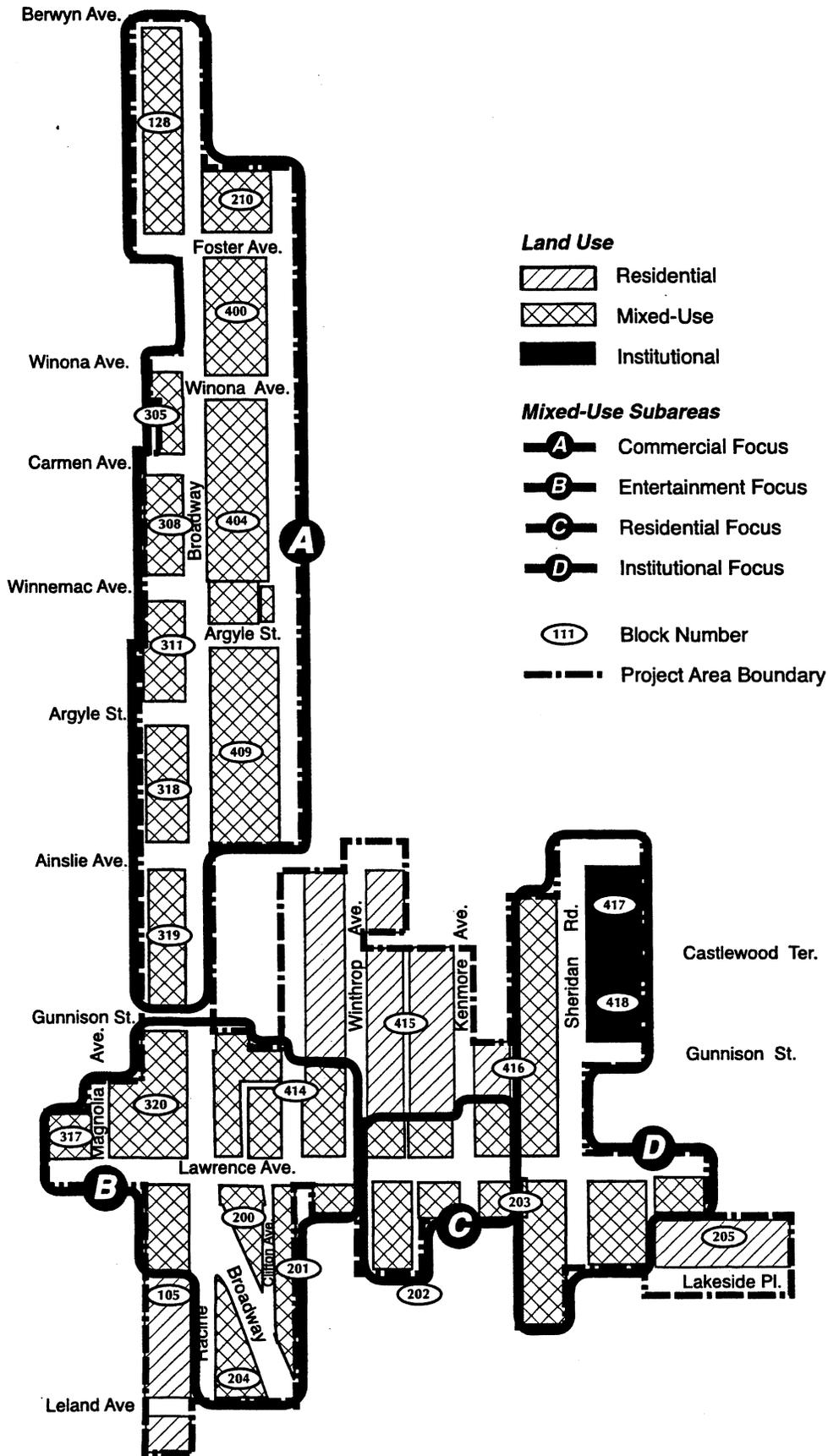


Figure 3
LAND USE PLAN

2-20-01

Mixed-Use Subarea C

Lawrence Avenue, East of Winthrop Avenue, is home to a number of high-density residential uses including Lawrence House, the Wilton Hotel, and the new Lawrence Hotel. This portion of the corridor should be revitalized as a mixed-use district with a residential focus. The area should continue to be the location for high density residential with convenience commercial, public/institutional, and other complementary uses that serve the nearby neighborhoods.

Mixed-Use Subarea D

The *Sheridan Road Corridor* reflects a smaller scale and intensity of development than Lawrence Avenue or Broadway. Sheridan Road will continue to reflect a mix of uses with a concentration of public/institutional uses. Land uses along this corridor should include public/institutional, convenience commercial, service commercial, office, open space, and residential uses that complement the less intense nature of the corridor.

C. *Development And Design Objectives*

Listed below are the specific Development and Design Objectives which will assist the City in directing and coordinating public and private improvements and investment within the Project Area in order to achieve the general goals and objectives identified in Section IV of this Redevelopment Plan.

The Development and Design Objectives are intended to enhance and attract a variety of desirable uses such as new commercial and residential redevelopment; foster a consistent and coordinated development pattern; and revitalize the urban identity of the Project Area.

a) Land Use

- Promote the Project Area as a planned mixed-use district, which provides a range and complementary mix of retail, commercial, business, residential, institutional, open space and/or entertainment uses.
- Encourage the clustering of similar and supporting commercial uses to promote cumulative attraction.

b) Building and Site Development

- Preserve buildings and features with historic and architectural value.
- Repair and rehabilitate, to the greatest extent possible, existing buildings that are in poor condition.
- Improve the design and appearance of commercial storefronts, including facade treatment, lighting, color, materials, awnings and canopies, and commercial signage, with enhancements that are compatible with historic architectural features.

- Reuse underutilized buildings in serviceable condition for new businesses, residential uses, or mixed-use development.
- Locate building service and loading areas away from front entrances and major streets where possible.
- Encourage parking, service, loading and support facilities that can be shared by multiple businesses and/or residential buildings with no on-site parking.
- Encourage retail, entertainment, and restaurants on the ground floors of mixed-use buildings, where feasible and appropriate, to maintain and enhance a pedestrian-oriented environment.
- Ensure that private development and redevelopment improvements to site and streetscapes are consistent with public improvements goals and plans.

c) Transportation and Infrastructure

- Ensure safe and convenient access and circulation within the Project Area for pedestrians.
- Minimize or alleviate traffic impacts of Project Area uses through strategic location of, or improvements to, loading, service, passenger drop-off or bus stop areas.
- Improve the appearance and efficiency of the CTA Lawrence Avenue EL Station.
- Improve the street surface conditions, street lighting, and traffic signalization.
- Upgrade public utilities and infrastructure as required.
- Maintain curb parking within the Project Area to serve the retail and commercial businesses.
- Ensure that the provision of off-street parking components exceeds the minimum requirements of the City in new development and redevelopment projects.
- Encourage the development of shared, off-street parking areas to minimize commercial parking “spillover” in adjacent neighborhoods.

d) Urban Design

- Promote high quality and harmonious architectural, landscape and streetscape design that contributes to and complements the historic and architectural character of the Project Area.
- Provide new pedestrian-scale lighting, where appropriate.
- Enhance streetscape features of the Project Area, including benches, kiosks, trash receptacles and street trees.
- Provide distinctive design features, including landscaping, signage, public art, or identifiers such as banners or historic markers, at key locations within the Project Area.

- Promote sharing and creative uses of open space within the Project Area, which could include courtyards, eating areas, etc.
- Ensure that all streetscaping, landscaping and design materials comply with the City of Chicago Landscape Ordinance.

D. Redevelopment Improvements and Activities

The City proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques including, but not limited to, tax increment financing, to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The City also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities for the furtherance of this Redevelopment Plan to construct, rehabilitate, renovate or restore improvements for public or private facilities on one or several parcels or any other lawful purpose. Redevelopment agreements may contain terms and provisions that are more specific than the general principles set forth in this Redevelopment Plan and which include affordable housing requirements as described below.

Developers who receive TIF assistance for market-rate housing are to set aside 20 percent 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 percent of the area median income, and affordable rental units should be affordable to persons earning no more than 80 percent of the area median income.

1. Property Assembly

Property acquisition and land assembly by the private sector in accordance with this Redevelopment Plan will be encouraged by the City. 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) sale, 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. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, 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.

The City or a private developer may (a) acquire any historic structure (whether a designated City or State landmark or on, or eligible for, nomination to the National Register of Historic Places); (b) demolish any non-historic feature of such structure; (c) demolish portions, as allowed by laws, of historic structures, if necessary, to implement a project that meets the goals and objectives of the Redevelopment Plan; and (d) incorporate any historic structure or historic feature into a development on the subject property or adjoining property.

2. Relocation

Relocation assistance may be provided in order to facilitate redevelopment of portions of the Project Area and to meet other City objectives. Business 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 and as may be required by the Act.

3. Provision of Public Works or Improvements

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

a) Streets and Utilities

A range of roadway, utility and related improvement projects, from repair and resurfacing to major construction or reconstruction, may be undertaken.

b) Parks and Open Space

Improvements to existing or future open spaces and public plazas may be provided, including the construction of pedestrian walkways, lighting, landscaping and general beautification improvements that may be provided for the use of the general public.

c) Transportation Facilities

Improvements to CTA elevated station facilities may be undertaken to enhance the Lawrence Avenue station's safety, efficiency, appearance and capacity.

4. Rehabilitation of Existing Buildings

The City will encourage the rehabilitation of buildings that are basically sound and/or historically or architecturally significant.

5. Job Training and Related Educational Programs

Programs designed to increase the skills of the labor force that would take advantage of the employment opportunities within the Project Area may be implemented.

6. Day Care Services

Incremental Property Taxes may be used to cover the cost of day care services and centers within the Project Area for children of low-income employees of Project Area businesses.

7. Taxing Districts Capital Costs

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.

8. Interest Subsidies

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:

- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
- (b) such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with respect to the redevelopment project during that year;
- (c) if there are not sufficient funds available in the special tax allocation fund to make an interest payment, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- (d) the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the: (i) total costs paid or incurred by a redeveloper for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
- (e) Up to 75 percent of interest costs 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.

9. Affordable Housing

Funds may be provided to developers for up to 50 percent 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 benefits under the Act.

10. Analysis, Administration, Studies, Surveys, Legal, etc.

Under contracts that will run for three years or less (excluding contracts for architectural and engineering services which are not subject to such time limits) the City and/or private developers may undertake or engage professional consultants, engineers, architects,

attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Redevelopment Plan.

E. Redevelopment Project Costs

The various redevelopment expenditures that are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs that are deemed to be necessary to implement this Redevelopment Plan (the "Redevelopment Project Costs").

1. Eligible Redevelopment Project Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) 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 (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) The cost of marketing sites within the area to prospective businesses, developers and investors;
- c) 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, 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;
- d) Costs of rehabilitation, reconstruction or 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;
- e) Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
- f) Costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the Uptown and Edgewater Community Areas with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of

job-related skills including residents of public and other subsidized housing and people with disabilities;

- g) 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 thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- h) To the extent the municipality 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 and project;
- i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law or by Section 74.4-3(n)(7) of the Act (see Section V.D.2 above);
- j) Payment in lieu of taxes, as defined in the Act;
- k) Costs of job training, retraining, 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, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;
- l) 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 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act; and
 5. Up to 75 percent 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.
- m) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
 - n) An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
 - o) Up to 50 percent 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 benefits under the Act; and
 - p) The cost of daycare services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80 percent of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 *et. seq.* then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

2. Estimated Redevelopment 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 Exhibit II 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 to the extent permitted by the Act. 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.

F. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur redevelopment project costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed from such costs from incremental taxes. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received. The City may incur Redevelopment Project Costs which are paid from funds of the City other than incremental taxes, and the City may then be reimbursed from such costs from incremental taxes.

The Project Area is contiguous to the Edgewater TIF on the north and the proposed Wilson Yard TIF on the south and may, in the future, be contiguous to or separated by only 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 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.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). 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. 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 Exhibit II of this Redevelopment Plan.

G. Issuance of Obligations

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

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 the Project Area is adopted (i.e., assuming City Council approval of the Project Area and Redevelopment Plan in 2001), by December 31, 2025. Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

H. Valuation of the Project Area

1. Most Recent EAV of Properties in the Project Area

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 1999 EAV of all taxable parcels in the Project Area is approximately \$39,448,972. This total EAV amount by PIN is summarized in Exhibit III. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Project Area will be calculated by Cook County.

2. Anticipated Equalized Assessed Valuation

By the tax year 2024 (collection year 2025) and following roadway and utility improvements, installation of additional and upgraded lighting, improved signage and landscaping, etc. and substantial completion of potential Redevelopment Projects, the EAV of the Project Area is estimated to range between \$69.7 and \$77.7 million. The estimated range is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) between 70,000 and 160,000 square feet of new commercial space will be constructed for retail/office/commercial/entertainment uses in the Project Area and occupied by 2013; 3) between 50-160 new multiple family units will be constructed in the Project Area and occupied by 2009; 4) Approximately 40-48 new senior housing units will be constructed and occupied by 2005; 5) approximately 50 new townhome/rowhouse developments will be constructed and occupied by 2007; 6) approximately 174 SRO units will be rehabilitated for residential use in the Project Area and occupied by 2004; 7) an estimated annual inflation in EAV of 2 percent will be realized through 2023; and 8) the five year average state equalization factor of 2.1711 (tax years 1995 through 1999) is used in all years to calculate estimated EAV.

VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in *Section III* of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous conservation and blight factors, and these factors are reasonably distributed throughout the Project Area. Conservation and blight factors within the Project Area represent major impediments to sound growth and development.

The decline of and the lack of private investment in the Project Area are evidenced by the following:

Physical Condition of the Project Area

- Approximately eighty-eight percent (88.4%) of the 121 buildings in the Project Area are 35 years of age or older.
- Of the 13 conservation factors set forth in the Act, 9 factors are found to be present within the Project Area. These factors include: obsolescence, deterioration, structures below minimum code standards, excessive vacancies, excessive land coverage and overcrowding of structures and community facilities, inadequate utilities, deleterious land-use and layout, an overall lack of community planning and a lagging rate of growth in EAV.
- Of the 121 buildings in the Project Area, 85 (70%) are classified as deteriorating.
- During the five-year period between January 1995 and September 2000, the City's Building Department issued 69 building code violations to 65 different buildings in the Project Area. This represents more than half (54%) of the total buildings in the Project Area.
- Existing water mains in the Project Area vary in age from 82 to more than 100 years and consist largely of inadequate and outdated pipes. Several sewer lines are in need of replacement in select areas of the Project Area.

Lack of Investment and Growth by Private Enterprise

- The total EAV of the Project Area has declined in *two* of the last five calendar years (1994-1999).
- The growth rate of the total EAV of the Project Area has lagged behind that of the balance of the City for *four* of the last five calendar years (1994 to 1999).
- The growth rate of the total EAV of the Project Area was less than the Consumer Price Index for All Urban Consumers (CPI-U) for the United States in *three* of the last five calendar years (1994 to 1999).
- Between 1994 and 1999, the Equalized Assessed Valuation (the "EAV") of the Project Area increased from \$35,052,045 to \$39,448,972, an increase of \$4.4 million (12.54%), which is an average annual rate of 2.49%. Over the same period, the EAV for the balance of the City as a whole increased by an average annual rate of 3.31 percent.

- A significant number of buildings within the Project Area are vacant or underutilized. Of the 121 buildings in the Project Area, 13 buildings were entirely vacant and 22 buildings were partially vacant.

In summary, the Project Area is not yet a blighted area, but is deteriorating and declining and may become a blighted area. The Project Area on the whole has not been subject to growth and development through investment by private enterprise. The Project Area would not reasonably be anticipated to be developed without the adoption of this Redevelopment Plan for the Project Area.

VII. FINANCIAL IMPACT

Without the adoption of the Redevelopment Plan and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives, there is a prospect that conservation 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. In the absence of City-sponsored redevelopment initiatives, 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.

Section V of this Redevelopment Plan describes the comprehensive, area-wide Redevelopment Project proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and potentially some new construction on a scale sufficient to eliminate problem conditions and to return the area to a long-term sound condition.

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 TIF, through the encouragement of new development and redevelopment, can be expected to enhance the assessed value of existing properties in the Project Area, thereby enhancing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment improvements and activities, Redevelopment Projects and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from the enhanced tax base that results from the increase in EAV caused by the Redevelopment Projects.

VIII. DEMAND ON TAXING DISTRICT SERVICES

The following major 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.

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.

Board of Education of the City of Chicago. 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. McCutcheon Elementary School and its branch facility are the only Chicago public school facilities located in the Project Area. Prologue High School, an alternative high school, which receives a small portion of their funding from the Board of Education, is also located in the Project Area.

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. One park, Plum Playlot, is located within the Project Area.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

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. General responsibilities of the Library Fund include the provision, maintenance and operation of the City's library facilities.

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 areas 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.

A. Impact of the Redevelopment Project

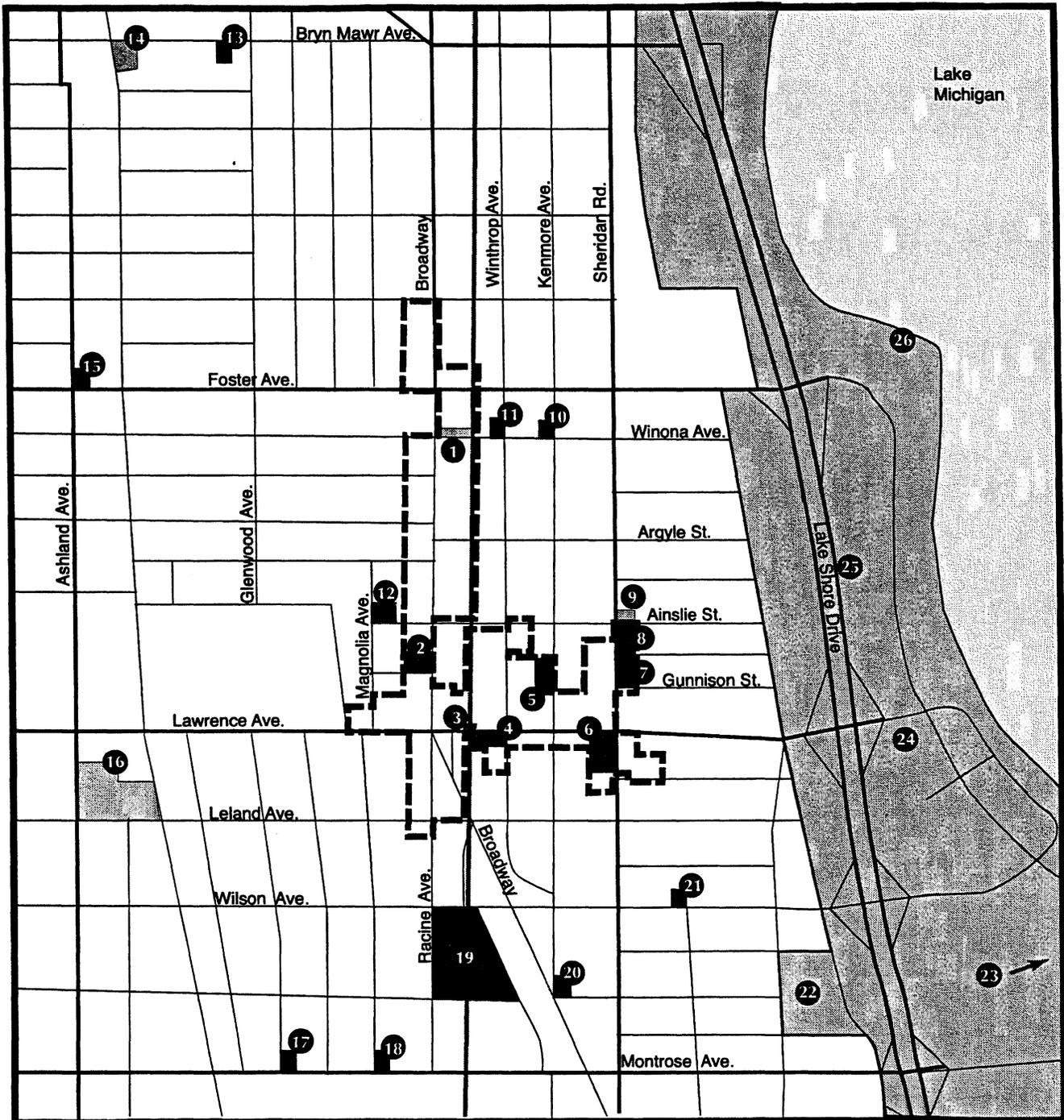
The rehabilitation or replacement of underutilized properties with business, retail, residential, and other development may cause increased demand for services and/or capital improvements to be provided by the Metropolitan Water Reclamation District, the City, the Board of Education and the Chicago Park District. The estimated nature of these increased demands for services on these taxing districts are described below.

Metropolitan Water Reclamation District of Greater Chicago. The rehabilitation of or replacement of underutilized properties with new development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

City of Chicago. The replacement or rehabilitation of underutilized properties with new development may increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, etc.

Board of Education. The addition of new households with school-aged children to the Project Area is anticipated to be limited. Based on the developed nature of the Project Area, some residential redevelopment and infill development is anticipated. However, the demand for services and programs provided by the Board of Education is not likely to exceed current program and facility capacity. Two Chicago public facilities, McCutcheon Elementary and its branch facility are located within the boundaries of the Project Area. Prologue High School, an alternative high school, which receives a small portion of their funding from the Board of Education, is also located in the Project Area. Public schools located outside of the Project Area but within approximately one-half mile are identified in Figure 4, Community Facilities.

Chicago Park District. The replacement or rehabilitation of underutilized properties with commercial, residential, business and other development is not likely to increase the demand for services, programs and capital improvements provided by the Chicago Park District within and adjacent to the Project Area. These public services or capital improvements may include, but are not necessarily limited to, the provision of additional open spaces and recreational facilities by the Chicago Park District. One park, Plum Playlot, is located within the Project Area. The nearest parks within approximately one-half mile are identified in Figure 4, Community Facilities.



Within Project Area

- 1. Plum Playlot
- 2. US Post Office
- 3. CTA Red Line Lawrence Ave. Station
- 4. Prologue High School
- 5. John T. McCutcheon Branch
- 6. Institute of Cultural Affairs
- 7. Boys and Girls Club of Chicago
- 8. John T. McCutcheon Elementary

Outside Project Area

- 9. Buttercup Park
- 10. Jose Mardi Elementary
- 11. William Goudy Elementary
- 12. Bezazian Branch Library

- 13. Helen C. Peirce School of International Affairs
- 14. Merlin Park
- 15. Lyman Trumbull Elementary
- 16. Chase Park
- 17. Stockton Specialty School
- 18. Stockton CPC Branch
- 19. Truman City College
- 20. Graeme Stewart Elementary
- 21. Joan F. Aria Middle School
- 22. Clarendon Park
- 23. Montrose/Wilson Beach
- 24. Lincoln Park
- 25. Margate Park Fieldhouse
- 26. Foster Avenue Beach

-  Project Area Boundary
-  Educational/Institutional
-  Parks and Open Space
-  Transportation

Figure 4
COMMUNITY FACILITIES



B. Program to Address Increased Demand for Services or Capital Improvements

The following activities represent the City's program to address increased demand for services or capital improvements provided by the impacted taxing districts.

- It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District. Therefore, no special program is proposed for the Metropolitan Water Reclamation District.
- It is expected that any increase in demand for City services and programs associated with the Project Area can be adequately handled by existing City, police, fire protection, sanitary collection and recycling services and programs maintained and operated by the City. Therefore, no special programs are proposed for the City.
- It is expected that new residential development and the redevelopment of vacant, underutilized or non-residential property to residential use will be limited and, at this time, no special program is proposed for the Board of Education. The City and the Board of Education, will attempt to ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with any particular residential development in the Project Area.
- It is expected that the households and businesses projected to be added to the Project Area are not likely to generate sufficient additional demand for recreational services and programs and, therefore, would not warrant additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the Project Area and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements provided by the Chicago Park District are addressed in connection with any particular residential and business development.
- It is expected that any increase in demand for Cook County, Cook County Forest Preserve District and Chicago Community College District 508 services and programs associated with the Project Area can be adequately handled by services and programs maintained and operated by these taxing districts. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase so that it exceeds existing service and program capabilities, the City will work with the affected taxing district to determine what, if any, program is necessary to provide adequate services.

IX. CONFORMITY OF THE REDEVELOPMENT PLAN FOR THE PROJECT AREA TO LAND USES APPROVED BY THE PLANNING COMMISSION OF THE CITY

This Redevelopment Plan and the Redevelopment Project described herein include land uses that will be approved by the Chicago Plan Commission prior to the adoption of the Redevelopment Plan.

X. PHASING AND SCHEDULING

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 the year 2024.

XI. PROVISIONS FOR AMENDING THIS REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

XII. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION PLAN

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

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or housing status.
- B) Redevelopers must meet the City's standards for participation of 25 percent Minority Business Enterprises and 5 percent Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

XIII. HOUSING IMPACT

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 1,591 occupied residential units, including 9 condominium units, 38 units above commercial or institutional uses, and 1,544 units in multi-family buildings. 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.

EXHIBIT I:

Legal Description of Project Boundary

LAWRENCE/BROADWAY TIF

ALL THAT PART OF SECTIONS 8 AND 17 IN TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE WEST LINE OF NORTH BROADWAY AND THE SOUTH LINE OF WEST FOSTER AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF WEST FOSTER AVENUE TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 25 IN BLOCK 16 OF COCHRAN'S ADDITION TO EDGEWATER, A SUBDIVISION IN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 25 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF NORTH BROADWAY;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND ALONG THE WEST LINE OF THE ALLEY WEST OF NORTH BROADWAY AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF WEST BERWYN AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST BERWYN AVENUE TO THE WEST LINE OF NORTH BROADWAY;

THENCE SOUTH ALONG SAID WEST LINE OF NORTH BROADWAY TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 18 IN BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION, A SUBDIVISION OF THE WEST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF LOT 18 IN BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION TO THE EAST LINE OF SAID LOT 18, SAID EAST LINE OF LOT 18 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH BROADWAY;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 18 IN BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOTS 13 AND 14 IN SAID BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION, SAID NORTH LINE OF LOTS 13 AND 14 BEING ALSO THE SOUTH LINE OF THE ALLEY NORTH OF WEST FOSTER AVENUE;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF SAID LOTS 13 AND 14 IN BLOCK 10 OF JOHN LEWIS COCHRAN'S

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SUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF TO THE WEST LINE OF LOTS 1 THROUGH 12, INCLUSIVE, IN SAID BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION, SAID WEST LINE OF LOTS 1 THROUGH 12, INCLUSIVE, IN BLOCK 10 OF JOHN LEWIS COCHRAN'S SUBDIVISION BEING ALSO THE EAST LINE OF THE ALLEY WEST OF NORTH WINTHROP AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF NORTH WINTHROP AVENUE TO THE NORTH LINE OF WEST AINSLIE STREET;

THENCE WEST ALONG SAID NORTH LINE OF WEST AINSLIE STREET TO THE EAST LINE OF NORTH BROADWAY;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH BROADWAY TO THE NORTH LINE OF LOT 61 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO, A SUBDIVISION OF PART OF LOT 4 OF FUSSEY AND FENNIMORE'S SUBDIVISION IN THE WEST HALF OF THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID NORTH LINE OF LOT 61 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE EAST LINE THEREOF, SAID EAST LINE OF LOT 61 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH BROADWAY;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 61 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE NORTH LINE OF LOT 1 IN SNOW AND DICKINSON'S SUBDIVISION OF PART OF BLOCK 4 OF FUSSEY AND FENNIMORE'S SUBDIVISION IN THE WEST HALF OF THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 1 BEING ALSO THE SOUTH LINE OF A PUBLIC ALLEY;

THENCE EAST ALONG SAID NORTH LINE OF LOT 1 IN SNOW AND DICKINSON'S SUBDIVISION AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF THE ALLEY LYING EAST OF AND ADJOINING SAID LOT 1 IN SNOW AND DICKINSON'S SUBDIVISION, SAID EAST LINE OF THE ALLEY BEING ALSO THE WEST LINE OF THE CHICAGO TRANSIT AUTHORITY RIGHT OF WAY;

THENCE NORTH ALONG SAID WEST LINE OF THE CHICAGO TRANSIT AUTHORITY RIGHT OF WAY TO THE SOUTH LINE OF WEST AINSLIE STREET;

THENCE EAST ALONG SAID SOUTH LINE OF WEST AINSLIE STREET TO THE WEST LINE OF NORTH WINTHROP AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH WINTHROP AVENUE TO THE NORTH LINE OF WEST AINSLIE STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST AINSLIE STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 21 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO, A SUBDIVISION OF PART OF LOT 4 OF FUSSEY AND FENNIMORE'S SUBDIVISION IN THE WEST HALF OF THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 21 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF NORTH KENMORE AVENUE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF THE ALLEY WEST OF NORTH KENMORE AVENUE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 37 IN AFORESAID GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 37 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 37 BEING ALSO THE EAST LINE OF NORTH WINTHROP AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 37 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE SOUTH LINE THEREOF;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 37 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO AND ALONG THE EASTERLY EXTENSION THEREOF, AND ALONG THE SOUTH LINE OF LOT 24 IN SAID GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF NORTH KENMORE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH KENMORE AVENUE TO THE NORTH LINE OF THE SOUTH 15 FEET OF LOT 11 IN SAID GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO;

THENCE EAST ALONG SAID NORTH LINE OF THE SOUTH 15 FEET OF LOT 11 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE EAST LINE OF SAID LOT 11, SAID EAST LINE OF LOT 11 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH KENMORE AVENUE;

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THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF NORTH KENMORE AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 1 IN SAID GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 1 IN GEORGE LILL'S SHERIDAN ROAD ADDITION TO CHICAGO TO THE WEST LINE OF NORTH SHERIDAN ROAD;

THENCE NORTH ALONG SAID WEST LINE OF NORTH SHERIDAN ROAD TO THE WESTERLY EXTENSION OF THE CENTER LINE OF VACATED WEST AINSLIE STREET LYING NORTH OF AND ADJOINING LOTS 1, 2 AND 3 IN CASTLEWOOD SUBDIVISION OF THAT PART OF LOT 4 OF FUSSEY AND FENNIMORE'S SUBDIVISION, LYING EAST OF THE CENTER LINE OF SHERIDAN ROAD AND NORTH OF THE SOUTH 5.2 CHAINS OF THE EAST HALF OF THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE CENTER LINE OF VACATED WEST AINSLIE STREET LYING NORTH OF AND ADJOINING LOTS 1, 2 AND 3 IN CASTLEWOOD SUBDIVISION TO THE EAST LINE OF SAID VACATED WEST AINSLIE STREET;

THENCE SOUTH ALONG SAID EAST LINE OF VACATED WEST AINSLIE STREET AND ALONG THE EAST LINE OF LOTS 3 AND 40 IN SAID CASTLEWOOD SUBDIVISION AND ALONG THE SOUTHERLY EXTENSION THEREOF AND ALONG THE EAST LINE OF LOTS 45 AND 85 IN SAID CASTLEWOOD SUBDIVISION AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF WEST GUNNISON STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST GUNNISON STREET TO THE EAST LINE OF NORTH SHERIDAN ROAD;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH SHERIDAN ROAD TO THE NORTH LINE OF WEST LAWRENCE AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST LAWRENCE AVENUE TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 15 IN THE SUBDIVISION OF THE NORTH FOUR ACRES OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE WEST LINE OF LOT 15 IN SAID SUBDIVISION OF THE NORTH FOUR ACRES

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OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 17 TO THE SOUTH LINE OF SAID LOT 15, SAID SOUTH LINE OF LOT 15 BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF WEST LAWRENCE AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY SOUTH OF WEST LAWRENCE AVENUE TO THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 9 IN HERDIEN-HOFFLUND & CARSON'S SUBDIVISION OF THE SOUTH SIX ACRES OF THE NORTH TEN ACRES OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF LOT 9 IN HERDIEN-HOFFLUND & CARSON'S SUBDIVISION AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF WEST LAKESIDE AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF WEST LAKESIDE AVENUE TO THE EAST LINE OF LOT 20 IN HORACE A. GOODRICH'S SUBDIVISION OF THE SOUTH TEN RODS OF THE NORTH THIRTY RODS OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG THE NORTHERLY EXTENSION OF SAID EAST LINE OF LOT 20 IN HORACE A. GOODRICH'S SUBDIVISION TO THE NORTH LINE OF WEST LAKESIDE AVENUE;

THENCE WEST ALONG SAID NORTH LINE OF WEST LAKESIDE AVENUE AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF NORTH SHERIDAN ROAD;

THENCE SOUTH ALONG SAID WEST LINE OF NORTH SHERIDAN ROAD TO THE SOUTH LINE OF LOT 8 IN WILLIAM DEERING'S SURRENDEN SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 8 IN WILLIAM DEERING'S SURRENDEN SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 8 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF NORTH SHERIDAN ROAD;

THENCE NORTH ALONG SAID EAST LINE OF THE ALLEY WEST OF NORTH SHERIDAN ROAD TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 99 IN SAID WILLIAM DEERING'S SURRENDEN SUBDIVISION;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 99 IN SAID WILLIAM DEERING'S SURRENDEN SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF AND ALONG THE SOUTH LINE OF LOT 102 IN SAID WILLIAM DEERING'S SURRENDEN SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 2 IN THE SUBDIVISION OF LOTS 150 TO 157, INCLUSIVE, OF WILLIAM DEERING'S SURRENDEN SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 2 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH WINTHROP AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF THE ALLEY EAST OF NORTH WINTHROP AVENUE TO THE SOUTH LINE OF LOT 6 IN SAID SUBDIVISION OF LOTS 150 TO 157, INCLUSIVE, OF WILLIAM DEERING'S SURRENDEN SUBDIVISION;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 6 IN THE SUBDIVISION OF LOTS 150 TO 157, INCLUSIVE, OF WILLIAM DEERING'S SURRENDEN SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 6 BEING ALSO THE EAST LINE OF NORTH WINTHROP AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF NORTH WINTHROP AVENUE TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1 IN THE SUBDIVISION OF LOTS 160 TO 169, INCLUSIVE, OF WILLIAM DEERING'S SURRENDEN SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 1 IN THE SUBDIVISION OF LOTS 160 TO 169, INCLUSIVE, OF WILLIAM DEERING'S SURRENDEN SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 1 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF NORTH WINTHROP AVENUE;

THENCE NORTH ALONG SAID EAST LINE OF THE ALLEY WEST OF NORTH WINTHROP AVENUE TO THE SOUTH LINE OF WEST LAWRENCE AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF WEST LAWRENCE AVENUE TO THE EAST LINE OF LOT 1 IN THE RESUBDIVISION OF LOTS 206 TO 227, INCLUSIVE, AND THE VACATED ALLEY ADJOINING SAID LOTS 206 TO 227 OF WILLIAM DEERING'S SURRENDEN SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF

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LOT 1 BEING ALSO THE WEST LINE OF THE CHICAGO TRANSIT AUTHORITY RIGHT OF WAY;

THENCE SOUTH ALONG SAID WEST LINE OF THE CHICAGO TRANSIT AUTHORITY RIGHT OF WAY TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOTS 238 AND 235 OF WILLIAM DEERING'S SURREN DEN SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOTS 238 AND 235 BEING ALSO THE NORTH LINE OF WEST LELAND AVENUE;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF WEST LELAND AVENUE TO THE WEST LINE OF NORTH RACINE AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF NORTH RACINE AVENUE TO THE SOUTH LINE OF LOT 14 IN SHERIDAN DRIVE SUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 17 TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 14 IN SHERIDAN DRIVE SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 59 IN SAID IN SHERIDAN DRIVE SUBDIVISION, SAID EAST LINE OF LOT 59 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH MAGNOLIA AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF NORTH MAGNOLIA AVENUE TO THE SOUTH LINE OF WEST LAWRENCE AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF WEST LAWRENCE AVENUE TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 5 IN THE SUBDIVISION OF LOTS 1 TO 5 IN BLOCK 4 IN RUFUS C. HALL'S ADDITION TO ARGYLE, A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 5 BEING ALSO THE EAST LINE OF ST. BONIFACIUS CEMETERY;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF LOT 5 IN THE SUBDIVISION OF LOTS 1 TO 5 IN BLOCK 4 IN RUFUS C. HALL'S ADDITION TO ARGYLE AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 6 IN RUFUS C. HALL'S ADDITION TO ARGYLE, A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID

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SOUTH LINE OF LOT 6 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST LAWRENCE AVENUE;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 6 IN RUFUS C. HALL'S ADDITION TO ARGYLE TO THE WEST LINE OF NORTH MAGNOLIA AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH MAGNOLIA AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 17 IN HERMAN NIETHER ET AL RESUBDIVISION OF BLOCK 1 (EXCEPT LOTS 1, 2 AND 3) IN RUFUS C. HALL'S ADDITION TO ARGYLE, A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 17 IN HERMAN NIETHER ET AL RESUBDIVISION TO THE EAST LINE THEREOF, SAID EAST LINE OF LOT 17 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF NORTH BROADWAY;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF NORTH BROADWAY TO THE SOUTH LINE OF LOT 19 IN BLOCK 1 IN A. J. BROWN'S SUBDIVISION OF CHYTRAUS' ADDITION TO ARGYLE, A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 19 BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF WEST WINNEMAC AVENUE;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 19 IN BLOCK 1 IN A. J. BROWN'S SUBDIVISION TO THE WEST LINE OF LOT 20 IN SAID BLOCK 1 IN A. J. BROWN'S SUBDIVISION;

THENCE NORTH ALONG SAID WEST LINE OF LOT 20 IN BLOCK 1 IN A. J. BROWN'S SUBDIVISION AND ALONG THE NORTHERLY EXTENSION THEREOF AND ALONG THE EAST LINE OF LOT 29 IN BLOCK 2 IN SAID A. J. BROWN'S SUBDIVISION TO THE NORTH LINE OF SAID LOT 29, SAID NORTH LINE OF LOT 29 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST CARMEN AVENUE;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY SOUTH OF WEST CARMEN AVENUE TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 27 IN SAID BLOCK 2 OF A. J. BROWN'S SUBDIVISION, SAID EAST LINE OF LOT 27 BEING ALSO THE WEST LINE OF A 6 FOOT ALLEY WEST OF NORTH BROADWAY;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 27 IN SAID BLOCK 2 OF A. J. BROWN'S SUBDIVISION AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF WEST CARMEN AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST CARMEN AVENUE TO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 14-08-305-054;

THENCE NORTH ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 14-08-305-054 TO THE NORTH LINE THEREOF, SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 14-08-305-054 BEING ALSO THE SOUTH LINE OF LOT 6 IN BROWN'S 1ST ADDITION TO ARGYLE, A SUBDIVISION IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 6 IN BROWN'S 1ST ADDITION TO ARGYLE TO THE EAST LINE OF THE WEST 30 FEET OF SAID LOT 6 IN BROWN'S 1ST ADDITION TO ARGYLE;

THENCE NORTH ALONG SAID EAST LINE OF THE WEST 30 FEET OF SAID LOT 6 IN BROWN'S 1ST ADDITION TO ARGYLE AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF WEST WINONA AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST WINONA AVENUE TO THE WEST LINE OF NORTH BROADWAY;

THENCE NORTH ALONG SAID WEST LINE OF NORTH BROADWAY TO THE POINT OF BEGINNING AT THE SOUTH LINE OF WEST FOSTER AVENUE;

EXHIBIT II:

Lawrence/Broadway Redevelopment Project Area

Estimated Redevelopment Project Costs

ELIGIBLE EXPENSE	ESTIMATED COST
Analysis, Administration, Studies, Surveys, Legal, Marketing etc.	\$ 2,000,000
Property Assembly including Acquisition, Site Prep and Demolition, Environmental Remediation	\$ 7,000,000
Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements, Affordable Housing Construction and Rehabilitation costs	\$ 10,000,000
Public Works & Improvements, including streets and utilities, parks and open space, public facilities (schools & other public facilities) ^[1]	\$ 7,500,000
Relocation Costs	\$ 1,000,000
Job Training, Retraining, Welfare-to-Work	\$ 2,500,000
Day Care Services	\$ 2,000,000
Interest Subsidy	<u>\$ 3,000,000</u>
TOTAL REDEVELOPMENT COSTS^{[2][3]}	\$ 35,000,000^[4]

^[1] This category may also include paying for or reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.

^[2] Total Redevelopment 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.

^[3] The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right of way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right of way.

^[4] Increases in estimated total Redevelopment Costs of more than five percent, after adjustment for inflation from the date of Plan adoption, are subject to Plan amendment procedures as provided under the Act.

Additional funding from other sources such as federal, state, county, or local grant funds may be utilized to supplement the City's ability to finance Redevelopment Project Costs identified above.

EXHIBIT III:

1999 Equalized Assessed Valuation by Tax Parcel

Exhibit III. 1999 EAV BY TAX PARCEL

<u>PIN</u>	<u>1999 EAV</u>	<u>PIN</u>	<u>1999 EAV</u>	<u>PIN</u>	<u>1999 EAV</u>
14-08-128-018-0000	250,901	14-08-320-012-0000	168,659	14-08-409-012-0000	37,205
14-08-128-019-0000	48,575	14-08-320-013-0000	58,691	14-08-409-013-0000	27,825
14-08-128-020-0000	123,487	14-08-320-014-0000	374,625	14-08-409-014-0000	23,691
14-08-128-021-0000	127,844	14-08-400-001-0000	271,653	14-08-409-015-0000	40,291
14-08-128-022-0000	375,696	14-08-400-002-0000	94,134	14-08-409-016-0000	24,915
14-08-128-023-0000	160,400	14-08-400-003-0000	exempt	14-08-409-017-0000	30,199
14-08-128-024-0000	301,533	14-08-400-004-0000	16,843	14-08-409-018-0000	23,691
14-08-128-025-0000	273,742	14-08-400-005-0000	32,731	14-08-409-019-0000	exempt
14-08-128-026-0000	163,386	14-08-400-006-0000	32,826	14-08-409-036-0000	191,954
14-08-210-004-0000	124,291	14-08-400-007-0000	97,703	14-08-409-037-0000	313,193
14-08-210-005-0000	124,291	14-08-400-008-0000	80,784	14-08-414-007-0000	146,937
14-08-210-006-0000	171,524	14-08-400-009-0000	186,002	14-08-414-009-0000	590,995
14-08-210-007-0000	144,894	14-08-400-011-0000	exempt	14-08-414-015-0000	152,204
14-08-210-008-0000	204,375	14-08-400-014-0000	247,902	14-08-414-025-0000	exempt
14-08-305-026-0000	exempt	14-08-400-015-0000	77,280	14-08-414-026-0000	58,493
14-08-305-055-0000	245,073	14-08-404-001-0000	127,257	14-08-414-027-0000	15,670
14-08-305-056-0000	288,249	14-08-404-002-0000	90,974	14-08-414-030-0000	459,233
14-08-308-053-0000	1,542,382	14-08-404-003-0000	341,165	14-08-414-032-0000	133,029
14-08-308-054-0000	836,360	14-08-404-004-0000	575,176	14-08-414-037-0000	251,806
14-08-308-055-0000	2,642,193	14-08-404-005-0000	62,044	14-08-414-038-0000	exempt
14-08-311-057-0000	227,746	14-08-404-006-0000	408,722	14-08-414-039-8001	exempt
14-08-311-058-0000	105,159	14-08-404-007-0000	827,617	14-08-414-039-8002	2,282
14-08-311-059-0000	365,598	14-08-404-008-0000	352,977	14-08-414-040-8001	exempt
14-08-317-037-0000	45,701	14-08-404-009-0000	253,181	14-08-414-040-8002	2
14-08-317-038-0000	41,848	14-08-404-010-0000	73,432	14-08-414-042-8001	exempt
14-08-317-039-0000	83,755	14-08-404-011-0000	208,873	14-08-414-042-8002	2
14-08-317-040-0000	42,922	14-08-404-012-0000	189,060	14-08-414-043-0000	33,384
14-08-318-011-0000	444,305	14-08-404-013-0000	163,834	14-08-415-001-0000	25,190
14-08-318-012-0000	67,002	14-08-404-031-8001	exempt	14-08-415-002-0000	15,699
14-08-318-013-0000	18,315	14-08-404-031-8002	32,277	14-08-415-003-0000	7,850
14-08-318-014-0000	18,315	14-08-404-031-8003	13,775	14-08-415-004-0000	70,382
14-08-318-015-0000	442,376	14-08-404-031-8004	20,448	14-08-415-006-0000	15,699
14-08-319-007-0000	342,076	14-08-409-001-0000	358,376	14-08-415-007-0000	15,699
14-08-319-008-0000	34,736	14-08-409-002-0000	124,997	14-08-415-008-0000	15,699
14-08-319-009-0000	33,386	14-08-409-003-0000	123,474	14-08-415-009-0000	15,699
14-08-319-010-0000	35,025	14-08-409-004-0000	99,427	14-08-415-010-0000	15,699
14-08-319-011-0000	exempt	14-08-409-006-0000	130,315	14-08-415-011-0000	15,699
14-08-320-007-0000	221,922	14-08-409-007-0000	40,003	14-08-415-012-0000	9,261
14-08-320-008-0000	682,363	14-08-409-008-0000	84,142	14-08-415-013-0000	45,647
14-08-320-009-0000	317,489	14-08-409-009-0000	731,383	14-08-415-015-0000	48,044
14-08-320-010-0000	190,899	14-08-409-010-0000	548,796	14-08-415-016-0000	48,314
14-08-320-011-0000	118,115	14-08-409-011-0000	130,261	14-08-415-017-0000	53,562

Exhibit III. 1999 EAV BY TAX PARCEL

<u>PIN</u>	<u>1999 EAV</u>	<u>PIN</u>	<u>1999 EAV</u>	<u>PIN</u>	<u>1999 EAV</u>
14-08-415-018-0000	245,079	14-08-418-001-0000	exempt	14-17-205-004-0000	exempt
14-08-415-019-0000	87,990	14-08-418-002-0000	exempt	14-17-205-042-0000	3,678,571
14-08-415-020-0000	27,121	14-08-418-022-0000	exempt	Total Project Area	\$ 39,448,972
14-08-415-025-0000	exempt	14-08-418-023-0000	exempt		
14-08-415-029-0000	72,882	14-08-418-024-0000	exempt		
14-08-415-030-0000	51,075	14-08-500-002-8001	exempt		
14-08-415-032-0000	exempt	14-08-500-002-8002	16,987		
14-08-415-033-0000	exempt	14-08-500-002-8003	66,781		
14-08-415-034-0000	29,815	14-08-500-002-8004	17,347		
14-08-415-035-0000	497,410	14-08-500-002-8005	16,728		
14-08-415-037-8001	exempt	14-08-500-002-8006	26,545		
14-08-415-037-8002	878,348	14-08-500-002-8007	11,847		
14-08-415-038-1001	19,017	14-08-500-002-8008	9,387		
14-08-415-038-1002	19,014	14-08-500-002-8009	21,578		
14-08-415-038-1003	19,014	14-17-105-014-0000	542,809		
14-08-415-038-1004	19,017	14-17-105-015-0000	129,224		
14-08-415-038-1005	19,014	14-17-105-016-0000	100,996		
14-08-415-038-1006	19,014	14-17-105-017-0000	242,116		
14-08-415-039-1001	13,048	14-17-105-018-0000	311,237		
14-08-415-039-1002	13,048	14-17-105-019-0000	116,162		
14-08-415-039-1003	13,048	14-17-111-012-0000	497,597		
14-08-416-013-0000	exempt	14-17-200-001-0000	2,032,728		
14-08-416-014-0000	exempt	14-17-200-002-0000	425,995		
14-08-416-018-0000	269,536	14-17-201-001-0000	305,460		
14-08-416-019-0000	285,705	14-17-201-002-0000	35,920		
14-08-416-020-0000	285,705	14-17-201-003-0000	14,709		
14-08-416-021-0000	59,229	14-17-201-004-0000	94,433		
14-08-416-022-0000	75,169	14-17-201-005-0000	217,677		
14-08-416-023-0000	51,885	14-17-201-006-0000	111,265		
14-08-416-024-0000	134,238	14-17-202-001-0000	297,692		
14-08-416-025-0000	73,972	14-17-202-010-0000	355,647		
14-08-416-026-0000	445,995	14-17-202-011-0000	90,218		
14-08-416-027-0000	760,833	14-17-203-001-0000	264,431		
14-08-416-028-0000	438,965	14-17-203-013-0000	27,116		
14-08-416-030-0000	472,155	14-17-203-014-0000	exempt		
14-08-417-001-0000	exempt	14-17-203-015-0000	exempt		
14-08-417-002-0000	exempt	14-17-204-001-0000	116,526		
14-08-417-003-0000	exempt	14-17-204-002-0000	272,668		
14-08-417-022-0000	exempt	14-17-204-003-0000	401,854		
14-08-417-023-0000	exempt	14-17-205-001-0000	327,164		
14-08-417-024-0000	exempt	14-17-205-002-0000	exempt		
14-08-417-025-0000	exempt	14-17-205-003-0000	exempt		

EXHIBIT IV:

Lawrence/Broadway Redevelopment Project Area

Tax Increment Financing Eligibility Study

**LAWRENCE/BROADWAY
REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCING
ELIGIBILITY STUDY**

City of Chicago, Illinois
Richard M. Daley, Mayor

Prepared by:
Trkla, Pettigrew, Allen & Payne, Inc.
February 26, 2001

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EXECUTIVE SUMMARY

The purpose of this report is to determine whether the Lawrence/Broadway Redevelopment Project Area (the "Project Area"), qualifies for designation as a "conservation area" within the requirements set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et. seq.*, as amended.

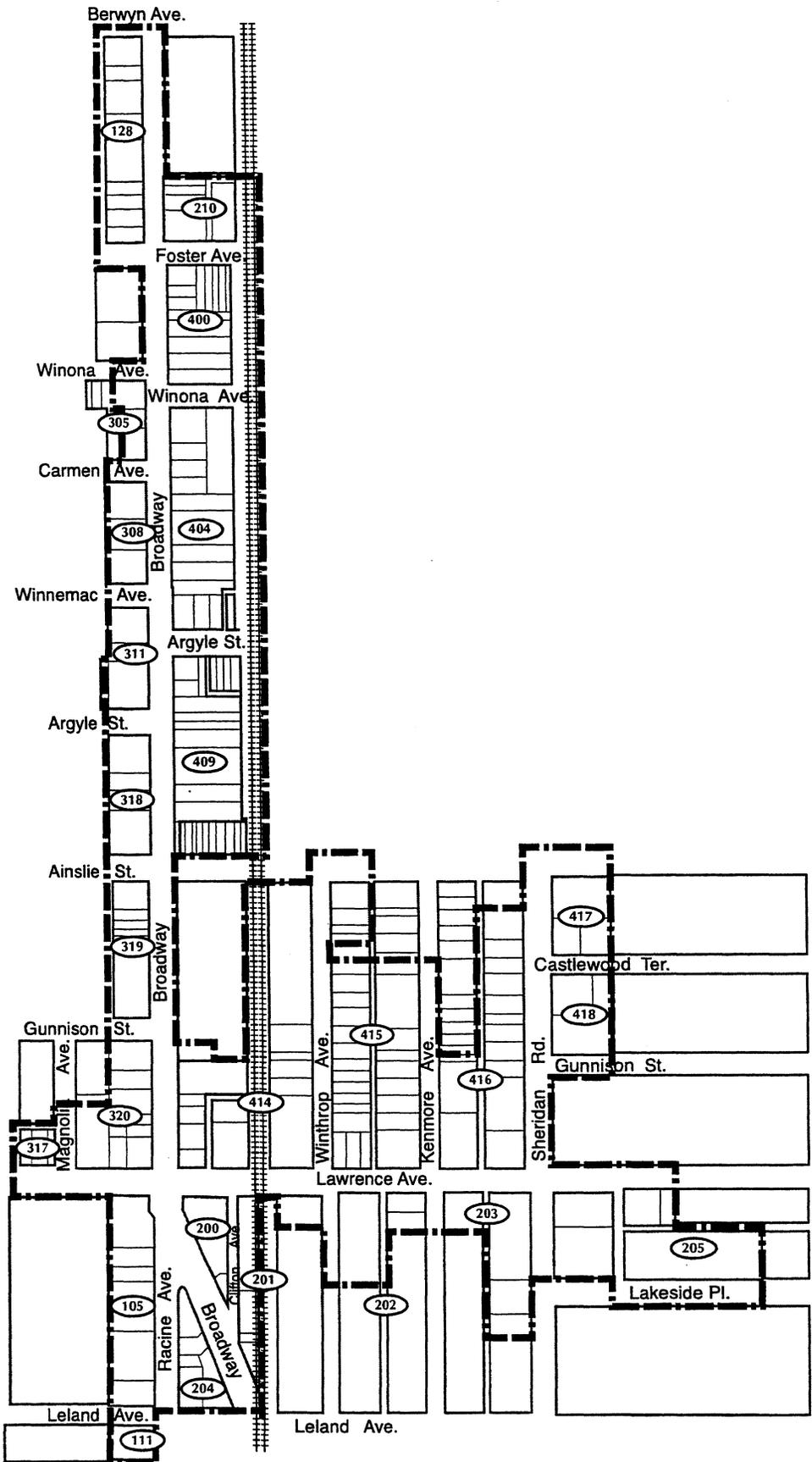
The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") for the Project Area of approximately 73.6 acres located within the Uptown Community Area of the City of Chicago (the "City"). The Project Area is bounded by an irregular line beginning at Berwyn Avenue, west of the CTA Elevated tracks and Ainslie Street, east of the CTA tracks, on the north; Sheridan Road and the east line of properties fronting Sheridan Road on the east; Lakeside Place and Leland Avenue on the south; and a portion of Magnolia Avenue and the west line and rear alley of properties fronting the west side of Broadway on the west. The boundaries of the Project Area are shown on Figure 1, *Project Area Boundary*.

The Project Area

The Project Area consists of 25 full and partial blocks along both sides of Broadway and along a portion of Lawrence Avenue in the Uptown and Edgewater Community Areas in the northeast area of Chicago. In addition to these two primary commercial corridors, the Project Area includes properties fronting a portion of Sheridan Road and a number of residential and institutional uses on the interior of these corridors.

The Project Area contains approximately 73.6 acres, of which 28.5 acres, or 38.7 percent, consist of street and alley rights-of-way. The two primary commercial corridors contain a wide variety of uses. Significant properties that dominate the blocks around the major intersection of Broadway and Lawrence Avenues include the vacant Goldblatt's department store complex which occupies one entire triangular block, two large historic theaters (Uptown and Riviera) and the famous Aragon Ballroom building, east of the CTA elevated tracks. Other uses include retail, services, office, public and semi-public activity including the McCutcheon Elementary School and branch, several churches, and a number of multi-family buildings, including single room occupancy hotels and elderly and assisted living facilities. Existing land uses are indicated in Figure 2, *Existing Land Uses*.

There are twenty-nine (29) buildings that have been identified as significant in a survey of historic resources documented for submission to the National Register of Historic Places as the Uptown Square Historic District. Approval of the Uptown Square Historic District was granted in January 2001 by the United States Department of Interior, National Park Service. As part of the documentation process, these 29 buildings, which are listed in the Lawrence/Broadway Redevelopment Project and Plan, were all constructed during the period between 1900 and 1950. In addition to their age, many of these structures exhibit unique architectural detail and design elements.



105 Block Number
 Project Area Boundary

Figure 1
PROJECT AREA BOUNDARY

2-20-01



Much of the Project Area is characterized by a combination of vacant buildings or vacancies within buildings, obsolescence within buildings or in the layout of buildings within blocks, including overcrowding of buildings on sites, deterioration of structures and site improvements, incompatible or inappropriate mixed uses and a general cluttered appearance of varying building types, sizes and activity. While some newer development has occurred in blocks outside the Project Area, all indications are that the area has not benefited from new private investment to revitalize the area on a systematic or significant level. As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than 1½ 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 and conservation areas. The Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50 percent 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, the area is detrimental to the public safety, health, morals or welfare and, it may become a blighted area: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; 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 remediation costs (incurred or required), or a declining or lagging rate of growth in total equalized assessed valuation.

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 a meaningful extent and conservation area factors must be reasonably distributed throughout the Project Area so that basically good areas are not arbitrarily included in the Project Area simply because of proximity to areas that qualify as a conservation area.

On the basis of this approach, the Project Area is eligible as a "conservation area" within the requirements of the Act. Of the total 121 buildings within the 25 full and partial blocks, 107, or 88.4 percent are 35 years of age or older. In addition to age, nine of the thirteen qualifying factors required under the Act are present in the Project Area. These factors are reasonably distributed throughout the entire Project Area. The entire Project Area is impacted by and shows the presence of these conservation factors. Finally, the Project Area includes only real property and improvements substantially benefited by the proposed redevelopment project improvements. The extent to which these factors are present in the Project Area is summarized below.

Conservation Area Factors

1. Obsolescence

Obsolescence as a factor is present to a major extent in fifteen blocks and to a limited extent in four blocks. Conditions contributing to this factor include the functional and economic obsolescence of existing buildings of limited size and utility and obsolete platting with small narrow parcels which contain inadequate provision for access, servicing, off-street parking and loading in the blocks on which the properties are located.

2. Deterioration

Deterioration as a factor is present to a major extent in eleven blocks and to a limited extent in eleven blocks. Deterioration includes the deterioration of visible building components as well as the deterioration of alleys, site surfaces, parking and service areas, fencing and sidewalks.

3. Structures Below Minimum Code Standards

Structures below minimum code standards as a factor is present to a major extent in fourteen blocks and to a limited extent in two blocks. Structures in these blocks exhibit advanced defects in building components, which are below the minimum legal requirements established by the laws, ordinances and regulations of the City of Chicago. Among the structures in these blocks, 69 building code violations were documented according to City Building Department records.

4. Excessive Vacancies

Excessive vacancies as a factor is present to a major extent in eleven blocks and to a limited extent in seven blocks. This factor includes buildings which are totally vacant, contain vacant space in either store fronts or in upper floors, or contain vacant dwelling units.

5. Excessive Land Coverage & Overcrowding of Structures and Community Facilities

Excessive land coverage and overcrowding of structures and community facilities as a factor is present to a major extent in eighteen blocks and to a limited extent in four blocks. Properties impacted include parcels where buildings occupy all or nearly the entire parcel upon which they are situated, resulting in a lack of off-street parking, inadequate service and loading facilities, and limited ingress and egress.

6. Inadequate Utilities

Water distribution mains throughout the entire Project Area range in age between 80 to over 100 years in age and require replacement. Aging sewer lines, which are combination storm and sanitary, are in need of replacement in three areas. Inadequate utilities, as a factor, is present to a major extent throughout the Project Area.

7. Deleterious Land-Use or Layout

Deleterious land-use or layout as a factor is present to a major extent in fourteen blocks and to a limited extent in eight blocks. This factor includes incompatible mix of land

uses, improper layout of parcels and buildings that is inconsistent with current standards or requirements for proper service, access, egress and loading requirements.

8. **Lack of Community Planning**

Lack of community planning as a factor is present to a major extent. The Project Area was developed on a building by building basis without the benefit or guidance of a community plan with reasonable policies and standards for building setbacks, location and arrangement of off-street parking, and service access for buildings.

9. **Declining or Lagging Rate of Growth of Total Equalized Assessed Valuation**

The presence of a declining or lagging equalized assessed valuation for the Project Area is present to a major extent. For three of the last five calendar years for which information is available, the rate of growth in the Project Area's total equalized assessed valuation was less than that for the balance of the City of Chicago and less than the increase in the Consumer Price Index for All Urban Consumers for those same three years.

I. BASIS FOR REDEVELOPMENT

The Illinois General Assembly made two key legislative findings in adopting the Act:

1. That there exists in many municipalities within the state blighted and conservation areas; and
2. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that a prospective redevelopment project qualifies either as a “blighted area” or as a “conservation area” within the definitions for each set forth in the Act (Section 11-74.4-3). This Eligibility Study finds that the Project Area qualifies as a “conservation area.” The requirements for such qualification are described below.

Eligibility of a Conservation Area

A conservation area is an improved area in which 50 percent or more of the structures in the area have an age of 35 years or more and there is a presence of a combination of three or more of the thirteen factors defined in the Act and listed below. Such an area is not yet a blighted area, but because of a combination of three or more of these factors, the area may become a blighted area.

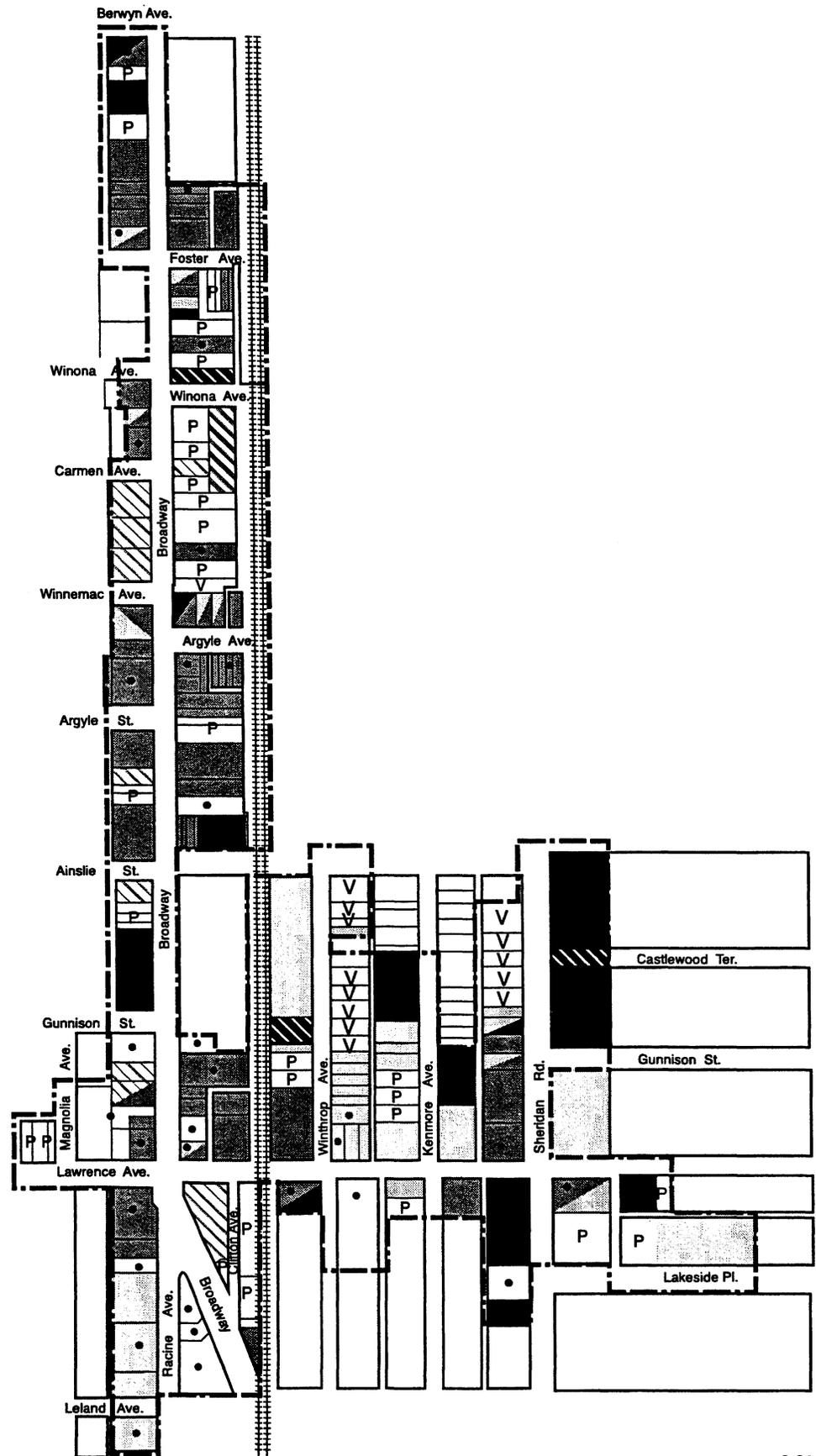
- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Excessive vacancies
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage & overcrowding of structures and community facilities
- Deleterious land-use or layout
- Lack of community planning
- Environmental remediation costs have been incurred or are required

- Declining or lagging rate of growth of total equalized assessed valuation

For conservation areas, the Act does not describe what constitutes the extent of presence necessary to make a finding that a factor exists. However, TPAP, in preparing this Eligibility Study, has applied the following principles that the Act applies to the qualification of a “conservation area:”

1. The minimum number of factors must be present to a meaningful extent and the presence of each must be documented;
2. For a factor to be found present, it should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. The factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility be established for each and every property in the Project Area.



-  Residential
-  Commercial
-  Office
-  Industrial
-  Public/Semi-Public
-  Parks/Open Space
-  Parking
-  Vacant Land
-  Vacant Building Floors
-  Mixed Use
-  Boundary

Figure 2
EXISTING LAND USE

2-20-01



II. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS

An analysis was made of each of the conservation factors listed in the Act to determine whether each or any are present in the Project Area, and if so, to what extent and in what locations. Surveys and analyses conducted by TPAP included:

1. Exterior survey of the condition and use of all buildings and sites;
2. Field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of the existing uses within the Project Area and their relationships to the surroundings;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Analysis of original and current platting and building size and layout;
6. Analysis of vacant portions of the site and building;
7. Analysis of building floor area and site coverage;
8. Review of previously prepared plans, studies and data; and
9. Analysis of Cook County Assessor records for assessed valuations and equalization factors for tax parcels in the Project Area for assessment years 1994 to 1999.

A statement of findings is presented for each conservation factor listed in the Act. The conditions that exist and the relative extent to which each factor is present are described below.

A factor noted as “not present” indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A factor noted as present to a limited extent indicates that conditions exist that document that the factor is present, but that the distribution or impact of the conservation or blight condition is limited. Finally, a factor noted as present to a major extent indicates that conditions exist which document that the factor are present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development. Figure 3 is a copy of the form used to record building conditions.

What follows is the summary evaluation of the conservation factors, presented in order of their listing in the Act.

A. Age

Age is a primary and prerequisite factor in determining an area's qualification for designation as a "conservation" area. Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time and climate, structures which are 35 years or older typically exhibit more problems and require greater maintenance than more recently constructed buildings.

Most of the older buildings along the two corridors were constructed between the early 1900s and the late 1920s. Of the total 121 buildings in the Project Area, 107, or 88.4 percent are 35 years or older.

Conclusion: The Project Area meets the prerequisite test for designation as a "conservation area."

B. Dilapidation

As defined in the Act, 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.

This section summarizes the process used for assessing building conditions in the Project Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures. The process, standards and criteria were applied in accordance with the TPAP Building Condition Survey Manual.

The building condition analysis is based on a thorough exterior inspection of the buildings and sites conducted initially during March and May of 2000 and again during August 2000 to update conditions and activity. Structural deficiencies in building components and related environmental deficiencies in the Project Area were noted during the inspections.

Building Components Evaluated

During the field survey, each component of the buildings in the Project Area was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two types:

Primary Structural

These include the basic elements of any building: foundation walls, load-bearing walls and columns, floors, roof and roof structure.

Secondary Components

These are components generally added to the primary structural components and are necessary parts of the building, including exterior and interior stairs, windows and window units, doors and door units, interior walls, chimneys, and gutters and downspouts.

Criteria for Classifying Defects for Building Components

Each primary and secondary component was evaluated separately as a basis for determining the overall condition of individual buildings. This evaluation considered the relative importance of specific components within a building and the effect that deficiencies in components will have on the remainder of the building.

Building Component Classifications

The four categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below:

Sound

Building components that contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

Deficient - Requiring Minor Repair

Building components containing defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components. Minor defects are not considered in rating a building as structurally substandard.

Deficient - Requiring Major Repair

Building components which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components by people skilled in the building trades.

Critical

Building components that contain major defects (bowing, sagging, or settling to any or all exterior components causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area) so extensive that the cost of repair would be excessive.

Final Building Rating

After completion of the exterior-interior building condition survey, each structure was placed in one of four categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below:

Sound

Sound buildings can be kept in a standard condition with normal maintenance. Buildings so classified have less than one minor defect.

Deficient

Deficient buildings contain defects that collectively are not easily correctable and cannot be accomplished in the course of normal maintenance. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

Minor

Buildings classified as “deficient - requiring minor repairs” - have more than one minor defect, but less than one major defect.

Major

Buildings classified as “deficient - requiring major repairs” - have at least one major defect in one of the primary components or in the combined secondary components, but less than one critical defect.

Substandard

Structurally substandard buildings contain defects that are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two or more major defects.

“Minor deficient” and “major deficient” buildings are considered to be the same as “deteriorating” buildings as referenced in the Act; “substandard” buildings are the same as “dilapidated” buildings. The words “building” and “structure” are presumed to be interchangeable.

Exterior Survey

The conditions of the buildings within the Project Area were determined based on observable components. TPAP conducted an exterior survey of each building within the Project Area to determine its condition. Of the total of 121 buildings:

- 37 buildings were classified as structurally sound;
- 64 buildings were classified as minor deficient (deteriorating);
- 20 buildings were classified as major deficient (deteriorating); and
- 0 buildings were classified as structurally substandard (dilapidated).

Blocks in which 10% or more of the buildings are dilapidated (substandard) are indicated as characterized by the presence of dilapidation to a major extent. Blocks in which less than 10% of the buildings are dilapidated are indicated as characterized by the presence of dilapidation to a limited extent

Conclusion: Structurally substandard buildings (dilapidation) as a factor does not exist within the Project Area.

C. Obsolescence

As defined in the Act, "obsolescence" refers to the condition or process of falling into disuse. Structures have become ill-suited for the original use.

Obsolescence may be curable or incurable, and the loss in value may be the result of physical or economic influences, either of which result in a loss of income.

Curable obsolescence includes properties that have become functionally obsolete as a result of physical characteristics or deficiencies that limit the use or reuse of such properties. Income from such properties may only be restored through reinvestment in the property, including substantial rehabilitation to increase the desirability or capacity of the property.

Incurable obsolescence includes properties where physical deficiencies or external economic influences prevent the feasible operation of such properties in their current use. Diminished income from such properties may only be cured by converting the property to a higher and better use.

Real estate development is driven by the highest and best use of property at the time it is developed, which includes defining its use, platting the property, designing the physical and spatial characteristics of the property, and constructing the site improvements and structures.

Over time, changes in design or technology may cause a property to become functionally obsolete. Nevertheless, the property's highest and best use may remain its current use. This obsolescence is generally functional in nature and is curable through periodic upgrades and occasional rehabilitation to preserve its value, income and competitive position in the market place.

If functionally obsolete properties are not periodically improved or rehabilitated, or economically obsolete properties are not converted to higher and better uses, the income and value of the property erodes over time. This value erosion leads to deferred maintenance, deterioration, and excessive vacancies. These manifestations of obsolescence then begin to have an overall blighting influence on surrounding properties and detract from the economic vitality of the overall area.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, may also evidence obsolescence in terms of their relationship to contemporary development

standards for such improvements. Factors of obsolescence may include inadequate utility capacities or outdated designs.

Obsolescence as a factor should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence.

Obsolete Building Types

Obsolete buildings contain characteristics or deficiencies that limit their long-term sound use or reuse. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse affect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Obsolescence is present is a significant number of structures in the Project Area. These structures are characterized by conditions that limit their efficient or economic use according to contemporary standards.

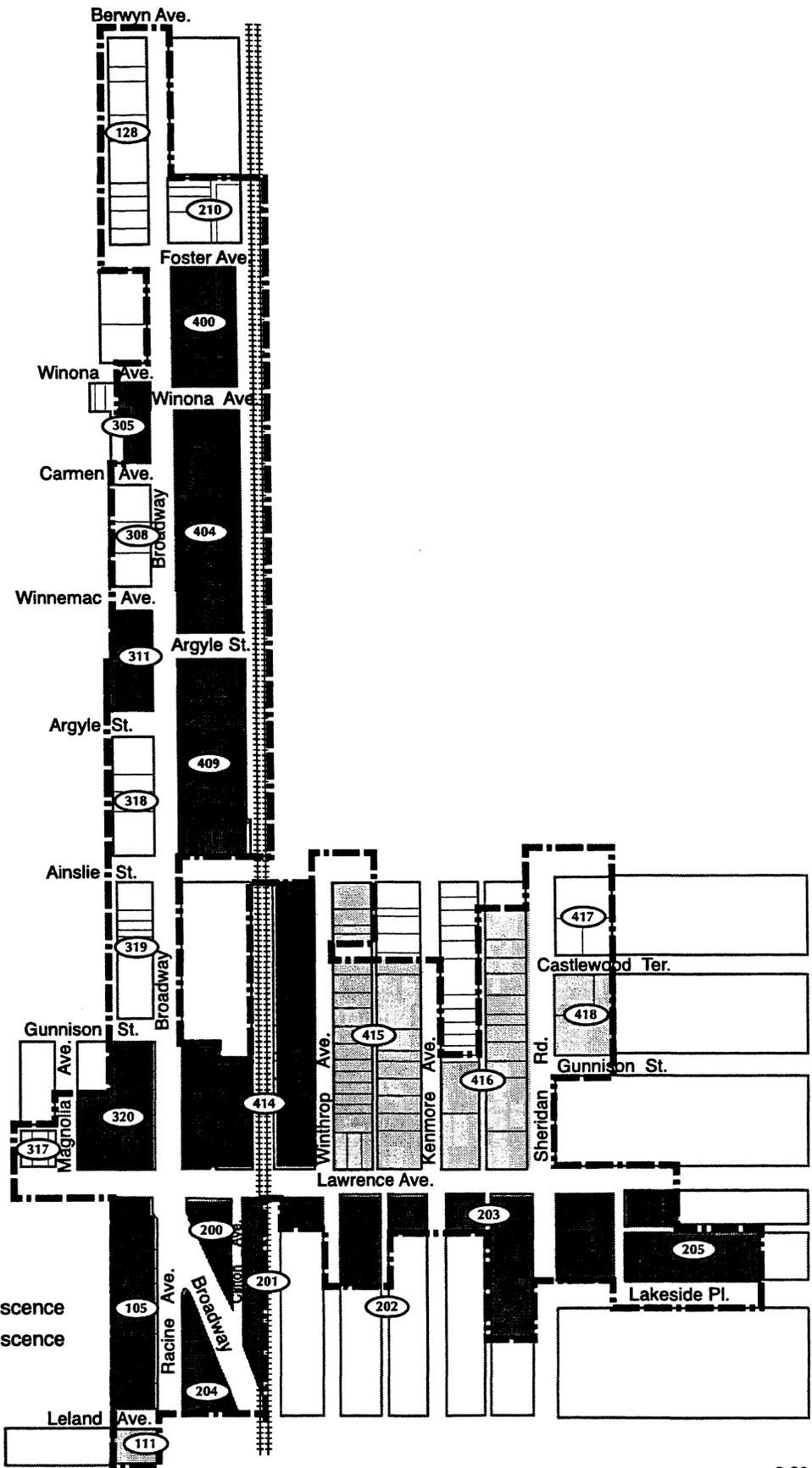
Obsolete buildings include 41 of the 121 buildings located in 19 of the 25 blocks. These include small individual buildings and small strip buildings of limited size and narrow store space, single purpose buildings, including residential buildings and buildings of limited size converted to or expanded for commercial or office space, multi-story residential buildings lacking energy efficient components and outdated mechanical systems.

Obsolete Platting, Streets

Fifteen of the twenty-five full or partial blocks contain narrow parcels ranging in width from 24 to 40 feet and have limited depth which deters any type of development and requires assembly of these parcels for potential development sites. Clifton Avenue, between the diagonal portion of Broadway and Lawrence Avenue, parallel and west of the "L" tracks, is a narrow street. Its right-of-way is only 33 feet wide resulting in narrow pavement, compared to other streets of 100 feet (Broadway) or 66 feet, which is the standard width for local streets.

Blocks in which 20% or more of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a major extent. Blocks in which less than 20% of the buildings or sites are obsolete are indicated as characterized by the presence of obsolescence to a limited extent. See Figure 4, Obsolescence.

Conclusion: The analysis indicates that obsolescence is present to a major extent in fifteen blocks and to a limited extent in four blocks.



- Major Presence of Obsolescence
- Minor Presence of Obsolescence
- 105 Block Number
- Project Area Boundary

Figure 4
OBsolescence

2-20-01

D. Deterioration

As defined in the Act, "deterioration" refers to, with respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Based on the definition given by the Act, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair.

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of painting, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.

Deterioration of Alleys, Surface Parking Areas, Viaducts

Blocks between Ainslie Street and Leland Avenue, east of Broadway, contain poorly maintained alleys with depressions, pot holes and weed growth, including an antiquated and poorly functioning cobblestone alley in the block between Winthrop and Kenmore Avenues. Deteriorated site surface areas include concrete slabs which appear to be left over from previous building sites along the west side of Sheridan Road, north of Gunnison Street, parking surfaces with worn or cracked pavement and protruding weed growth in four blocks, and a gravel parking area in Block 205. Deteriorated concrete columns and retaining walls are present at the viaducts under the CTA elevated line where concrete surfaces and columns exhibit cracks, missing material and exposed, rusting reinforcing.

Deterioration of Buildings

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation." A total of 85, (70%) of the buildings within the Project Area, are classified as deteriorating. As noted in Table 1 below, building deterioration is present throughout most of the blocks within the Project Area.

Table 1: Summary of Building Deterioration

Block No.	Total Buildings	Sound	Minor Deficient	Major Deficient	Substandard/Dilapidated
105	7	-	5	2	-
111	1	-	1	-	-
128	4	2	2	-	-
200	2	1	1	-	-
201	3	-	1	2	-
202	2	-	2	-	-
203	4	1	1	2	-
204	3	-	-	3	-
205	4	-	3	1	-
210	2	1	1	-	-
305	3	1	1	1	-
308	1	1	-	-	-
311	5	2	2	1	-
317	-	-	-	-	-
318	2	-	2	-	-
319	2	2	-	-	-
320	5	1	3	1	-
400	6	-	5	1	-
404	8	2	2	4	-
409	16	8	8	-	-
414	8	1	7	-	-
415	14	3	11	-	-
416	17	11	4	2	-
417	1	-	1	-	-
418	1	-	1	-	-
Total	121	37	64	20	-
Percent	100.0	30.6	52.9	16.5	-

Blocks in which 20% or more of the buildings or site improvements are indicated as characterized by deterioration and, provided that at least 10% of all buildings are deteriorating to a major deficient level, indicate the presence of deterioration to a major extent. Blocks in which less than 20% of the buildings or sites show the presence of deterioration and less than 10% of all buildings are deteriorating to a major deficient level, indicate that deterioration is present to a limited extent. See Figure 5, Deterioration

Conclusion: Deterioration is present to a major extent in eleven blocks and to a limited extent in eleven blocks.

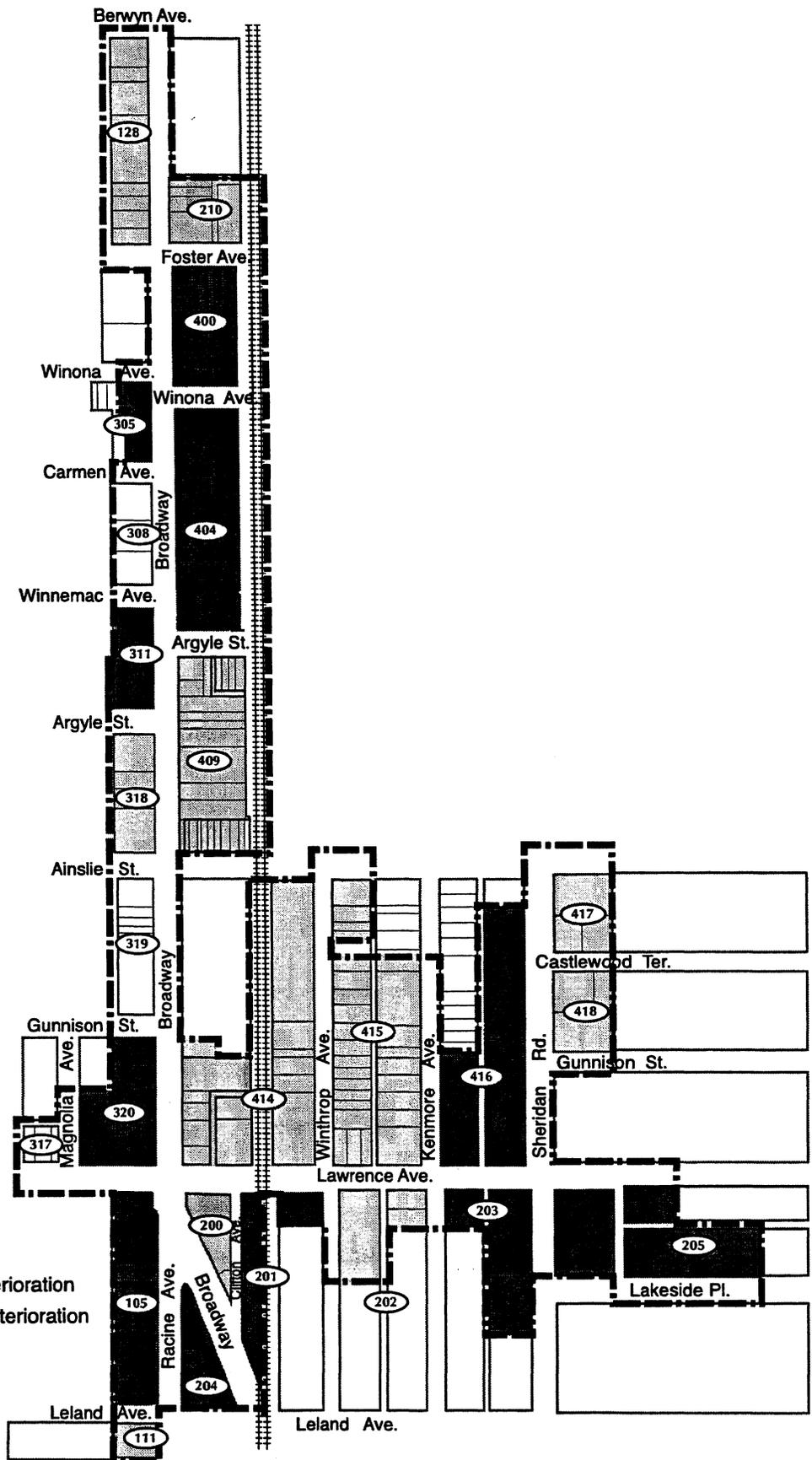


Figure 5
DETERIORATION

2-20-01

E. Presence of Structures Below Minimum Code Standards

As defined in the Act, the “presence of structures below minimum code standards” refers to 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.

As referenced in the definition above, the principal purposes of governmental codes applicable to properties are to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy; to be safe for occupancy against fire and similar hazards; and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code standards are characterized by defects or deficiencies that threaten health and safety.

Determination of the presence of structures below minimum code standards was based upon visible defects and advanced deterioration of building components from the exterior surveys. Of the total 121 buildings, 21, or 16.5 percent exhibited advanced deterioration and defects that are below the standards for existing buildings and related codes of the City of Chicago.

In addition to the exterior survey, data from the City Building Department relating to buildings with documented code violations over the past 5 years, indicate that twice as many buildings on an average in each block, compared to exterior defects only, contain code violations.

Blocks in which 20% or more of the buildings contain advanced defects are indicated as characterized by the presence of structures below minimum code standards to a major extent. Blocks in which less than 20% of the buildings are below minimum code standards are considered present to a limited extent. See Figure 6, Structures Below Minimum Code Standards.

Conclusion: The factor of structures below minimum code standards is present to a major extent in fourteen blocks and to a limited extent in two blocks

F. Illegal Use of Individual Structures

As defined in the Act, “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.

Much of the Project Area was developed prior to the existence of sound development controls. While many of the parcels and building set backs do not comply with the current regulations of the municipal codes and several activities may not coincide with the zoning designation of the area, no illegal uses of individual buildings were noted to be present.

Conclusion: No illegal uses of individual structures were evident from the field surveys conducted.

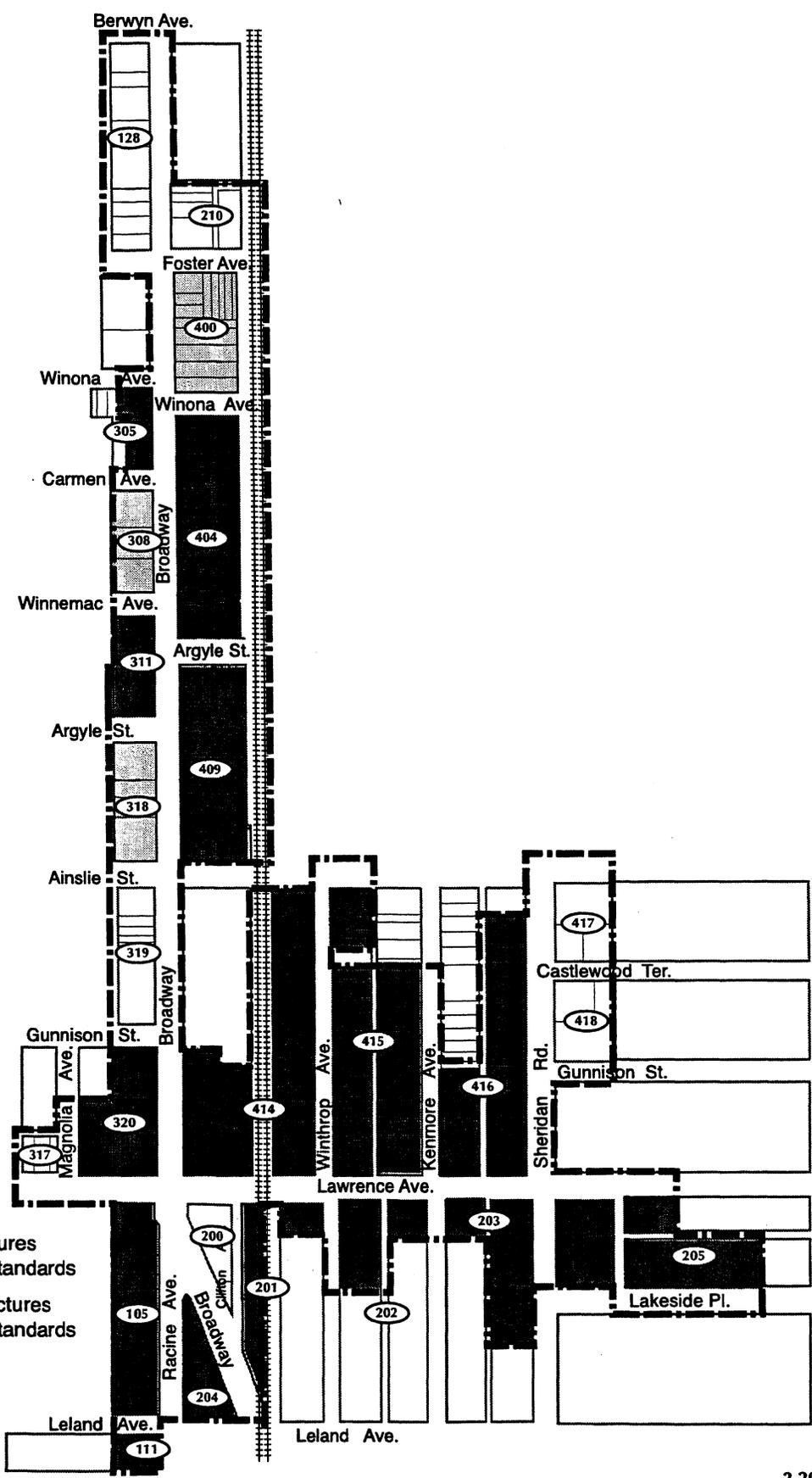


Figure 6
**STRUCTURES BELOW
 MINIMUM CODE STANDARDS**

2-20-01

G. Excessive Vacancies

As defined in the Act, "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.

Excessive vacancies as a factor is present throughout most of the blocks within the Project Area. Based on the surveys during March, May and August 2000, a total of 13 buildings were vacant and an additional 22 buildings contained vacant space in either ground floor or upper floor areas. In combination, 35 buildings, or 29 percent, of all buildings are impacted by vacant space.

Blocks in which 20% or more of the buildings are partially or totally vacant are indicated as characterized by the presence of excessive vacancies to a major extent. Blocks with less than 20% of the buildings partially or totally vacant are characterized by the presence of excessive vacancies to a limited extent. See Figure 7, Excessive Vacancies.

Conclusion: Excessive vacancies as a factor is present to a major extent in eleven blocks and to a limited extent in seven blocks.

H. Lack of Ventilation, Light, or Sanitary Facilities

As defined in the Act, lack of ventilation, light, or sanitary facilities refers to 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.

Conclusion: No condition pertaining to a lack of ventilation, light, or sanitary facilities has been documented as part of the exterior surveys and analyses undertaken within the Project Area.

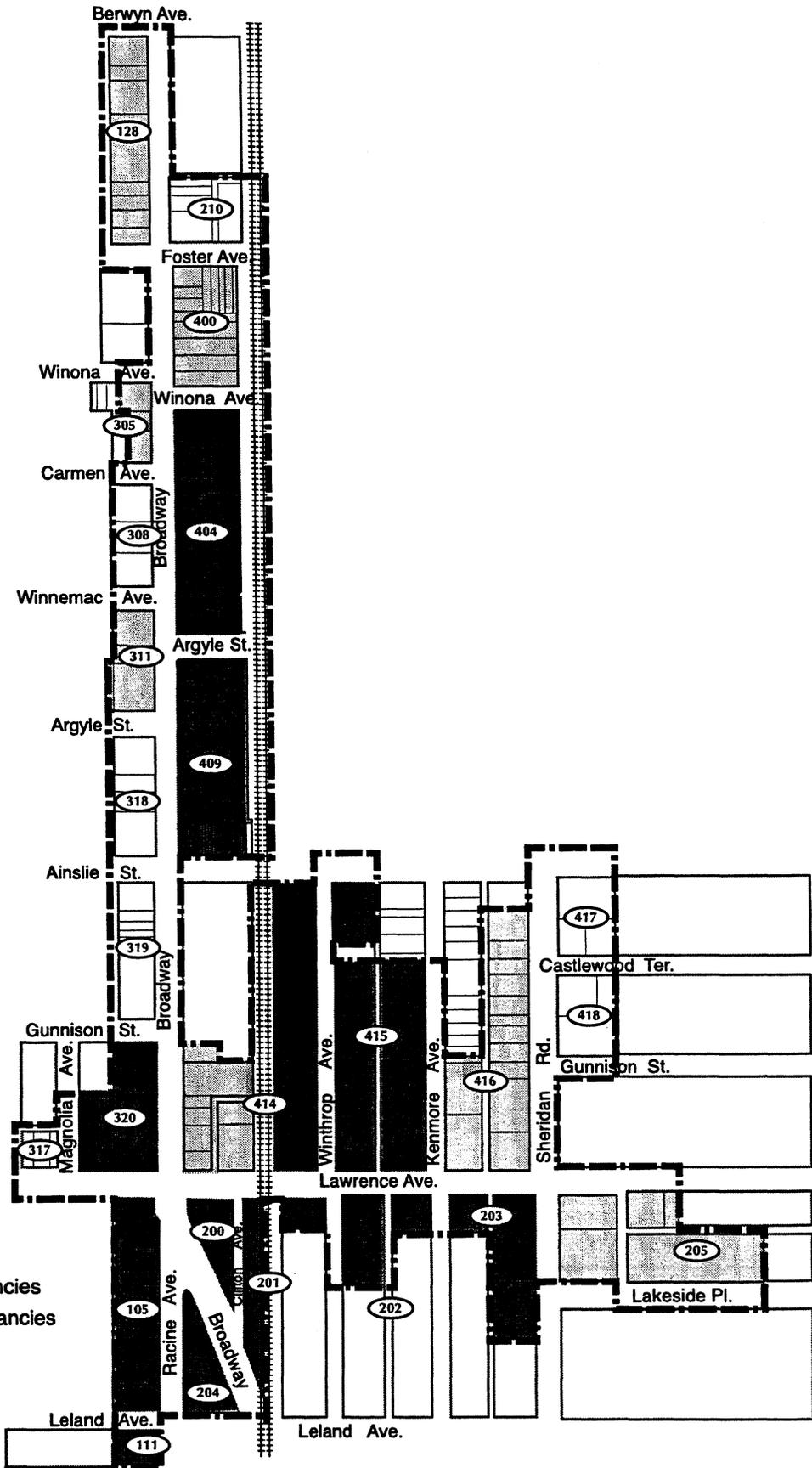


Figure 7
EXCESSIVE VACANCIES

2-20-01



I. Inadequate Utilities

As defined in the Act, “inadequate utilities” refers to 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: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

According to information received from the City of Chicago Departments of Water and Sewer, existing water mains vary in age from 80 to over 100 years and consist of 6 inch cast iron pipe. All of these older main supply lines are required to be phased out and replaced with 8-inch and 12-inch ductile iron mains. Aging and antiquated water lines exist in nearly all streets within the Project Area.

Sewers requiring replacement have been identified by the City in three areas: Kenmore Avenue, from Lawrence Avenue to approximately Castlewood Terrace; Berwyn Avenue, from Broadway westward to the alley, and Ainslie Street, from Broadway westward to the alley. See Figure 8, Inadequate Utilities.

Conclusion: Inadequate utilities, as a factor, is present to a major extent throughout all portions of the Project Area.

J. Excessive Land Coverage and Overcrowding of Structures and Community Facilities

As defined in the Act, “excessive land coverage and overcrowding of structures and community facilities” refers 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 reasonable required off-street parking, or inadequate provision for loading and service.

Excessive land coverage and overcrowding of structures and community facilities is present within the Project Area. Blocks where buildings cover most or all of the parcels upon which they are situated include both commercial and larger residential buildings. The properties affected do not contain adequate front, rear and side yards, off-street parking space, and loading and service areas. Specifically, there is no on-site provision for off-street parking, loading, and service.

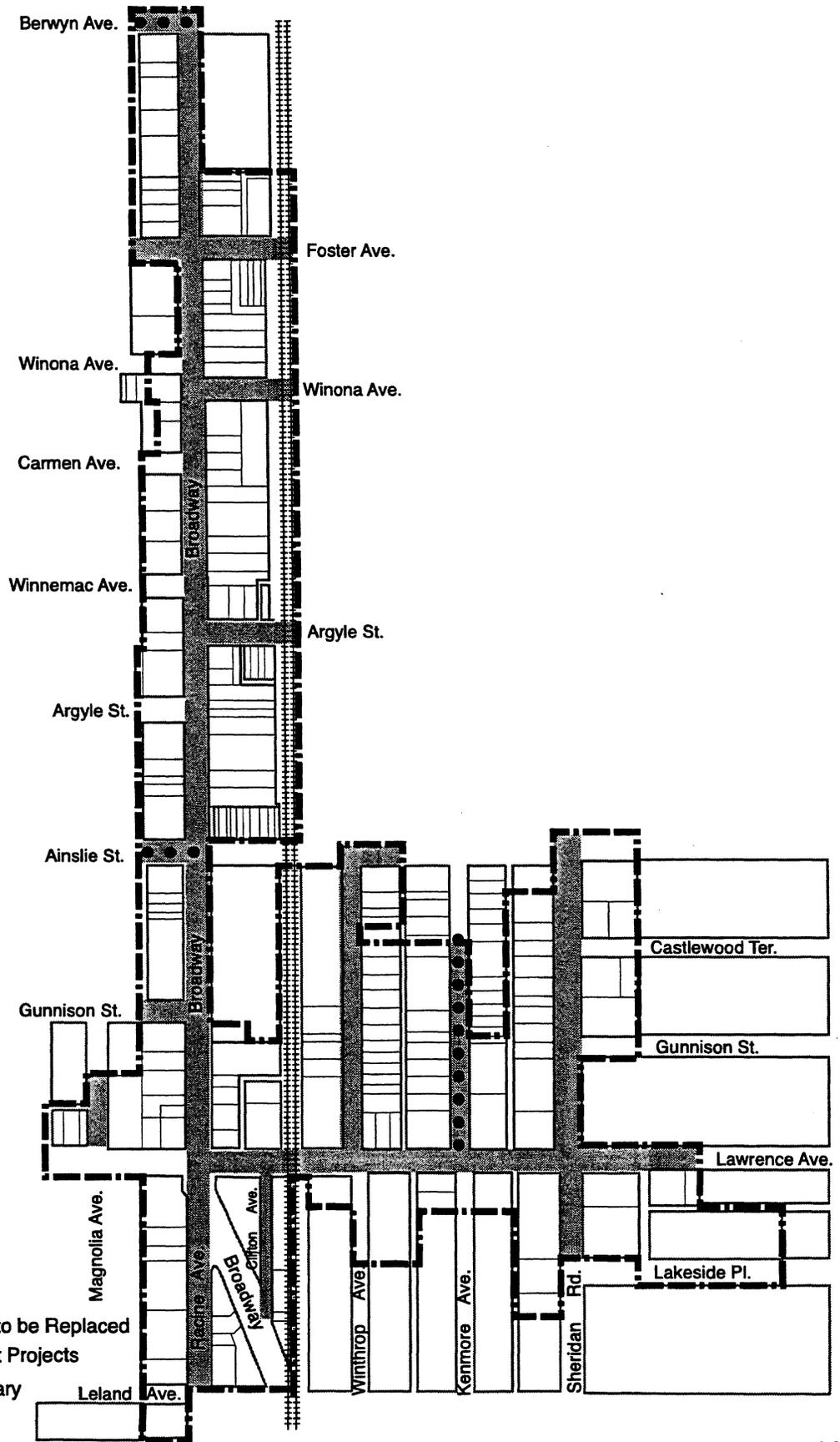


Figure 8
INADEQUATE UTILITIES

2-20-01



Blocks in which 20% or more of the sites or land area is impacted by excessive land coverage are indicated as characterized by the presence of excessive land coverage to a major extent. Blocks in which less than 20% of the sites or land area indicates excessive land coverage are indicated as characterized by the presence of excessive land coverage to a limited extent. See Figure 9, Excessive Land Coverage/Overcrowding of Structures and Community Facilities.

Conclusion: Excessive land coverage and overcrowding of structures and community facilities is present to a major extent in eighteen blocks and to a limited extent in four blocks within the Project Area.

K. Deleterious Land Use or Layout

As defined in the Act, "deleterious land-use or layout refers to 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. Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other buildings.

Incompatible Uses

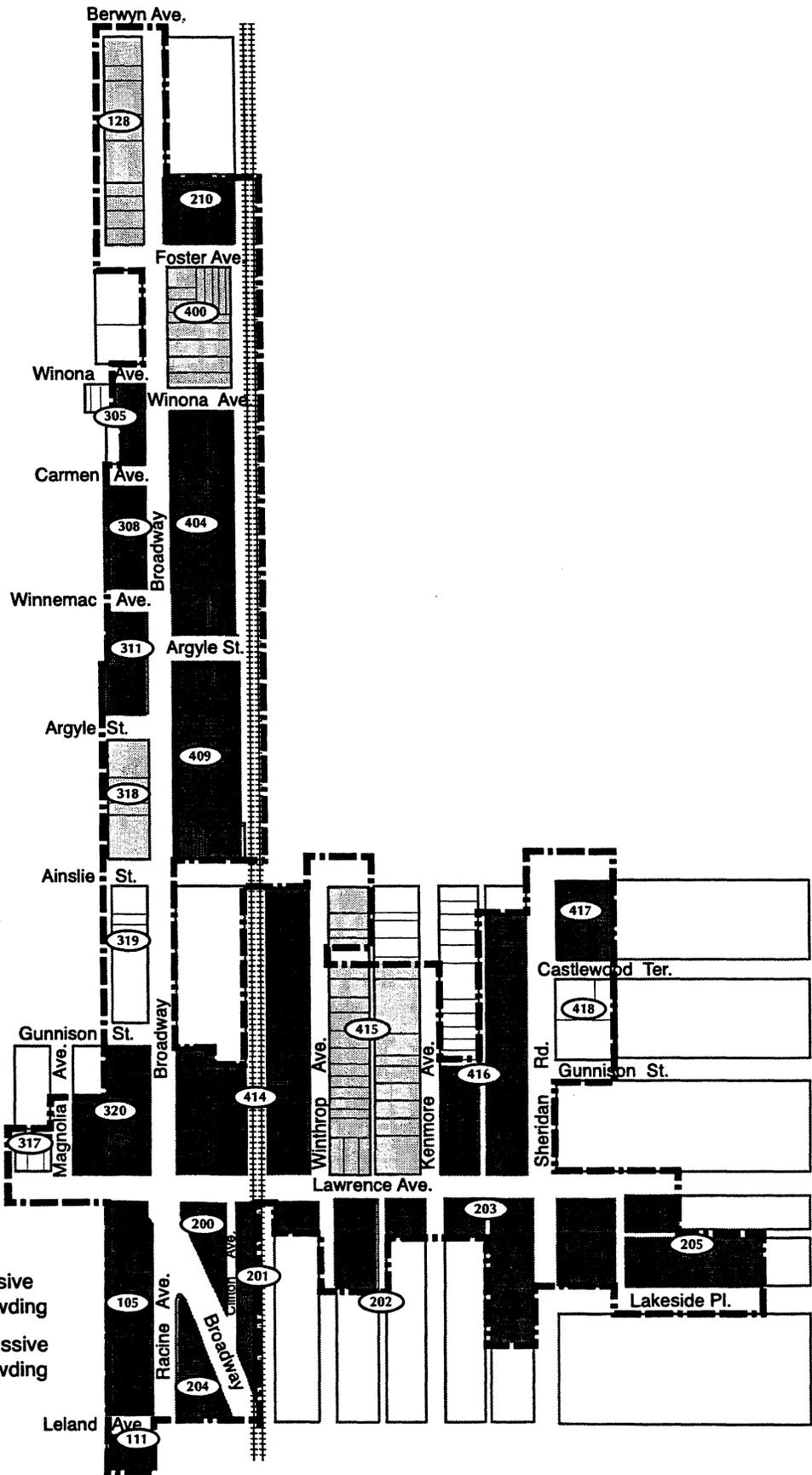
Several blocks are impacted by incompatible and inappropriate uses. One block includes an industrial/manufacturing use adjacent to commercial uses and across the street from a playlot. In other blocks, multi-family residential properties are located adjacent to or across from large, commercial buildings. Low density residential uses are inappropriately located in predominantly commercial areas along Ainslie Street, Broadway and Sheridan Road.

Improper Platting/Layout

Improper layout of parcels and buildings include blocks with total building coverage. This condition is particularly acute in blocks around the intersection of Broadway and Lawrence Avenue where building coverage and the associated lack of off-street parking continue to negatively impact these properties, many of which remain vacant. Several blocks along Broadway contain narrow and irregularly shaped parcels of limited depth and width for proper commercial development by current standards and requirements.

Blocks in which 20% or more of all properties indicate deleterious land use or layout are indicated as characterized by the presence of deleterious land use or layout to a major extent. Blocks in which less than 20% of the properties indicate deleterious land use or layout are indicated as characterized by the presence of deleterious land use or layout to a limited extent. See Figure 10, Deleterious land-use or layout.

Conclusion: The factor of deleterious land-use or layout is present to a major extent in fourteen blocks and to a limited extent in eight blocks.



- Major Presence of Excessive Land Coverage/ Overcrowding
- Limited Presence of Excessive Land Coverage/ Overcrowding
- 105 Block Number
- Project Area Boundary

Figure 9
**EXCESSIVE LAND COVERAGE/OVERCROWDING
 OF STRUCTURES AND COMMUNITY FACILITIES**

2-20-01



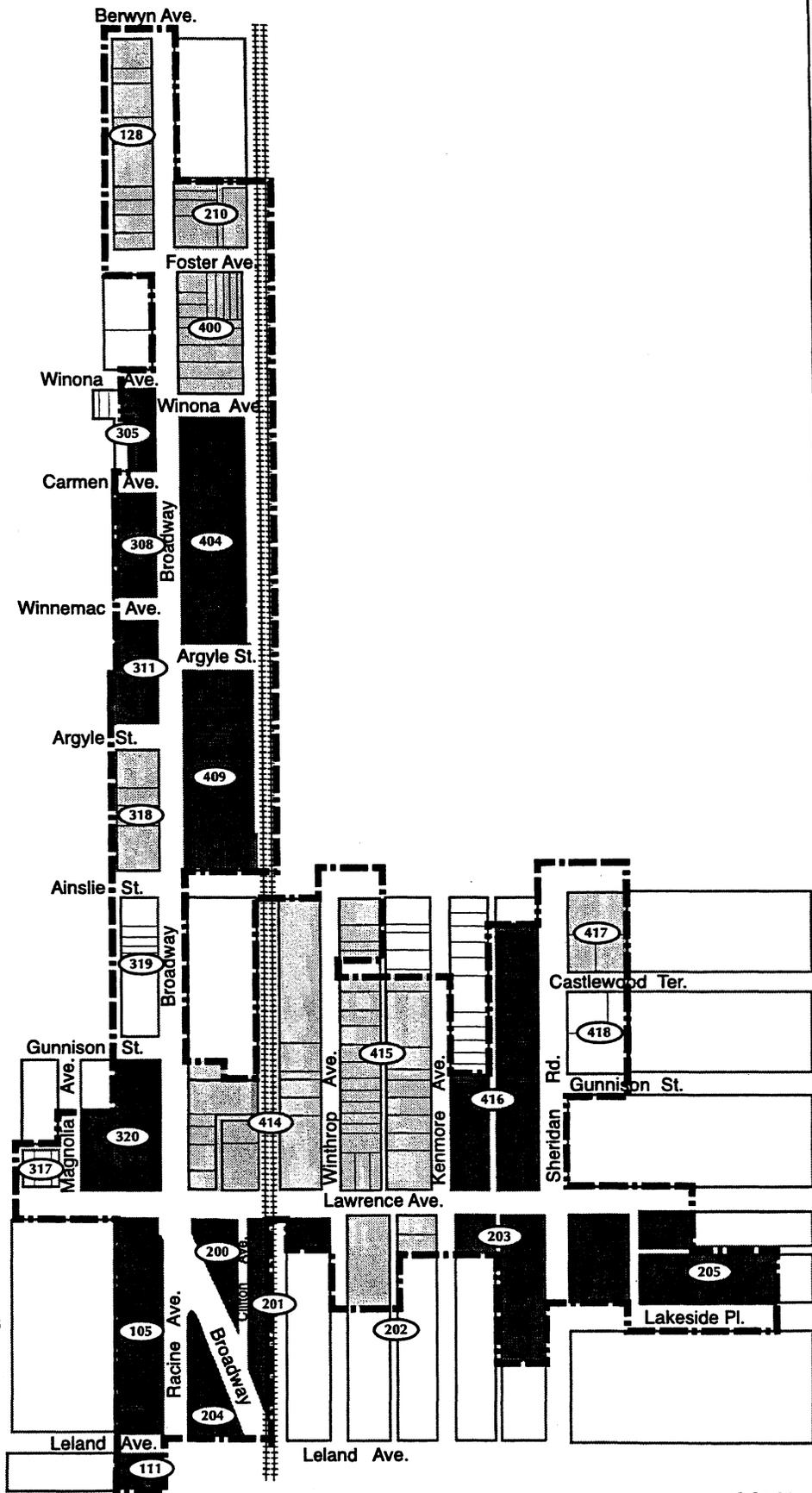


Figure 10
DELETERIOUS LAND USE/LAYOUT

2-20-01

L. Lack of Community Planning

As defined in the Act, “lack of community planning” means that 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 experienced its most rapid growth and development following the extension of elevated rail service to Wilson Avenue in 1900. A majority of the buildings were constructed between 1900 and 1920 and predated auto-oriented development standards. Limited lot sizes, placement of buildings with total lot coverage, and lack of provisions for off-street parking, loading and service, occurred prior to the development of any community plan or guidelines for the overall neighborhood area development.

Conclusion: Lack of community planning as a factor is present to a major extent in the Project Area.

M. Environmental Remediation

As defined in the Act, “environmental remediation” means that 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.

The factor of environmental remediation was not investigated for the purposes of this report.

N. Declining or Lagging Equalized Assessed Valuation

As defined in the Act, a “declining or lagging equalized assessed valuation” means that 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.

Over the period from 1994 to 1999, the growth rate of the total equalized assessed valuation of the Project Area has lagged behind that of the balance of the City of Chicago for at least three of these years, (1994/1995, 1995/1996 and 1998/1999). For each of these same three years, the rate of growth of the Project Area's total equalized assessed valuation was less than the Consumer Price Index for All Urban Consumers (CPI-U) for the United States.¹ These figures are shown in Table 2 below.

Table 2. Percent Change in Annual Equalized Assessed Valuation (EAV) and Increase in Consumer Price Index All-Urban Consumers (CPI-U), Years 1994-1999

	Percent change in EAV 1994/1995	Percent change in EAV 1995/1996	Percent change in EAV 1996/1997	Percent change in EAV 1997/1998	Percent change in EAV 1998/1999
<i>Project Area</i>	-2.85 %	-0.20%	10.43%	2.53%	2.52%
<i>City of Chicago (balance of)</i>	0.97%	1.27%	8.40%	1.77%	4.17%
<i>CPI-U, United States</i>	2.50%*	3.30%*	1.70%*	1.60%*	2.70%*

*This figure is the increase in the Consumer Price Index for All-Urban Consumers, All-Items, for the year ending in December of year 2 (e.g. percent change in CPI-U from December 1993 to December 1994). Source: Department of Labor, Bureau of Labor Statistics.

¹ The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a fixed market basket of consumer goods and services. The broadest, most comprehensive CPI is the "CPI for All Urban Consumers for the U.S. City Average for All Items, 1982-84=100" (CPI-U) and is based on the expenditures reported by almost all urban residents and represents about 80 percent of the total U.S. population. The CPI data are also published for metropolitan areas which measure how much prices have changed over time for a given area. The CPI is the most widely used measure of price change for application in escalation agreements for payments such as rental contracts, collective bargaining agreements, alimony, child support payments, etc.

III. DETERMINATION OF PROJECT AREA ELIGIBILITY

The Project Area meets the requirements of the Act for designation as a "conservation area." Of the 121 buildings, 107, or 88.4 percent exceed 35 years in age. In addition to age, there is a reasonable presence and distribution of nine of the thirteen factors required under the Act for improved areas. These include:

1. Obsolescence -- major presence
2. Deterioration -- major presence
3. Structures below minimum code -- major presence
4. Excessive vacancies -- major presence
5. Excessive land coverage and overcrowding of structures and community facilities--major presence
6. Inadequate utilities—major presence
7. Deleterious land-use or layout -- major presence
8. Lack of community planning -- major presence
9. Declining or lagging rate of growth of total equalized assessed valuation--major presence

The summary of conservation factors within the Project Area is documented on a block by block basis in Table 3 and illustrated in Figure 11.

The eligibility findings presented in this report indicate that the Project Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City. The Project Area contains properties and buildings of various sizes and design that are advancing in obsolescence and deterioration and decline of physical condition. Existing vacancies, insufficient off street parking, loading and service areas in addition to other conservation factors as identified above, indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be restored to full active redevelopment without public action.

Table 3. Distribution of Conservation Factors

Tax Block	Age	Dilapidation	Obsolescence	Deterioration	Structures below minimum code	Illegal use of individual structures	Excessive vacancies	Lack of ventilation, light & sanitary facilities	Inadequate utilities	Excessive land coverage/overcrowding	Deleterious land-use or layout	Lack of community planning	Environmental remediation	Declining equalized assessed valuation	Total Factors Present
105	●		●	●	●		●		●	●	●	●		●	9
111	●		○	○			●		●	●	●	●		●	8
128	●		●	○			○		●	○	○	●		●	8
200	●		●	○			●		●	●	●	●		●	8
201	●		●	●	●		●		●	●	●	●		●	9
202	●		●	○	●		●		●	●	○	●		●	9
203	●		●	●	●		●		●	●	●	●		●	9
204	●		●	●	●		●		●	●	●	●		●	9
205	●		●	●	●		○		●	●	●	●		●	9
210	○			○					●	●	○	●		●	6
305	●		●	●	●		○		●	●	●	●		●	9
308	●				○				●	●	●	●		●	6
311	●		●	●	●		○		●	●	●	●		●	9
317									●			●		●	3
318	●			○					●	○	○	●		●	6
319	○								●			●		●	3
320	●		●	●	●		●		●	●	●	●		●	9
400	●		●	●	○		○		●	○	○	●		●	9
404	●		●	●	●		●		●	●	●	●		●	9
409	●		●	○	●		●		●	●	●	●		●	9
414	●		●	○	●		○		●	●	○	●		●	9
415	●		○	○	●		●		●	○	○	●		●	9
416	●		○	●	●		○		●	●	●	●		●	9
417	●			○					●	●	○	●			5
418	●		○	○					●			●			4

○ Present to a limited extent
 ● Present to a major extent

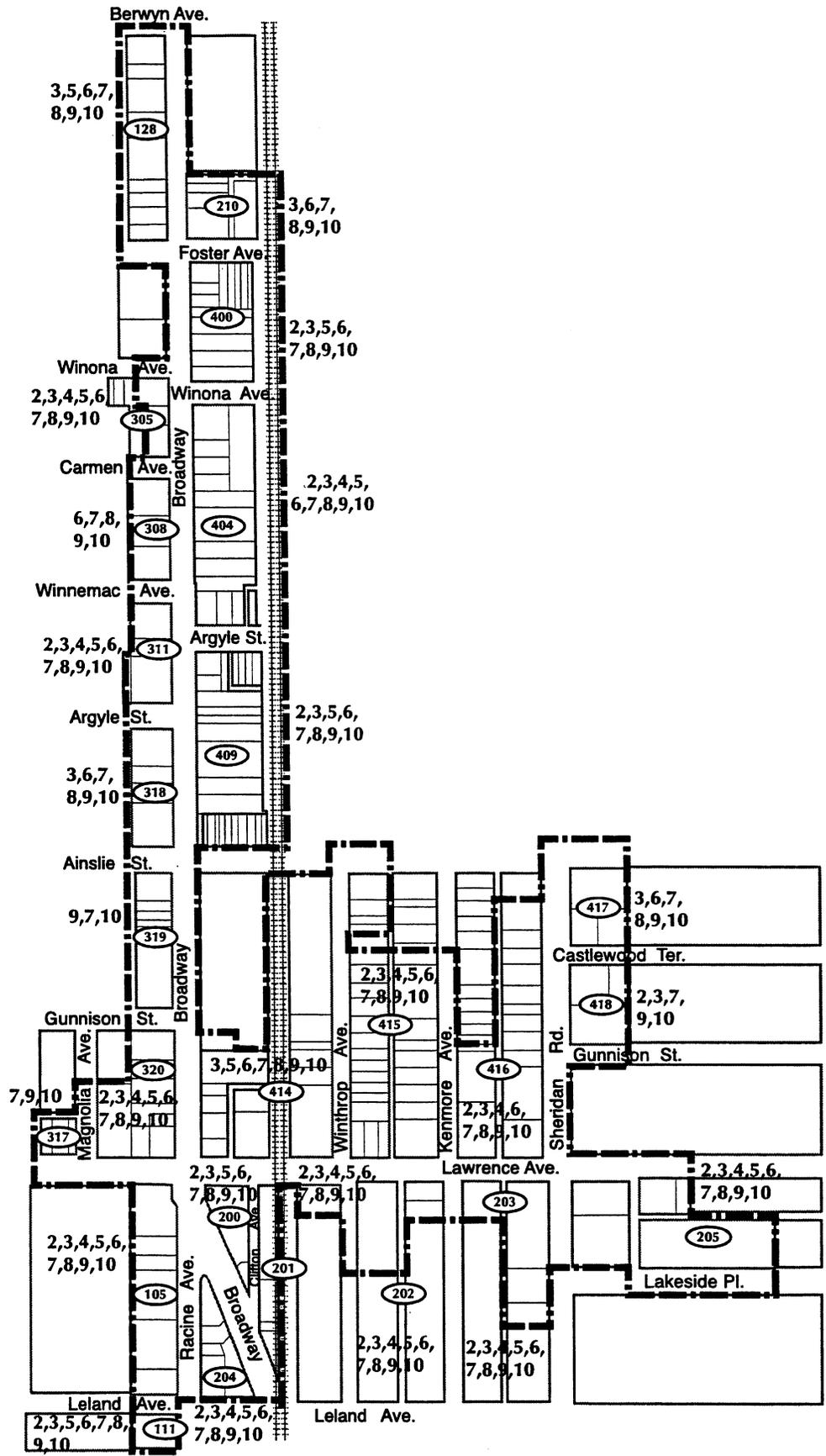


Figure 11
DISTRIBUTION OF CONSERVATION FACTORS

2-20-01

Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

(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.

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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 Lawrence/Broadway Redevelopment Project Area (the “Redevelopment Project Area”), do hereby certify as follows:

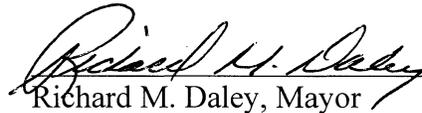
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

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

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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
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Arne Duncan, Chief Executive Officer
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125 South Clark Street, 5th Floor
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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: Lawrence/Broadway 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.



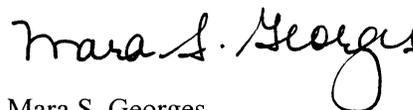
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following 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:

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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.

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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.

Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

(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.

Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

(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.

Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

(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.

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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: Leland Neighborhood Development Corporation	\$11,425,782	\$955,300	12:1
Project 2: Uptown Goldblatts Venture, L.L.C.	\$17,335,725	\$6,979,000	2:1
Total:	\$28,761,507	\$7,934,300	

* 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 March 30, 2001, at 10:04 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Mr. John McCormick.

PRESENT:

- MR. JOHN McCORMICK, CHAIRMAN
- MS. KAY KOSMAL
- MS. SUSAN MAREK
- MS. MELINDA MOLLOY
- MS. BERNICE PERKINS
- MR. PETER PORR

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

1 MR. McCORMICK: I'd like to open the
2 meeting. My name is John McCormick. I'm the
3 representative of the City of Chicago. I'd like to
4 have the other members of the Joint Review Board
5 introduce themselves.

6 MS. KOSMAL: Kay Kosmal, representing Gwen
7 Clemens for Cook County.

8 MS. MOLLOY: Melinda Molloy, representing
9 Gary Gordon with the park district.

10 MS. MAREK: Susan Marek, representing Ken
11 Gotch with the Board of Education.

12 MR. PORR: Peter Porr, I'm a public member
13 and I'm Executive Director of Southeast Asia Center
14 and we own seven properties within the district.

15 MR. McCORMICK: Good. As I mentioned, I
16 am the representative of the City of Chicago, which
17 under Section 11-74.4-5 of the Tax Increment
18 Allocation Redevelopment Act is one of the
19 statutorily designated members of the Joint Review
20 Board.

21 Until election of a chairperson, I
22 will moderate the Joint Review Board meetings. For
23 the record, there will be two meetings of the joint
24 review board. One to review the proposed

1 Lawrence/Broadway tax increment financing district
2 and one to review the proposed Wilson Yard tax
3 incremental financing district.

4 The date of this meeting was announced
5 at and set by the Community Development Commission
6 of the City of Chicago at its meeting of February
7 27th, 2001 and March 13th, 2001 respectively.

8 Notice of this meeting to the Joint
9 Review Board was also provided by certified mail to
10 each taxing district represented on the Board,
11 which includes the Chicago Board of Education, the
12 Chicago Community Colleges District 508, the
13 Chicago Park District, Cook County, and the City of
14 Chicago and the public member.

15 Public notice of this meeting also was
16 posted as of Wednesday, March 28th, 2001 in various
17 locations throughout city hall. When a proposed
18 redevelopment plan would result in displacement of
19 residents from ten or more inhabited residential
20 units, or would include 75 or more inhabited
21 residential units, the TIF Act requires that the
22 public member of the Joint Review Board must reside
23 in the proposed redevelopment project area.

24 In addition, if a municipalities

1 housing impact study determines that the majority
2 of residential units in the proposed redevelopment
3 project area are occupied by very low, low, or
4 moderated income households, as defined in Section
5 3 of the Illinois Affordable Housing Act, the
6 public member must be a person who resides in a
7 very low, low, or moderate income housing with the
8 proposed redevelopment project area.

9 Although the City of Chicago's
10 proposed redevelopment project plans for the
11 Lawrence/Broadway and Wilson Yard districts do not
12 include the housing impact studies, because the
13 plan certified that no displacement of inhabited
14 residential units will occur, the city has
15 attempted to find a resident of each of these areas
16 to fill the position of public member.

17 With us today is Peter Porr. Are you
18 familiar with the boundaries of the proposed
19 Lawrence/Broadway tax incremental financing
20 redevelopment project area?

21 MR. PORR: Yes, I am.

22 MR. McCORMICK: What is the address of
23 your primary residence?

24 MR. PORR: 1124 West Aimsley.

1 MR. McCORMICK: Is such address within the
2 boundaries of the proposed Lawrence/Broadway tax
3 increment financing redevelopment project area?

4 MR. PORR: Yes, it is.

5 MR. McCORMICK: Have you provided
6 representatives of the City of Chicago's Department
7 of Planning and Development with accurate
8 information concerning your income and income of
9 any other members of the household residing at such
10 address?

11 MR. PORR: Yes, I have.

12 MR. McCORMICK: Based on the information
13 provided to you by the Department of Planning and
14 Development regarding applicable income level for
15 very low, low, and moderate income household, do
16 you qualify as a member of a very low, low, or
17 moderate income household?

18 MR. PORR: I do.

19 MR. McCORMICK: Thank you. Mr. Porr, are
20 you willing to serve as the public member for the
21 Joint Review Board for the Lawrence/Broadway tax
22 incremental financing redevelopment project area?

23 MR. PORR: Yes, I am.

24 MR. McCORMICK: Thank you. I will

1 entertain a motion that Peter Porr be selected as
2 the public member. Is there a motion?

3 MS. MAREK: So moved.

4 MR. McCORMICK: Is there a second?

5 MS. KOSMAL: Second.

6 MR. McCORMICK: All in favor, please vote
7 by saying aye.

8 (Chorus of ayes.)

9 MR. McCORMICK: All opposed, please vote
10 by saying no. Let the record reflect that Peter
11 Porr has been selected as the public member for the
12 Lawrence/Broadway tax incremental financing
13 redevelopment project area.

14 Our next order of business is to
15 select a chairperson for this Joint Review Board.
16 Are there any nominations?

17 MS. MAREK: I'll nominate John McCormick.

18 MR. McCORMICK: Is there a second for this
19 nomination?

20 MS. KOSMAL: Second.

21 MR. McCORMICK: Are there any other
22 nominations? Let the record reflect that there
23 were no other nominations. All in favor of the
24 nomination, please vote by saying aye.

1 (Chorus of ayes.)

2 MR. McCORMICK: All opposed. Let the
3 record reflect that John McCormick has been elected
4 as Chairperson and will now serve as the
5 Chairperson for the remainder of the meeting.

6 As I mentioned, at this meeting we
7 will be reviewing a plan for the Lawrence/Broadway
8 TIF district proposed by the City of Chicago.
9 Staff of the city's Department of Planning and
10 Development law and other departments have reviewed
11 this plan, which was introduced to the city's
12 Community Development Commission on February 27th,
13 2001.

14 We will listen to a presentation by
15 the consultant on the plan. Following the
16 presentation, we can address any questions that the
17 members might have for the consultant or city
18 staff.

19 The recent amendment to the TIF Act
20 requires us to base our recommendations to approve
21 or disapprove the Lawrence/Broadway plan and
22 designation of the Lawrence/Broadway TIF area on
23 the basis of the area and the plan satisfying the
24 plan requirements, the eligibility criteria defined

1 in the TIF Act and objectives of the TIF Act.

2 If the Board approves the plan and
3 designation of the area, the Board will then issue
4 an advisory non-binding recommendation by the vote
5 of the majority of these members present and
6 voting. Such recommendation shall be submitted to
7 the city within 30 days after the board meeting.

8 Failure to submit such recommendation
9 shall be deemed to constitute approval by the
10 Board. If the Board disapproves the plan and
11 designation of the area, the Board must issue a
12 written report describing why the plan and area
13 failed to meet one or more of the objectives of the
14 TIF Act, and both the plan requirements and
15 eligibility require criteria of the TIF Act.

16 The city will then have 30 days to
17 resubmit a revised plan. The Board and city must
18 confer during this time to try and resolve issues
19 that led to the Board's disapproval. If such
20 issues cannot be resolved, or if the revised plan
21 is disapproved, the city may proceed with the plan
22 but the plan can be approved only with a three-fist
23 vote of the City Council, excluding positions of
24 members that are vacant or those members that are

1 ineligible to vote because of conflicts of
2 interest.

3 I would like for our first presentation,
4 the Lawrence/Broadway TIF. The consultant is
5 Trkla, Pettigrew, Allen and Payne.

6 MS. MORONEY: Hi. For the record, my name
7 is Ann Moroney with Trkla, Pettigrew, Allen and
8 Payne. We were hired by the city to assist in
9 conducting the eligibility study and preparing the
10 redevelopment plan in the project for the
11 Lawrence/Broadway area.

12 To my right, we have a graphic that shows
13 the project area boundaries. They generally
14 include Broadway Avenue and Racine and Broadway and
15 Racine Avenue frontage from Berwyn Avenue on the
16 south -- or on the north to Leland Avenue on the
17 south.

18 The Lawrence Avenue frontage from approximately
19 Magnolia Avenue on the west to just east of
20 Sheridan Road, to about People's Church. And then
21 Sheridan Road frontage from Aimsley Street to Lake
22 Side Place.

23 And then we also have some additional
24 residential area just south between Lawrence and

1 Aimsley Streets. The project area contains 73.6
2 acres. And it includes 121 buildings located on 25
3 full and partial blocks.

4 As part of our eligibility study, we
5 documented the conditions of the project area,
6 through a number of surveys and analyses. These
7 include an exterior building condition and land use
8 survey, a survey of site and infrastructure
9 conditions, a vacant building and vacant site
10 analysis, an analysis of existing uses and their
11 relationship, an analysis of building floor area
12 and site coverage, a review of previously prepared
13 plans, reports and studies, and an analysis of Cook
14 County assessor records for the assessment years
15 1994 through 1997.

16 Our findings concluded that the
17 improved areas qualify as a conservation area.
18 First, is the age threshold. 50 percent or more of
19 the buildings must be 35 years of age or older. We
20 found that 88.4 percent of the buildings are older
21 than, or 35 years of age or older.

22 That means 107 of the 121 buildings
23 located in the project area are that, qualify. In
24 addition, three of some 13 factors must be found in

1 the project area to qualify as a conservation area.

2 In the Lawrence/Broadway area, nine of
3 these 13 factors are present and reasonably
4 distributed to a major extent throughout the area.
5 They include obsolescence, deterioration,
6 structures below minimum code, excessive vacancies,
7 excessive land coverage and overcrowding of
8 structures, inadequate utilities, deleterious land
9 use or layout, lack of community planning, and a
10 declining or lagging rate of growth in EAV.

11 In addition to these factors, there
12 have, there are also evidence of disinvestment.
13 These include 70 percent of the buildings
14 classified as deteriorating. Between the years
15 1995 and 2000, the city's building department
16 issued 69 building code violations to 65 separate
17 buildings in the project area.

18 And the total EAV of the project area
19 declined in two of the last five calendar years.
20 In these last five calendar, the growth rate of the
21 total EAV of the project area has lagged behind the
22 balance of the city for four of these five calendar
23 years.

24 And between these, between 1994 and

1 1995, or between 1994 and 1999, EAV of the project
2 area increased at an average annual rate of 2.49
3 percent, while the remainder of the city increased
4 at an average annual rate of 3.31 percent.

5 Now the plan document also includes
6 such things as a legal boundary description, as
7 required by state statute, sets forth a statement
8 of redevelopment goals and objectives, and it
9 includes a land use plan that generally reflects
10 the existing land uses, includes generally a mixed
11 use, mix of uses along the corridor, residential
12 tucked in away from the corridors.

13 What we are proposing is similar uses,
14 similar mixed use nature, with concentration of
15 uses. So along the Broadway Avenue frontage, it
16 will continue to be mixed use with a concentration
17 of commercial uses.

18 Around the inner section of Lawrence
19 Avenue and Broadway, it will continue to be mixed
20 use with a concentration of entertainment uses and
21 related uses. And then along the Lawrence Avenue
22 frontage, it reflects a high density residential
23 with some commercial and that will, that mixed use
24 will continue there.

1 And then the mixed use area along the
2 Sheridan Avenue frontage will continue with a
3 public and institutional focus. The develop, the
4 plan also includes development and design
5 objectives. And these are intended to stabilize
6 the sound, existing properties that exist in the
7 area and to attract new commercial and residential
8 development.

9 They're intended to foster consistent
10 and comprehensive development of project area as a
11 whole and to revitalize the urban identity of the
12 uptown area. Now the plan also identifies
13 redevelopment improvements and activities and their
14 cost for the Lawrence/Broadway project area.

15 The total budget is estimated at 35
16 million dollars. This is intended to be an upper
17 estimate of expenditures and the activities and
18 costs included in this budget are analysis,
19 administrative services, surveys, legal, marketing
20 two million dollars.

21 Property assembly cost including, which
22 may include acquisition, site prep, demolition,
23 affordable housing construction and rehabilitation
24 costs, ten million dollars. Rehabilitation of

1 existing buildings -- sorry.

2 Public works and improvements
3 including streets and utilities, parks and open
4 space, and public facility improvements, 7.5
5 million. Relocation costs, one million. Job
6 training, retraining, welfare to work costs, 2.5
7 million. Day care services, 2 million dollars.
8 And interest subsidies of three million dollars.

9 Now the source of funds are expected
10 to be generated from improvements to the area. We
11 have identified that the 1999 EAV of the project
12 area is \$39,488,972. And the anticipated EAV of
13 the area following all, following up after all
14 redevelopment projects and activities are completed
15 is conservatively estimated to total between 69.7
16 and 77.7 million by the year 2024.

17 This translates to an estimated tax
18 revenues that range from 218,000 in year one of the
19 TIF to approximately 2.8 million in year 23.
20 Lastly, the housing impact of the project area,
21 John McCormick discussed this to some degree,
22 there, the city has identified that there will be
23 no displacement.

24 But as part of our study, we

1 identified all of the existing occupied residential
2 units in the project area. And we have identified
3 1,591 inhabited residential units in the project
4 area.

5 These include nine condominium units,
6 38 units above commercial or institutional uses,
7 and 1,544 units in multiple family buildings. Just
8 to emphasize again, the city has certified that no
9 displacement will occur as a result of this plan.
10 And that concludes our presentation for the
11 Lawrence/Broadway.

12 MR. McCORMICK: Thank you very much.
13 Based on the presentation, do any members of the
14 Joint Review Board have any questions?

15 MS. MAREK: Do you anticipate, I think you
16 have ten million in here for, or seven million for
17 property assembly including acquisition, do you
18 anticipate anything for, or what are your plans for
19 that?

20 MS. MORONEY: There is, there are no plans
21 right now to acquire. I think the city has plans
22 that they have not discussed with us, but there is
23 no plans to acquire properties. There's, I think
24 it just allowed space for public or open space.

1 There's a school here that the
2 community has identified that they would like to
3 own. That could be something that the city could
4 work toward. And I think there are no other, there
5 are no other plans to acquire properties that I
6 know of. Is that right Dinah?

7 MS. WAYNE: At the time that this plan was
8 developed, there were no plans. Some things are
9 under discussion, but there's nothing that is, you
10 know, in stages enough to be included in the plan
11 right now.

12 MR. McCORMICK: Okay, any additional
13 questions?

14 MR. PORR: How much at this point is
15 planned and how much is still in flux?

16 MS. MORONEY: In terms of future
17 development projects and stuff? The, I can, I
18 think that the city would probably answer this
19 better because they deal with the proposals that
20 are brought to the city and that may or may not
21 happen, and the Alderman as well.

22 But the only project that I know of that's
23 in discussion is the Goldblatt's property is being
24 discussed for redevelopment as a mixed use

1 building. And I don't think that that's in any
2 stage of completion and that again, would probably
3 be answered more completely by the city. But
4 that's the only project that I know of right now.

5 MR. McCORMICK: Let me just make a quick
6 point that the consultant is really just putting
7 forth the qualifications of the area and that
8 anything to do with future development really is in
9 the Department of Planning and Development's
10 perview. And they'd have more answers for that.

11 MR. PORR: I don't know what questions
12 we're supposed to ask.

13 MR. McCORMICK: No, that's fine. And
14 that's good. I think that's . I mean, don't get
15 me wrong there. That, and I think those are good
16 questions. If somebody from Planning and
17 Development would like to give a, step forward and
18 introduce themselves and give an answer.

19 Realizing that this is a, just
20 realizing that this is a brand new TIF and that
21 most of the questions about future plans are better
22 handled by the Community Development Commission,
23 but I think that we can give a thumbnail sketch
24 here.

1 MS. WAYNE: Okay, my name is Dinah Wayne.
2 I'm a planner with the Department of Planning and
3 Development. The Aldermen's office has indicated
4 several properties that are priorities for the
5 community to redevelop.

6 One is the Goldblatt site, like Ann
7 mentioned. Also, the Heilig-Myers site, just north
8 of Lawrence, on Broadway. There's a vacant
9 building, the Goodyear building. Some plans might
10 develop there.

11 And the Leland and the Darlington
12 Hotels are also sites that the city, or that the
13 Alderman's office has indicated to the city that
14 they'd like to see redeveloped. So there are some
15 discussions going on. Those are the only sites
16 that we know of at the moment.

17 MR. McCORMICK: Yeah, and I think that
18 when this issue, as far as testimony about, you
19 know, projects and things, these things are usually
20 brought out. And there will be all, public
21 testimony will be permitted at the Community
22 Development Commission, which is, I mean, you know,
23 when people want to get into specifics and things.

24 That's where they tend to review that.

1 And that every member of the public's entitled to
2 speak. I'm not saying you're question was wrong
3 here, don't worry. But, you know, that's a natural
4 question. Are there any other questions?

5 MR. PETTIGREW: John, can I make a point?

6 MR. McCORMICK: Yeah.

7 MR. PETTIGREW: For the record, my name is
8 Jack Pettigrew and I'm one of the principles of
9 Trkla, Pettigrew, Allen and Payne. I think what is
10 common in the City of Chicago and in other
11 communities that have undertaken TIF's, is that the
12 real serious discussion of development projects
13 doesn't merge until there is action taken to set
14 the TIF in place.

15 So typically, developers and other
16 investors don't invest a lot of time and money
17 before they know that the TIF is going to be a
18 reality. So we would expect here as elsewhere in
19 the city, that the real serious discussion will
20 begin to take place once adoption has occurred.

21 MR. McCORMICK: Thank you. Any additional
22 questions?

23 MS. MAREK: Is this adjacent to any other
24 TIF's?

1 MS. MORONEY: It is. It's adjacent to the
2 Edgewater TIF on the north, and it will be adjacent
3 to the proposed Wilson Yards along the south.

4 MR. McCORMICK: Okay, any additional
5 questions at this time?

6 MR. PORR: Should we keep going or?

7 MR. McCORMICK: Well, as I said, yeah. I
8 didn't -- No, I would think -- well I would think
9 that just here, what we're discussing is whether it
10 qualifies as a TIF under state law. And that
11 meeting those qualifications, things like that.

12 Like Jack said, specific projects,
13 nothing can be really discussed because we don't
14 have a TIF yet. And this is the first stage of
15 going down that path. It will go here, it will go
16 to the Community Development Commission, where all
17 public questions will be an open hearing there for
18 all public questions to be answered, and then any
19 future projects that are planned in this TIF, will
20 go through also the Community Development
21 Commission, City Council, Finance Committee, things
22 like that. So feel free to ask, though. I'm
23 not --

24 MR. PORR: All right, I'll give it a shot.

1 MR. McCORMICK: Give it a shot.

2 MR. PORR: I'm not sure that this is the
3 right setting.

4 MR. McCORMICK: That's all right. Give it
5 a shot.

6 MR. PORR: There are a couple of possible
7 inconsistencies in the report. And one is parking
8 versus preservation. We're talking about trying to
9 preserve what we have as far as the building stock
10 and historic nature of the neighborhood. But on
11 the other hand, we're trying to improve the parking
12 situation.

13 And we're trying to better utilize
14 buildings. We're also trying to, I guess, decrease
15 the square footage of lot line to lot line
16 buildings. How does that, how is that all going to
17 fit together or do we have some sort of an oxymoron
18 here?

19 MS. MORONEY: Well, I think that's going
20 to be certainly an ongoing discussion. I think for
21 a lot of urban communities, where do you find
22 parking in an already developed area, especially a
23 densely developed area. You're going to have some
24 problems.

1 The preservation of buildings, the
2 area, like in the other Chicago urban areas, has a
3 store front, has a building orientation toward the
4 street up to the sidewalk line. And I think that
5 would want to be preserved.

6 I don't think that the city intends or
7 I don't think the community has expressed in
8 interest in creating strip malls or parking in
9 front.

10 MR. McCORMICK: Let me just ask one
11 question that might solve some -- is there an
12 acquisition map?

13 MS. MORONEY: There is not.

14 MR. McCORMICK: So if the city, you know,
15 this may help clear this up. If the city has any
16 sense of acquiring properties, you know, and this
17 gets to your case I think, with preservation
18 versus, you know, parking development, that has to
19 come up on an individual basis down the road.

20 Because there is not set acquisition
21 map in here granting the city authority at this
22 time. And that any initiative that the city takes
23 to acquire property, has to go through Community
24 Development Commission, things like that and be

1 held, you know, be heard on an individual basis.
2 And that there's nothing in this report that gives,
3 you know, that gives us any, the authority to do
4 that.

5 MR. PORR: Right, there's just two
6 goals --

7 MR. McCORMICK: Yeah, they're going to
8 conflict, yeah.

9 MR. PORR: -- goals are set out in the
10 report.

11 MR. McCORMICK: Yeah, and that they could
12 conflict and they usually do. And that's what gets
13 her, you know --

14 MR. PORR: It's up to us to solve that
15 problem.

16 MR. McCORMICK: Well, to work, no. I
17 think to work and be heard at the CDC, work with
18 Planning and Development as things come up down the
19 road and be cognizant of that and be heard on every
20 one of these issues.

21 MR. PORR: Okay, there's another
22 inconsistency of goals, too, which I guess we're
23 going to have to solve. But that is that we're
24 trying to develop the properties and make the area

1 more prosperous.

2 At the same time, we're trying to
3 maintain the mixed income levels of residents in
4 the neighborhood. Again, does, do these two goals
5 conflict? If prices go up, if taxes go up, if
6 there's a vast improvement in the nature of the
7 neighborhood, can we keep those low income or
8 moderate income people in the neighborhood?

9 MS. MORONEY: Well, I think part of the
10 TIF enables, one of the eligible costs is
11 affordable housing construction. Any construction
12 of new residential housing that goes on here
13 without the TIF, can do what it wants and can put
14 in market rate or luxury homes.

15 But if they get TIF assistance, they
16 are eligible for affordable housing and must
17 include an affordable housing component. So that
18 adds to the affordable housing mix into -- and both
19 Aldermen are aware and have high priorities on
20 affordable housing.

21 MR. McCORMICK: Jack, do you want to say a
22 few words?

23 MR. PETTIGREW: Yeah, just another --

24 MS. MORONEY: He can't help himself.

1 MR. PETTIGREW: I can't help myself. I
2 think that conflict is, and it's an early
3 indication of a sensitivity. So it came out in the
4 community meetings and that's why those goals are
5 in the plan.

6 So it's kind of putting everybody on
7 notice that we have to be sensitive and especially
8 careful about how we balance the implementation
9 efforts from this point forward. But we don't have
10 the solutions yet. It's simply saying that we're
11 going to have to monitor and be careful as the
12 project is implemented.

13 MR. PORR: I mean, I'm all for progress,
14 too. But I think there is at least a very
15 difficult problem to solve. And the affordable
16 housing solves part of it. But the services and
17 things that we buy and the neighborhood will
18 certainly go up in price.

19 There's just no doubt about it. So
20 that's a tough one to solve. And I mean maybe this
21 is inevitable whether there's a TIF or not in this
22 area. In fact, maybe the TIF might even help the
23 situation because it's planned.

24 If this happens naturally, there will

1 probably be complete gentrification and it will not
2 be a mixed neighborhood.

3 MR. McCORMICK: Let me just address one
4 thing that, you know, does a TIF automatically mean
5 gentrification, you know, of an area just because
6 in general, where you have commercial and
7 industrial coming in, new commercial, the taxes go
8 up there.

9 I mean, that's not going to affect the
10 taxes on the housing in the area because it's
11 completely separate. The other day they worked on
12 the assessor's office comps and things like that.
13 Now, housing which you're discussing, is an issue
14 and I think working through the Aldermen, things
15 like that, that you get this desired mix that
16 you're looking for.

17 Whereas, it's separate from the
18 commercial, you know, taxes going up and
19 everything. That the assessor's office doesn't
20 look at that when they look at housing. They're
21 looking at comps of other housing in the area. But
22 you're concerns are well taken.

23 I think every area where we put a TIF
24 in, but I think here that, you know, like Jack

1 said, the report, you know, makes mention of
2 affordable housing things like this, you know,
3 makes room for that.

4 And that, I think the vigilance, you
5 know, the community, as these individual projects
6 come down the line, you know, should be, you know,
7 they should be alert for that.

8 MR. PORR: I want to let other people say
9 something too.

10 MR. McCORMICK: No, go ahead. If you got
11 anymore, really, I mean, this is it.

12 MR. PORR: All right.

13 MR. PETTIGREW: I think just another
14 comment on that. It's hard for me to imagine the
15 private market forces operating outside of a TIF,
16 being more sensitive to these issues.

17 MR. PORR: Right, well that's what I'm
18 saying. I agree.

19 MR. PETTIGREW: And secondly, the city has
20 the ability through its allocation of TIF dollars
21 to influence the private investment. So, I think
22 our chances are going to be better with the TIF in
23 place than they would be without the TIF.

24 MR. PORR: I agree. Another question I

1 have is we're proposing entertainment as a way of
2 improving the neighborhood. As we all know,
3 entertainment can sometimes either bring a
4 neighborhood down or it can improve the
5 neighborhood.

6 I think there's a very large risk of
7 doing the opposite of what we intend to do. Are
8 there any plans for precluding that sort of
9 scenario or is that, again, up to us?

10 MS. WAYNE: Again, you know, for example
11 the renovation of the Uptown Theater or something
12 that people have talked about for years and a lot
13 of people have wanted it for a really long time.
14 And granted, if that's renovated, that is going to
15 bring a lot of people in the area.

16 And yet, most people would consider
17 that good based on the preservation of the theater,
18 you know. So the idea is to have it done
19 sensitively. So I think the concerns your raising,
20 they are really important. But during the kind of
21 thing we thought about on a project by project need
22 basis, it means the Alderman's office finally
23 meeting your concerns to be raised before the
24 Community Development Commission.

1 But the real work I think, has to be
2 done early on as these proposals move forward. And
3 just so you know, this is the kind of entertainment
4 we want. This is the kind of entertainment we
5 don't see as fitting into, you know, the existing
6 area. And especially park.

7 You know that's going to be a big deal
8 when the entertainment options go forward. So
9 again, it's really, it's almost like we need to
10 see. This plan is for 23 years. We don't know
11 what's going to come down the pike, even though
12 there are specific venues like the Riviera, the
13 Aragon, and Uptown to be considered.

14 So we really sort of need to deal with
15 the specifics of the project when we have the
16 project before us. And sort of develop those
17 goals, you know, at that time. Or work to sort of
18 enhance the things that are already in the plan.
19 For example --

20 MR. PORR: Right now the Riviera and the
21 Aragon do bring a lot of people into the
22 neighborhood, but in a negative way. They're not
23 making a positive impact on the neighborhood.
24 Although, the two theaters are very popular and

1 they do attract a lot of people, but I'm not sure
2 that that money is staying in the area.

3 And I'm not sure that any of the
4 neighbors would applaud at having those two
5 theaters in the neighborhood. Conceptually, yeah.
6 It's a great thing to develop the Uptown. But if
7 they're going to be a similar sort of phenomenon as
8 we have in the Riviera and the Aragon, I think it
9 would be a negative. But again, I guess this is
10 something we have to decide later.

11 MS. WAYNE: Right, sort of like Jack said
12 with the housing. That's coming up now. It means
13 that the community already knows the right
14 questions to ask when proposals come forward for
15 the Uptown.

16 I mean, that's, you know, a step ahead
17 of a lot of communities who, you know, maybe think
18 just development for the sake of development is
19 good. And it sounds like, you know, you're saying
20 as a public member is, you know, development is
21 good but it needs to be tempered but others are
22 real world concerns.

23 MR. PORR: The question that follows that,
24 how can we assure that the neighborhood has an

1 adequate voice? I mean, we've had several meetings
2 already, but some of the meetings are mass meetings
3 at which, you know, you have hundreds of people and
4 there's not much opportunity to say things or
5 propose things.

6 But for the average person, but even
7 if you're one of the speakers, how is that, how is
8 your speech or your suggestions, how are they
9 incorporated into the plans? Do we have a
10 mechanism?

11 MS. WAYNE: Well, again, I know that
12 Alderman Smith's office and Alderman Schiller also
13 has, what is it, at least monthly meetings with
14 community organizations. The idea is that through
15 those meetings, either that would be the place for
16 some of these discussions or it's possible that the
17 Aldermen's office would decide to, you know, come
18 up with some kind of new committee.

19 But that's really at the discretion of
20 the Aldermen. The city has a Community Developmeny
21 Commission and that, you know, by legislation is
22 the community, is the public body where these
23 things are discussed. So if things, if you, you
24 know, would like things to be discussed on the

1 smaller level, that's when the Aldermen's office --

2 MS. MORONEY: And in addition, part of the
3 TIF legislation requires the, an interested parties
4 registry. So anything that happens with the TIF,
5 if you're name is on the interested parities
6 registry, you will be notified of those actions.

7 MR. PORR: The interested party list, how
8 does one get on that list?

9 MS. MORONEY: You sign up through the
10 city.

11 MS. WAYNE: I can get you form at the end
12 of the day, at the end of this meeting.

13 MS. MORONEY: It's a notice that's
14 published in the newspaper. And you sign up
15 through filling out a form and mailing it into the
16 city and you're put on that list.

17 MS. WAYNE: And we send out mailings. For
18 example, talked about if there were any changes to
19 the plan, and the availability of the annual report
20 at the end of the fiscal year.

21 MR. PORR: There's a concern that some
22 people have that in the TIF area, everyone's taxes
23 will be raised. However, will the benefits be
24 equitably dispersed throughout the TIF? For

1 instance, will the big projects suck up most of the
2 money, the Uptown Theater for instance?

3 Or the Goldblatt's site. Will the
4 small businesses, will the residences that also
5 have to pay taxes, they will benefit, I know,
6 peripherally from this. But will they benefit to
7 the extent that the larger property owners, perhaps
8 the more politically astute and powerful people
9 will benefit?

10 Will the not unlimited English-
11 speaking business men be able to apply for
12 assistance? Will you have to pound on somebody's
13 door in order to get TIF money? Do you have to
14 politically astute to apply for money?

15 Will the city reach out or does the
16 individual businessman, whether he's totally
17 unsophisticated and can't speak English, will he
18 have to be on the same footing as Wolf or some
19 large businessman or some large business
20 enterprise?

21 MS. WAYNE: This question really is sort
22 of, would concern with any TIF district, you know,
23 in the city. It's certainly not specific to
24 Lawrence/Broadway. Again, the city has used the

1 Aldermen's offices a lot in the past for outreach
2 when certain programs are developed, like the small
3 business improvement fund.

4 We rely a lot, we being the Planning
5 Department, on the Aldermen's office to publicize
6 that program throughout the community. To
7 basically do what it takes to bring people in to
8 apply for it.

9 I think the way to ensure that small
10 business and residents benefit from the TIF as much
11 as the larger property owners is to make sure they
12 come in and apply, you know, for the money. I
13 mean, that's the biggest thing. To get low-income
14 housing, affordable housing, we need developers
15 with that kind of emphasis --

16 And it's the same thing for the small
17 business owners. If they, you know, can benefit
18 from the funds, they need to work with the
19 Alderman's office or call us directly. Or there's
20 a program called Business Express. All of these
21 programs can help, you know, to get them the
22 services they need.

23 And with respect to language, people
24 where English isn't their first language, the city

1 is, to some degree, set up to address those
2 concerns. People who do, you know, to come out to
3 the communities and speak to them.

4 MR. PORR: That's admirable except that
5 it, for the most part, it doesn't work. New
6 immigrant groups have a tremendous amount of
7 difficulty in even filling out a small application.
8 Southeast Asia Center fills out thousands of
9 applications every year.

10 Seven to ten thousand applications for
11 people that don't speak English well or at all.
12 And for something this complicated and something
13 relatively new, it's going to be hard, I think, for
14 these sort of people to get on the bandwagon and to
15 benefit in an equitable way.

16 The whole process of application for
17 any sort of grant is really skewed towards the
18 well-educated and suburban middle class type of
19 person. Those RFP's are not made for the limited
20 English speaking immigrant or the less educated
21 person.

22 And this TIF, of course, has many of
23 these sorts of people that own businesses or reside
24 in the neighborhood. The Wolf's and that sort of

1 people, don't live in the neighborhood. Those are
2 the suburban, well-educated sort of people that are
3 very adept at writing great proposals and
4 presenting a proposal to the city.

5 MS. WAYNE: What I would say then, I know
6 I cut you off, but would be to say that if a
7 community, in general, feels that the existing
8 programs we have aren't adequate to serve maybe
9 specific needs in this community or, you know,
10 maybe even in the large community, what I would say
11 then, is that it would be up to our department to
12 work with the Aldermen's office and come up with,
13 you know, maybe education sessions, maybe we would
14 come out and specifically speak to the small
15 business owners and then try to address the problem
16 that way.

17 But, you know, back to John
18 McCormick's earlier point, what we're really -- I
19 mean the questions you're asking are important
20 questions. But I think that they're questions that
21 really could be made of sort of the entire TIF
22 program and could really be talked about outside of
23 this meeting and this context. And we could maybe
24 set up a time to do that.

1 MR. PORR: I would like that.

2 MR. McCORMICK: And let me say, your
3 questions are good. I mean, these are questions
4 that come up, I mean, the Pilson TIF, things like
5 that where you have, you know, language barriers,
6 things like that.

7 Quite possibly, having this TIF will
8 bring out a method for the people that, you know,
9 haven't been part of the process, to become part of
10 the process with some of the programs we have. And
11 that we've addressed this, like Dinah said, in I
12 think Planning and Development has in every TIF
13 that we have.

14 These are, but these were very good
15 questions you asked and I think you're going to
16 have a chance down the road to keep following this.
17 Express them in public forums, Community
18 Involvement Commission meetings, things like that
19 where, I know, at Community Involvement Commission,
20 every speaker is allowed to speak, you know, to the
21 Commission.

22 And the members, the independent
23 members there are very serious about these type of
24 concerns. So continue on, I mean, with that

1 initiative that you've expressed here.

2 MR. PORR: All right, thank you.

3 MR. McCORMICK: Okay, any additional
4 comments, questions?

5 MR. PORR: Is this the time to talk about
6 boundaries or not?

7 MR. McCORMICK: Yeah, I think, go ahead.
8 Sure. This is, that's what this is for.

9 MR. PORR: All right, well this is a very
10 specific question if I could --

11 MR. McCORMICK: Sure, go ahead.

12 MR. PORR: -- get up to the map. -- a road
13 adjacent to the building almost anywhere on the map
14 that you see here there's a road, at least one
15 road, adjacent to the buildings that are in TIF to
16 be taxed.

17 However, for some reason, these
18 buildings right here have the boundary, I guess,
19 I'm not sure exactly, but it looks like on the lot
20 line. Why is that?

21 MS. MORONEY: The reason is, the City of
22 Chicago has a policy when they draw a boundary.
23 And try not to create a hole in there, a donut hole
24 in that project area. So in order to make this all

1 one continuous property without leaving a hole
2 right here, this is a new strip mall and it didn't
3 qualify for eligibility in the project area. We
4 went around it as well as we could without closing
5 off this area and creating sort of a donut hole.

6 MR. PORR: And why didn't you want to make
7 a donut hole?

8 MS. MORONEY: That's a legal question that
9 I'm probably not -- Jack, do you know the reason?

10 MR. PETTIGREW: It's more a matter of
11 practice than it is a real hard legal question. We
12 could have had the boundary come down here and have
13 this area delineated and described and then said in
14 the description, excluding a legal description for
15 the area that's not included.

16 But I think for the most part, we felt
17 that right of way's ever included more than
18 sufficient in terms of allowing for possible public
19 improvements that could be funded with TIF dollars.

20 MR. PORR: Well, I mean, if the donut hole
21 is very important, I would suggest that this
22 quarter be at lease decreased. Because there is
23 some improvement that can be done and should be
24 done on this parkway area or perhaps even the

1 roadway.

2 But I think that most of this area
3 could be included and you could still, if it's very
4 important for some reason, not to have a donut
5 hole, come across here with a five foot strip or
6 something.

7 MR. McCORMICK: Let me ask what the
8 importance of including that. What's there? I
9 mean, I'm not hardly familiar.

10 MR. PORR: Well, there's, I mean, these
11 are row houses here.

12 MR. McCORMICK: Okay.

13 MR. PORR: There's a sidewalk and a
14 parkway.

15 MR. McCORMICK: Okay.

16 MR. PORR: And a street, which is a
17 relatively important thoroughfare. It lets through
18 ambulances and school busses. There's a school
19 down here. There's a library over here. The
20 Southeast Asia Center buildings are here and a
21 couple of residences.

22 But anyway, when this property was
23 developed, there was some public money that was
24 supposed to develop both sides of the street. It

1 only developed this side of the street and this
2 side of the street even is not very well taken care
3 of.

4 MR. McCORMICK: Okay, let me address that
5 a little bit. First, I think what Jack said, and
6 he can correct me, is that the strip mall that's in
7 there doesn't qualify, you know, as part of the
8 TIF. What your concern is the street that runs
9 there. In the TIF law, adjacent public property to
10 a TIF, you know.

11 What you're looking for is possibly
12 improvements to that street. Is that where you're
13 headed? That would qualify adjacent, in the recent
14 TIF act, adjacent public property, which the street
15 would be, is eligible, you know, for TIF dollars.
16 Is that correct?

17 MR. PETTIGREW: I believe that's correct.

18 MR. McCORMICK: Yeah. So what I'm saying
19 here is --

20 MR. PORR: Even if it's not in the TIF?

21 MR. McCORMICK: Yes.

22 MR. PORR: IT's still eligible?

23 MR. McCORMICK: Yes, it is.

24 MR. PETTIGREW: Can I just add a little

1 footnote. Paul Davis?

2 MR. McCORMICK: Paul, wake up.

3 MR. PETTIGREW: My understanding is at
4 this stage of the process, a recommendation to
5 delete property could be accommodated without going
6 back through the whole public notice and hearing
7 process.

8 MR. DAVIS: Right.

9 MR. PETTIGREW: But to add area would
10 require that we go back through the whole process.
11 So there's an operational problem to adjust that
12 boundary. So if we can use TIF dollars without
13 having to include all of that frontage, then I
14 think we accomplish the same thing.

15 MR. McCORMICK: Yeah, I think Paul, you
16 can -- that the TIF statute allows for adjacent
17 public property TIF dollars to be used. And that a
18 roadway would be considered adjacent public
19 property.

20 MR. DAVIS: Yeah, John, I think that's
21 right. I'm paging through the act to find the
22 language.

23 MR. McCORMICK: I think that would address
24 your problem.

1 MR. PORR: While he's looking it up, also
2 I noticed in the report, that there's sewer
3 reconstruction going on Aimsley on this side. But
4 it stops here and I mean, this sewer over here is
5 as in bad shape as this one.

6 These properties have already been
7 upgraded so there's extra stress on the sewers on
8 this side as well as this side.

9 MR. McCORMICK: Well, let me say something
10 to that. And this gets into my, you know, when the
11 city's, you know, public works people, Department
12 of Sewers, whoever, you know, did that, why they
13 stopped there I don't know.

14 But case in point, that this may
15 endure to your benefit, the fact that TIF
16 dollars -- I mean, they didn't fund that out of any
17 TIF dollars. That's out of their general, you
18 know, budget. But the fact that this property
19 you're looking at, this roadway with the sewer
20 problem underneath it, would be eligible for TIF
21 dollars as adjacent public property, and quite
22 possibly, and I'm not speaking for the Department
23 of Sewers, their funding or their priorities, you
24 know, had them stop there.

1 And this is something that can be
2 addressed with TIF dollars depending on
3 availability so this is something that could, the
4 TIF could work to your benefit.

5 MR. PORR: Very good. All right, you guys
6 take over now.

7 MR. McCORMICK: Yeah, let me say though,
8 that these were all very good questions. And the
9 fact that, especially your questions on the area.
10 That's really what this is about too. But the
11 others were fine.

12 I think you should, I encourage you to
13 pursue these down the road. If there are no
14 further questions, I will entertain a motion that
15 this Joint Review Board finds that the proposed
16 redevelopment plan, Lawrence/Broadway tax increment
17 financing redevelopment project area, satisfies the
18 redevelopment plan requirements under the TIF Act.
19 The eligibility criteria defined in Section 11-
20 74.4-3 of the TIF Act and objectives of the TIF Act
21 and that based on such findings, approves such plan
22 and the designation of such area as a redevelopment
23 project area under the TIF Act. Is there a motion?

24 MS. MAREK: So moved.

1 MR. McCORMICK: Is there a second?

2 MS. KOSMAL: Second.

3 MR. McCORMICK: If there is no further, is
4 there any further discussion? If not, all those in
5 favor, please vote by saying aye.

6 (Chorus of ayes.)

7 MR. McCORMICK: All opposed, please vote
8 by saying no. Let the record reflect the Joint
9 Review Board's approval of the proposed
10 Lawrence/Broadway redevelopment plan and
11 designation of the Lawrence/Broadway tax
12 incremental financing redevelopment project area as
13 a redevelopment project area under the TIF Act.
14 Thank you. That was good. Make us work for our
15 money.

16 Let's move onto the Wilson Yard tax
17 incremental financing district. Yeah, could
18 anybody who wants to talk step outside please just
19 so we're going to start here. I know. You saw a
20 good job before and now you see a bad job.

21 Okay, for the record, my name is John
22 McCormick. I am the representative of the City of
23 Chicago, which under Section 17-4.4-5 of the Tax
24 Increment Allocation Redevelopment Act is one of

1 the statutorily designated members of the Joint
2 Review Board for the Wilson Yard tax incremental
3 financing district.

4 The date of this meeting was announced
5 at and set by the Community Development Commission
6 of the City of Chicago at its March 13th, 2001
7 meeting. Until election of a chairperson for the
8 Wilson Yard Joint Review Board, I will moderate
9 this meeting.

10 Notice of the meeting of the Joint
11 Review Board was provided by certified mail to each
12 taxing district represented on the board, which
13 includes the Chicago Board of Education, the
14 Chicago Community Colleges district 508, Chicago
15 Park District, Cook County, and the City of Chicago
16 and the public member. Notice of this meeting was
17 also posted as of Wednesday, March 28th, in various
18 locations throughout city hall.

19 When a proposed redevelopment plan
20 would result in displacement of residents from ten
21 or more inhabited residential units or it includes
22 75 or more inhabited residential units, the TIF Act
23 requires that the public member of the Joint Review
24 Board must reside in the proposed redevelopment

1 project area.

2 In addition, if a municipalities
3 housing impact study determines that the majority
4 of residential units in the proposed redevelopment
5 project area are occupied by very low, low or
6 moderate income households, as defined in Section 3
7 of the Illinois Affordable Housing Act, the public
8 member must be a person who resides in very low,
9 low or moderate income housing with the proposed
10 redevelopment project area.

11 Although the City of Chicago's
12 proposed redevelopment plan for the Wilson Yard
13 district does not include any housing impact study
14 because the plan certifies that no displacement of
15 inhabited residents will occur, the city has
16 attempted to find a resident of the Wilson Yard
17 area to fill the position of public member.

18 Also with us today is Bernice Perkins.
19 Are you familiar with the boundaries of the
20 proposed Wilson Yard tax incremental financing
21 redevelopment project area?

22 MS. PERKINS: Yes.

23 MR. McCORMICK: Thank you. What is the
24 address of your primary residence?

1 MS. PERKINS: 4645 North Sheridan Road.

2 MR. McCORMICK: Thank you. Is such
3 address within the proposed boundaries of the
4 Wilson Yard tax incremental redevelopment financing
5 project area?

6 MS. PERKINS: Yes.

7 MR. McCORMICK: Thank you. Have you
8 provided representatives of the City of Chicago's
9 Department of Planning and Development with
10 accurate information concerning your income and
11 income of any other members of the household
12 residing at such address?

13 MS. PERKINS: Yes.

14 MR. McCORMICK: Thank you. Based on the
15 information provided to you by the Department of
16 Planning and Development regarding applicable
17 income level for very low, low and moderate income
18 household, do you qualify as a member of a very
19 low, low or moderate income household?

20 MS. PERKINS: Low, low, low.

21 MR. McCORMICK: Ms. Perkins, are you
22 willing to serve as the public member for the Joint
23 Review Board for the Wilson Yard tax incremental
24 financing redevelopment project area?

1 MS. PERKINS: Yes.

2 MR. McCORMICK: Thank you. I will
3 entertain a motion that Bernice Perkins be selected
4 as the public member. Is there a motion?

5 MS. MAREK: So moved.

6 MR. McCORMICK: IS there a second?

7 MS. KOSMAL: Second.

8 MR. McCORMICK: All in favor, please vote
9 by saying aye.

10 (Chorus of ayes.)

11 MR. McCORMICK: All opposed, please vote
12 by saying no. Let the record reflect that Bernice
13 Perkins has been selected as the public member for
14 the Wilson Yard tax incremental financing
15 redevelopment project area.

16 Our next order of business is to
17 select a chairperson for this Joint Review Board.
18 Are there any nominations?

19 MS. MAREK: I'd like to nominate John
20 McCormick.

21 MR. McCORMICK: Is there a second for the
22 nomination?

23 MS. KOSMAL: I second.

24 MR. McCORMICK: Let the record reflect

1 there were no other nominations. All in favor of
2 the nomination, please vote by saying aye.

3 (Chorus of ayes.)

4 MR. McCORMICK: All opposed, please vote
5 by saying no. Let the reflect that John McCormick
6 has been elected as chairperson and will now serve
7 as the chairperson for the remainder of the
8 meeting.

9 As I mentioned, at this meeting, we
10 will be reviewing a plan for the Wilson Yard tax
11 incremental district proposed by the City of
12 Chicago. Staff of the city's Department of
13 Planning and Development law and other departments
14 have reviewed this plan, which was introduced to
15 the city's Community Development Commission on
16 March 13th, 2001.

17 We will listen to a presentation by
18 the consultant on the plan. Following the
19 presentation, we can ask any questions that members
20 might have for the consultant or city staff.

21 The recent amendment to the TIF Act
22 requires us to base our recommendation to approve
23 or disapprove the Wilson Yard plan and the
24 designation of the Wilson Yard TIF area on the

1 basis of the area and the plan satisfying plan
2 requirements.

3 The eligibility criteria defined in
4 the TIF Act and objectives of the act. If the
5 Board approves the plan and designation of the
6 area, the Board will then issue an advisory non-
7 binding recommendation by the vote of the majority
8 of those members present and voting.

9 Such recommendations can be submitted
10 to the city within 30 days after the board meeting.
11 Failure to submit such recommendations shall be
12 deemed to constitute approval by the Board. If the
13 Board disapproves the plan and the designation of
14 the area, the Board must issue a written report
15 describing why the plan and area failed to meet one
16 or more of the objectives of the TIF Act and both
17 the plan requirements and eligibility criteria of
18 the act.

19 The city will then have 30 days to
20 resubmit a revised plan. The Board and city must
21 also confer during this time to try and resolve
22 issues that led to the Board's disapproval. If such
23 issues cannot be resolved or if revised plan is
24 disapproved, the city may proceed with the plan but

1 the plan can be approved with a three fist vote of
2 the city council.

3 Excluding positions of members that
4 are vacant and those members that are ineligible to
5 vote because of conflicts of interest.

6 Presentations will begin. The Wilson Yard
7 consultant is S.B. Friedman and Company.

8 MR. FRIEDMAN: Thank you, John. I'm Steve
9 Friedman, President of S.B. Friedman and Company.
10 With me today is Jill Steen, a project manager
11 who's responsible for this study, this eligibility
12 study of the plan.

13 This eligibility study and plan has
14 previously been presented to this Joint Review
15 Board at a meeting on October 27th. There was a
16 procedural problem of some notices that were
17 inadvertently not mailed to certain parties and
18 therefore, the entire plan has been resubmitted and
19 reintroduced.

20 The plan has not changed and the Board
21 heard the plan at that time. After consultation
22 with Mr. McCormick, we think that we should make a
23 briefer presentation than we might ordinarily, if
24 that is acceptable to everyone who has, were here

1 before.

2 I don't know if you were present at
3 that presentation. But hopefully, there will be
4 enough of it and since everyone else was and the
5 prior presentation in its entirety is in the
6 record. So with that, Jill, would you talk about
7 the boundaries and briefly the eligibility.

8 And then what we can do is if there's
9 something that we don't cover, we will be,
10 obviously very happy to answer that in more detail
11 in Q and A.

12 MS. MAREK: So, at the last one when you
13 presented it before, we approved it?

14 MR. FRIEDMAN: You approved it
15 unanimously. There were no --

16 MS. MAREK: But then there was some
17 administrative problem and now we're just hearing
18 the same thing here?

19 MR. FRIEDMAN: Yes, again, and there are
20 no amendments to the document from what you heard
21 on October 27th.

22 MS. STEEN: Okay, for the record, I'm Jill
23 Steen, the project manager at S.B. Friedman and
24 Company. The specific boundaries of the proposed

1 Wilson Yard tax increment financing district is
2 shown here on the first board.

3 It's generally, the city asked us to
4 study the area bounded by Lawrence and Leland
5 Avenue on the North, Muldon Avenue on the west and
6 Clarendon Avenue on the east, and Montrose Avenue
7 on the south. In order to determine whether or not
8 this area qualified for TIF designation under the
9 law, we went out into the field and we surveyed
10 every single property and looked at the conditions
11 of buildings and infrastructure.

12 In addition, we collected data on code
13 violations, growth and assessed values, the
14 condition of the underground utilities and looked
15 at histories of code violations and to determine,
16 and then we took that information, compiled it, and
17 mapped it on a building by building, block by block
18 basis to determine what the distribution of those
19 factors were.

20 Based on this research, we found that
21 the area outlined with the red line, qualifies as a
22 conservation area under the act. This is because
23 at least 50 percent of the buildings are 35 years
24 of age or older. And at least three of a possible

1 13 eligibility factors were found to be present and
2 reasonably distributed throughout the RPA.

3 The specific eligibility factors that
4 we found to be present include age of structures.
5 We found that 85 percent of the buildings are 35
6 years of age or older. Structures below minimum
7 code; we found 65 percent of the buildings were
8 found to have code valuations within the last five
9 years.

10 Inadequate utilities, which affected
11 75 percent of the properties in the area, due
12 primarily to the antiquated nature of the water
13 lines, which are all over 100 years old. And then
14 finally, lack of growth and equalized assessed
15 value, which has fallen behind that of the city for
16 four out of the last five years.

17 The specific, the properties that
18 include, within the boundaries of the TIF district,
19 there are 819 tax parcels, 144 acres of land and
20 289 buildings. The existing land use is shown on
21 this first board as well.

22 Generally, the land uses include a mix
23 of commercial, residential and institutional land
24 uses primarily. Commercial land use is focused

1 along Broadway, as well as along Wilson and
2 Sheridan Road.

3 Institutional land uses include the
4 CTA owned Wilson Yard site, as well as Truman
5 College, Weiss Memorial Hospital parking
6 structure, Orion Stewart public schools, Columbus-
7 Merrillville Hospital, as well as two small Chicago
8 Park District play lots and a fire station.

9 The residential land use is shown in
10 yellow. And it includes primarily multi-family
11 condominium and apartment buildings, as well as
12 some scattered site affordable housing and SRO's.
13 Mixed use blocks are shown with the orange
14 crosshatch pattern.

15 And within the boundaries, there's
16 only one industrial building. It's located on
17 Clifton. And it's currently vacant. Vacant land
18 is shown with black, shown as black and open space
19 is shown with the green, a green pattern and
20 there's only a couple small play lots located
21 within the boundaries of the TIF district.

22 Within the boundaries, there are, as
23 John mentioned, under the new law, the city
24 requires that a housing impact study be completed

1 if there's 75 or more occupied housing units,
2 unless the city certifies that no residential
3 displacement will occur.

4 Within the boundaries of the proposed
5 Wilson Yard study area, there are 4300 housing
6 units and 4100 of those are occupied. However, the
7 city has certified that no residential displacement
8 will occur.

9 MR. FRIEDMAN: Let me go through the goals
10 and objectives, if you will, briefly. There were a
11 number of community meetings held in the process of
12 crafting this plan. And there was actually,
13 relative to my other experiences, probably the most
14 extensive community involvement process that I've
15 had in the creation of a TIF.

16 And one of the things that became very
17 clear was that while the initial impetus, one of
18 the impetuses for the TIF is, in fact, the
19 redevelopment of the Wilson Yard, the CTA Wilson
20 Yard, which is here, that it was very important to
21 use this TIF as an opportunity to also try to
22 retain the diversity of the neighborhood and to
23 have available resources to support affordable
24 housing.

1 And so the overall goal of this TIF is
2 to provide the direction necessary to create a
3 cohesive environment, mixed use, mixed income
4 community and preserve the diversity in the area.
5 In accomplishing that, we identified 14 objectives.

6 The first was to retain the economic
7 and cultural diversity of the population and
8 support the preservation of existing community
9 residences and businesses. By ameliorating the
10 potential negative impacts, including displacement,
11 the new development may have an existing community
12 residences and businesses.

13 So one of the things we wanted to do
14 with this TIF is to, if and as development occurs,
15 we want to use it to help maintain and retain the
16 diversity of the area. There will be some
17 facilitation of assembly and preparation, marketing
18 of vacant and underutilized sites.

19 There's some environmental issues on
20 some sites and there's also, and it has been
21 discussed with the owners, the possibilities of
22 acquiring some property owned by Aldi and it's
23 shown here on the acquisition map.

24 That would then be incorporated into a

1 larger development, including potentially providing
2 provisions for replacing the Aldi. Facilitating
3 the development of the Wilson Yard site and that is
4 in accordance with a separate redevelopment plan
5 and program that is being developed through
6 community process.

7 And it is parallel to but separate
8 from the TIF process. So the specifics of the plan
9 are not included in this plan. The notion that
10 we're going to use the TIF to help support that is.
11 But that's a separate process.

12 Supporting the relocation of CTA
13 facilities as appropriate to carry out the
14 objectives. And that is a leveraging idea where we
15 will also relate that to other funds that are
16 available. It will not be all TIF funds.
17 Encourage the improvement of the physical
18 conditions along Broadway, between Wilson and
19 Montrose, including the rehabilitation of
20 commercial buildings and the development of vacant
21 and underutilized parcels.

22 The Majunkin Building is located in
23 this area and is a building of great distinction
24 architecturally and a key part of the neighborhood.

1 The idea is to encourage its improvement and also
2 to encourage the improvement of other buildings to
3 be compatible with it.

4 Supporting the preservation and
5 rehabilitation of existing multi-family and
6 affordable housing. There is a possibility of
7 creating what are known generally as a Nif Program
8 and the Alderman has indicated the desire to
9 approach that process, although it is not a
10 guarantee that that will happen.

11 Similarly, to encourage the
12 rehabilitation of retail commercial business. And
13 there's also the possibility of creating a SBIF, or
14 small business investment fund. Again, it is not a
15 guarantee. There are a number of steps that have
16 to be gone through to do that.

17 Encouraging street-scaping,
18 landscaping, screening and buffering, which is a
19 part of the overall aesthetic improvement.
20 Replacing and repairing infrastructure where
21 needed.

22 And as you know, as we've mentioned,
23 one of the key factors in eligibility here is the
24 need to work to replace the underground utilities.

1 Facilitating the expansion and improvement of
2 public facilities including the Orion School,
3 Stewart Schools and the area parks and Truman
4 College is an active participant in looking at how
5 to best use the CTA site.

6 So those are the key, well then there
7 are also objectives of women-owned, minority-owned
8 businesses. Providing for people with
9 disabilities and supporting job training programs.
10 The budget, which is found on page 39, I believe,
11 of the plan, enumerates how, as an initial take, we
12 see the allocation of funds.

13 Which as you know, those funds can be
14 switched between categories within the total
15 budget. We've estimated total supportable budget
16 of 58 million dollars. We see about 15 percent of
17 that being used for property assembly, a big chunk
18 of that being available for environmental
19 remediation if necessary on certain sites.

20 We have allocated 14 million dollars
21 toward rehabilitation costs because that is a key
22 objective of this plan. Five million toward
23 eligible construction costs, and eligible
24 construction costs is only the cost of housing

1 affordable to low and very low persons under the
2 State Affordable Housing Act.

3 Relocation, which could relate to
4 business relocation, we have certified no
5 displacement of housing. Public works
6 improvements, the single largest item, 30 percent.
7 The budget, 17 million dollars. Then job training,
8 interest cost of redevelopers at about 10 million
9 dollars.

10 And then day care at about two, I
11 mean, I'm sorry, at about 10 percent or 5.8 million
12 dollars. The base value is estimated to be 57.8
13 million dollars and the projected final value is
14 anticipated to be about 127 million dollars.

15 Those are the highlights of the plan
16 and with that I would invite your questions.

17 MR. McCORMICK: Okay, yeah. Do any of the
18 members of the Joint Review Board have any
19 questions? We've reviewed that before.

20 MS. MOLLOY: I'm curious what is the
21 distinguishing factor why this TIF is not a part of
22 the TIF that we just heard about earlier?

23 MR. FRIEDMAN: I really can't answer that.
24 I think there's, I think one reason is that there's

1 a different focus. This is a, well it has one
2 commercial site, this is also a residentially
3 oriented TIF.

4 So the attempt is to support
5 affordable housing along with the commercial
6 redevelopment. But I would have to ask the
7 Department, which made the fundamental
8 determination to split the two TIF's, Sue Kroll.

9 MS. KROLL: Yes, for the record, my name
10 is Susan Kroll. I'm with the Department of
11 Planning, its TIF division. I would say that
12 Steve's analysis is on target. They are different.
13 Slightly different communities.

14 Each of these TIF's has a different
15 focus and we wanted to be able to, we wanted to be
16 able to look at them individually rather than deal
17 with each, deal with the entire area as a very
18 large area.

19 By creating two smaller TIF's, we
20 would be able to spend more time and focus more
21 attention on particular issues that are a
22 particular to each of those individual TIF's,
23 rather than as a combined, overall project.

24 MR. McCORMICK: Any further questions?

1 MS. PERKINS: I have one. And I've looked
2 through the booklet that I was given before and
3 I've had a couple of people who have asked. What
4 will happen to the Aldi? Will it be relocated or
5 it's just going to be lost?

6 MR. FRIEDMAN: That is going to be partly
7 up to Aldi. I don't know what the specific
8 negotiations and discussions have been regarding
9 that. Does anyone from the Department current on
10 the question?

11 MS. KOSMAL: We've seen no plan.

12 MR. FRIEDMAN: To replace it?

13 MS. KOSMAL: Right, we've seen no proposal
14 to replace it or proposal for it to be moved or any
15 kind of proposal, actually.

16 MR. FRIEDMAN: But it is on the
17 acquisition map and therefore it is vulnerable.

18 MS. STEEN: The Alderman, too, has been
19 talking with Aldi.

20 MS. PERKINS: Because it's in the other
21 book. The parking lot and store all together.

22 MS. STEEN: Right.

23 MR. FRIEDMAN: Right, and it's gone. Or,
24 that --

1 MS. PERKINS: It's in the back and I think
2 you're saying that --

3 MR. FRIEDMAN: Here, as an acquisition.

4 MS. PERKINS: Right.

5 MR. FRIEDMAN: Right, and I can't, we
6 can't give you more specific information. At one
7 point, Aldi was interested in being relocated. And
8 we don't know the current status of their interest.
9 They have been cooperative in this discussion.

10 This would not be an unfriendly
11 acquisition because they have been interested in an
12 improved facility. But we can't give you a
13 specific status of that at this point. You'd have
14 to check with the Aldermen's office.

15 MR. McCORMICK: Let me mention that if
16 anything specific, you know, happens as far as
17 acquisition of Aldi, that's on there that that will
18 be, you know, that we'll have to go through a whole
19 process of hearings, Community Development
20 Commission, city council, things like that.

21 And it's something that, you know, be
22 cognizant. It's tough for individual citizens to
23 track something like that, I understand. But that
24 there will be full hearings on it, things of that,

1 and that, you know, keep in mind that the city
2 can't just unilaterally go out and do it without
3 full hearings. Okay, any other questions?

4 MS. MOLLOY: Yeah, actually, I just have
5 two more. There's just two boundary ones. Not
6 knowing the area well enough, can you tell me
7 what's going on with the southwest corner? It's
8 kind of odd how it's shaped there.

9 MS. STEEN: We were asked to study the
10 area over to Muldon, and upon completing our field
11 research, there were certain parts, there's a lot
12 of housing in here, basically. Some of the housing
13 had already been rehabed. This particular area in
14 here, actually includes some SRO's, is that
15 correct, Jennifer?

16 MS. TAMMEN: Yeah.

17 MS. STEEN: The Alderman wanted it
18 included.

19 MS. TAMMEN: In one of the, if I could --
20 For the record, my name is Jennifer Tammen and I'm
21 a project associate with S.B. Friedman and Company.
22 And I assisted in the field work and some of the
23 analysis that was involved in the Wilson Yard TIF.

24 And along this area, I know in this

1 particular opening, that there's a condo building
2 that is, you know, a very well maintained
3 condominium building that really didn't qualify and
4 was also, it had grown quite a bit in equalized
5 assessed value over the last five years.

6 So it really wasn't eligible. And
7 down in here, I believe, are the Voice of the
8 People buildings that are, you know, very well
9 maintained and that, you know, we didn't really
10 feel that they would, because it is on the edge of
11 the study area, that we didn't feel that it would
12 benefit as well.

13 And then in here there's a brand new,
14 I think, row houses going in and some other housing
15 and condominium developments. And because they are
16 on the edge, we tried to remove buildings that
17 wouldn't qualify and tried to include in the
18 interior buildings that would most benefit from the
19 work.

20 MS. STEEN: But the housing in here,
21 there's SRO's. In here, scattered inside?

22 MS. TAMMEN: Yeah, there's scattered,
23 there's some scattered site -- right that we
24 couldn't include and it wasn't on the edge.

1 MR. FRIEDMAN: It which qualified.

2 MS. TAMMEN: Right, it qualifies.

3 MR. FRIEDMAN: At the edges, we end up
4 sometimes excluding specific buildings that don't
5 qualify in order to, I mean, even though the law
6 provides that as the conditions as a whole, of the
7 area as a whole when you start to find those
8 conditions not present at the edge, you are
9 stretching the eligibility and therefore, we
10 excluded them. That's how we defined that. Okay.

11 MS. MOLLOY: Makes perfect sense. Just
12 curious, that's all it was.

13 MR. FRIEDMAN: Any other questions?

14 MS. MOLLOY: How about the other boundary
15 that's over in the central kind of east, where that
16 vacant lot is? It's kind of --

17 MS. STEEN: That's a large apartment
18 complex.

19 MS. TAMMEN: Yeah, the large, the larger
20 building right here is one large tower. It's an
21 apartment tower and I believe, a couple of the
22 parcels combined had grown in equalized assessed
23 value over \$600,000.

24 It also did not display any physical

1 deterioration, so we cut it out. And the same type
2 of issue, I think this is another apartment
3 building with high growth in EAV so we kept it out.

4 MS. PERKINS: What's the vacant building
5 in the black, that's right behind?

6 MS. STEEN: It's vacant land.

7 MS. PERKINS: Just land there?

8 MS. STEEN: Yeah, it's vacant land.

9 MS. PERKINS: Okay, and that's between the
10 Board of Health Clinic I would suppose, and the
11 Clarendon Twin Towers.

12 MS. TAMMEN: Right.

13 MR. FRIEDMAN: Correct.

14 MS. PERKINS: Okay.

15 MR. McCORMICK: Good. Any other questions
16 by the members of the Board? Okay, if there are
17 no further questions, I will entertain a motion
18 that this Joint Review Board finds that the
19 proposed redevelopment plan, Wilson Yard tax
20 increment financing redevelopment project area
21 satisfies the redevelopment plan requirements under
22 the TIF Act.

23 The eligibility criteria defined in
24 Section 11-74.4-3 of the TIF Act and the objectives

1 of the TIF Act and that based on such findings,
2 approve such plan and the designation of such area
3 as a redevelopment project area on the TIF Act. Is
4 there a motion?

5 MS. KOSMAL: So moved.

6 MR. McCORMICK: Is there a second?

7 MS. MAREK: Second.

8 MR. McCORMICK: If there is no further.
9 Is there any further discussion? If not, all in
10 favor, please vote by saying aye.

11 (Chorus of ayes.)

12 MR. McCORMICK: All opposed, please vote
13 by saying no. Let the record reflect the Joint
14 Review Board's approval of the proposed Wilson Yard
15 redevelopment plan designation of the Wilson Yard
16 tax increment financing redevelopment project area
17 as a redevelopment project area under the TIF Act.

18 For the record, before I adjourn, I
19 would like to thank Ms. Perkins for her involvement
20 in this process and we appreciate it greatly. Do I
21 have a motion to adjourn?

22 MS. MAREK: So moved.

23 MR. McCORMICK: Second?

24 MS. KOSMAL: Second.

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MR. McCORMICK: This meeting stands
adjourned.

(Whereupon, the meeting adjourned at
11:30 a.m.)

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

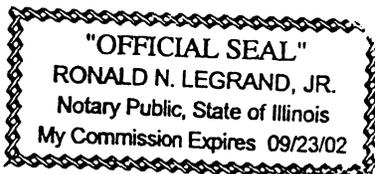
SUBSCRIBED AND SWORN TO

BEFORE ME THIS 11th DAY

OF April

A.D. 2001.

Ronald N. LeGrand, Jr.



**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

**(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.

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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.

**Lawrence/Broadway Redevelopment Project Area
2001 Annual Report**

(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.

Lawrence/Broadway Redevelopment Project Area 2001 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The Lawrence/Broadway Redevelopment Project Area generally includes the Broadway frontage bounded by Berwyn Avenue on the north and Leland Avenue on the South; and also includes the area bounded by Ainslie Street on the north, Lakeside Place on the south, and the east frontage of Sheridan Road on the east. 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.

