2004 Annual Report

Lakeside/Clarendon
Redevelopment Project Area

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

JUNE 30, 2005
June 30, 2005

Ms. Denise Casalino
Commissioner
Department of Planning and Development
121 North LaSalle Street
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the Lakeside/Clarendon 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,

[Signature]

Ernst & Young LLP
# Table of Contents

**Annual Report - Lakeside/Clarendon Redevelopment Project Area in Compliance with Section (d) of 65 ILCS 5/11-74.4-5.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Letter to State Comptroller</td>
<td>1</td>
</tr>
<tr>
<td>1) Date of Designation or Termination</td>
<td>2</td>
</tr>
<tr>
<td>2) Audited Financials</td>
<td>3</td>
</tr>
<tr>
<td>3) Mayor’s Certification</td>
<td>4</td>
</tr>
<tr>
<td>4) Opinion of Legal Counsel</td>
<td>5</td>
</tr>
<tr>
<td>5) Analysis of Special Tax Allocation Fund</td>
<td>6</td>
</tr>
<tr>
<td>6) Description of Property</td>
<td>7</td>
</tr>
<tr>
<td>7) Statement of Activities</td>
<td>8</td>
</tr>
<tr>
<td>8) Documents Relating to Obligations Issued by the Municipality</td>
<td>12</td>
</tr>
<tr>
<td>9) Analysis of Debt Service</td>
<td>13</td>
</tr>
<tr>
<td>10) Certified Audit Report</td>
<td>14</td>
</tr>
<tr>
<td>11) General Description and Map</td>
<td>15</td>
</tr>
</tbody>
</table>
June 30, 2005

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

Sincerely,

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

The Project Area was designated on July 21, 2004. The Project Area may be terminated no later than July 21, 2027.

Note: Incremental tax revenues levied in the 23rd tax year are collected in the 24th tax year. Although the Project Area will expire in Year 23 in accordance with 65 ILCS 5/11-74.4-3(n)(J)(3), the incremental taxes received in the 24th tax year will be deposited into the Special Tax Allocation Fund.
(2) **AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)**

During 2004, 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.
(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: June Tallamantez, Director of Local Government

Dolores Javier, Treasurer  
City Colleges of Chicago  
226 West Jackson Boulevard, Room 1125  
Chicago, Illinois 60606

Tim Mitchell, General Superintendent & CEO  
Chicago Park District  
541 North Fairbanks Court, 7th Floor  
Chicago, Illinois 60611

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

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

Dan Donovan, Comptroller  
Forest Preserve District of Cook County  
69 W. Washington Ave. Suite 2060  
Chicago, IL 60602

Jacqueline Torres, Director of Finance  
Metropolitan Water Reclamation District of Greater Chicago  
100 East Erie Street, Room 2429  
Chicago, Illinois 60611  
Attn: Joe Rose

Martin J. Koldyke, Chairman  
Chicago School Finance Authority  
135 South LaSalle Street, Suite 3800  
Chicago, Illinois 60603

Wallace Young  
South Cook County Mosquito Abatement District  
155th & Dixie Highway  
P.O. Box 1030  
Harvey, Illinois 60426  
Attn: Dr. Khian K. Liem

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 ILCS 5/11-74.4-1 et seq. (the “Act”) with regard to the Lakeside/Clarendon 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, 2004, 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 30th day of June, 2005.

[Signature]

Richard M. Daley, Mayor
City of Chicago, Illinois
(4)  OPINION OF LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)

Please see attached.
June 30, 2005

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Gwendolyn Clemens, Director
Cook County Department of Planning & Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602
Attn: Jackie Harder

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Ave. Suite 2060
Chicago, IL 60602

Martin J. Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
Chicago, Illinois 60603

Tim Mitchell, General Superintendent & CEO
Chicago Park District
541 North 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

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611
Attn: Joe Rose

Wallace Young
South Cook County Mosquito Abatement District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. Khian K. Liem

Re: Lakeside/Clarendon 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)

(X) No Exceptions

( ) Note the following Exceptions:
(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

During 2004, there was no financial activity in the Special Tax Allocation Fund.
(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

During 2004, the City did not purchase any property in the Project Area.
(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 11/1/99 to 12/31/04, and of such investments expected to be undertaken in year 2005; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/04, 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.
(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2004, 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 2004, 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 2004, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.
(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 2004, 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.
(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)

Since November 1, 1999, no public investment was undertaken in the Project Area. As of December 31, 2004, no public investment is estimated to be undertaken for 2005.
CITY OF CHICAGO
JOIN REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on April 8, 2004, at 10:05 a.m.
City Hall, Chicago, Illinois, and presided over
by Mr. John McCormick.

PRESENT:

MR. JOHN MCCORMICK
MR. MARY SUE BARRETT
MS. SUSAN MAREK
MR. KAY KOSMAL

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

ACCURATE REPORTING SERVICE (312) 263-0052
MR. MCCORMICK: For the record my name is John McCormick. I’m the representative of the City of Chicago under Section 11-74 4-5 of the Tax Increment Allocation Redevelopment Act as well as statutorily designated members of the Joint Review Board.

Until election of a Chairman I will moderate the Joint Review Board meetings. For the record there will be two meetings of the Joint Review Board. One to review the proposed Lakeside/Clarendon Tax Increment Financing District and one to review the proposed Tax Increment Financing District.

The first meeting will be for Lakeside/Clarendon. The date of the Lakeside/Clarendon meeting was announced and set by the Community and Development Commission of the City of Chicago at its meeting of March 9, 2004. Notice of the Lakeside/Clarendon meeting of the Joint Review Board was also provided by certified mail to each taxing district represented on
the Board which includes the Chicago Board of
Education, the Chicago Committee Colleges
District 508, the Chicago Park District,
Cook County and the City of Chicago and the
Public Member.

Public notices were also posted
as of Tuesday, April 6, 2004 in various
locations throughout City Hall. When a
proposed redevelopment plan would result in
displacement of residents from ten or more
inhabited residential units or would include
seventy-five or more inhabited residential
units, the TIF Act requires that the Public
Member of the Joint Review Board must reside
in the proposed redevelopment project area.

In addition to that an impact
study determines that the majority of the
residential units in the proposed
redevelopment project area are very low, low
or moderate income households defined in
Section 3 of the Illinois Affordable Housing
Act. The Public Member must be a person who
resides in very low, low or moderate income
housing within the proposed redevelopment
project area.

With us today is Yvonne Fuete.

Are you familiar with the boundaries of the proposed Lakeside/Clarendon tax increment financing redevelopment project area?

MS. FUETE: Yes, I am.

MR. MCCORMICK: What is the address of your primary residence?

MS. FUETE: I live at 817 W. Lakeside.

MR. MCCORMICK: Is such address within the boundaries of the proposed Lakeside/Clarendon tax increment financing redevelopment project area?

MS. FUETE: Yes.

MR. MCCORMICK: Have you provided representatives of the City of Chicago’s Department of Planning and Development with accurate information concerning your income and income of any other members residing at such address?

MS. FUETE: Yes, I have.

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

MS. FUETE: Low.

MR. MCCORMICK: Ms. Fuete, are you
willing to serve as the Public Member of the
Joint Review Board for the
Lakeside/Clarendon tax increment financing
redevelopment project area?

MS. FUETE: Yes.

MR. MCCORMICK: I will entertain a
motion that Yvonne Fuete be selected as a
Public Member. Is there such a motion?

MS. MAREK: So moved.

CHAIRMAN MCCORMICK: All in favor
please vote by saying aye?

MS. KOSMAL: Aye.

CHAIRMAN MCCORMICK: All opposed
please vote by saying no. Let the record
reflect that Yvonne Fuete has been selected
as the Public Member for the
Lakeside/Clarendon tax increment financing
redevelopment project area.

ACCURATE REPORTING SERVICE (312) 263-0052
Our next order of business is to select a Chairman for this Joint Review Board. Are there any nominations?

MS. MAREK: I’ll nominate John McCormick.

MR. MCCORMICK: Is there a second for the nomination?

MS. KOSMAL: Second.

MR. MCCORMICK: Thank you. Are there any other nominations? Let the record reflect that there are no other nominations.

All in favor of this nomination please vote by saying aye?

(Chorus of ayes.)

MR. MCCORMICK: All opposed please vote by saying no? Let the record reflect that John McCormick has been selected as Chairperson. He will now serve as Chairperson for the remainder of the meeting.

I’d like to read first just a purpose of the Joint Review Board for anybody who is present. Under the Illinois Tax Increment Allocation Redevelopment Act, called the TIF Act, the Joint Review Board of
taxing authorities such as park districts, school districts, et cetera, must meet to determine whether a proposed tax increment financing plan, called TIF Plan, meets all the legal requirements for a TIF Plan for an area that is being developed as a conservation area which is being proposed for Lakeside/Clarendon area.

Those legal requirements include that at least fifty percent of the buildings in the proposed TIF area are at least thirty-five years old. That at least three of the thirteen possible factors are present that are detrimental to public safety, health, morals or welfare and threatening to cause the proposed TIF area to become blighted.

Examples of such factors include obsolescence of structures, falling into disuse or ill-suited for original use, deterioration, major defects in building components like doors, windows, facades or deterioration of roadways, alleys, curbs, structures below the minimum code standards, excessive vacancies.
The Joint Review Board's only task is to make a finding as to whether the proposed TIF Plan meets the legal requirements of the TIF Act. Their finding is then presented in the form of a non-binding advisory recommendation with City Council.

Because of this limited mandate to review only the legal requirements of the TIF Act, the Joint Review Board is not a forum for public comments. Instead, the TIF Act requires a public hearing to be convened for the specific purpose of collecting comments from residents in the proposed area.

On both of the issues before us today, the public hearing before the Community Development Commission will be held on May 11, 2004 at 1:00 p.m. in the City Council Chambers. As I mentioned, at this meeting we will be reviewing a plan for the Lakeside/Clarendon TIF district proposed by the City of Chicago. Staff of the city's Department of Planning and Development and other departments have reviewed this plan.
which was introduced to the city's Community

We will listen to a presentation
by the consultant on the plan. Following
presentation we can address any questions
that members might have for the consultant or
city staff. A previous amendment to the TIF
Act requires us to base our recommendation to
approve or disapprove the Lakeside/Clarendon
plan and the designation of the
Lakeside/Clarendon TIF area on the basis of
the area and the plan, satisfied plan
requirements, the eligibility criteria
defined in the TIF Act and objectives of the
TIF Act.

If the Board approves the plan
and designation of the TIF area, the Board
will then issue an advisory non-binding
recommendation by the vote of the majority of
the members present. Recommendations shall
be submitted to the city within thirty days
of the Board meeting. Failure to submit such
recommendations shall be deemed to
constitute approval by the Board.
If the Board disapproves the plan and designation of the area, the Board must issue a written report describing why the plan and area failed to meet one or more of the objectives of the TIF Act and both plan requirements and eligibility criteria of the TIF Act.

The city will then have thirty days to resubmit a revised plan. The Board and city must also confer during this time to try to resolve the issues that led to the Board's disapproval. If such issues cannot be resolved or if the revised plan is disapproved, the city may proceed with the plan but the plan can be approved only by three-fifths vote of the City Council excluding positions of members that are vacant and those members that are ineligible to vote because of conflicts of interest.

Okay, we'll hear the presentation on Lakeside/Clarendon. The consultant is S.B. Friedman & Company.

MR. SMITH: Good morning, everybody. I'm Tony Smith with S.B. Friedman & Company.
We were the consultants that performed the eligibility study and came up with the plan for Lakeside/Clarendon.

I want to do three things here.

First I want to give the general instructions as to boundaries and the area of the proposed TIF. Second, I want to run through the eligibility study we conducted and the third the main elements of the plan itself.

First of all the area contains fifteen parcels and six buildings located in uptown area stretching from Clarendon Avenue on the east all the way to Sheridan Road all the way to the west between Lakeside Place and Union Avenue. The primary focus of the Lakeside/Clarendon is the former Charter Barkley Hospital site near the east end of the proposed RDA.

The older portion of the Charter Barkley Hospital was constructed in 1962. It’s the south building here. The hospital closed in about 1996 and in 1998 a company called Heritage Care of Chicago attempted to convert the site to a sheltered care
Alzheimer's facility. In the process of doing so, they constructed a new building at the north end of the site and attempted to rehab the south building. However that effort was aborted midway through because they ran out of funds essentially.

Since the year 2000 several potential purchasers discussed the possibility of redeveloping but those efforts have fallen through again because the prospective purchaser did not feel the economics of the deal worked. The existing land uses that we encountered in the field are as follows.

Represented on this map, yellow represents residential uses, blue represents institutional uses and green represents park and open spaces. Park and open space is a park commonly known as Campbell's Park located at the west edge of the proposed RPA. Blue uses, the institutional uses are the former Charter Barkley Hospital, the two main structures here and three additional parcels which are former parking lots for the
hospital. And then yellow are four multi-family residential structures.

I’ll now talk about the eligibility study that we performed. We did three sets of data collection to evaluate eligibility. First we conducted a parcel by parcel field inspection of the properties RPA. We collected data from the city regarding building permits, code violations and water and sewer infrastructure conditions and we collected data from the Cook County Assessor regarding the valuation trends.

We found that the study area qualified as a conservation area under the Illinois TIF Act. As Mr. McCormick laid out previously, one of the key requirements is that fifty percent or more of the structures in the proposed RPA must be thirty-five years of age or older. In this case, five out of the six structures, or eighty-three percent, are thirty-five years or older.

In addition, three eligibility factors or more must be present to a
meaningful extent. We found four eligibility factors present. Those factors, I went into greater detail in our report, our obsolescence, deterioration, structures below code and excessive vacancies.

Obsolescence applies to thirty-three percent of the parcels and thirty-three percent of the buildings essentially comprised of the former Charter Barkley Hospital. The unsuccessful attempts to reuse the site as well as the fact that it's remained vacant since 1996, demonstrates that it's currently obsolete.

Deterioration was found in fifty percent of the structures and when deterioration of parking and infrastructure was looked at, sixty percent of the parcels also met the criteria. The main conditions were cracks in building facades, sidewalks, parking areas and then broken or missing curbs.

Structures below code, about fifty percent of the structures within the proposed RPA were cited for code violations
by the city between 1998 and 2003. Also we found that at least one of the hospital buildings which was not cited for code violations could possibly have met the criteria for being below code based on a detailed physical inspection of the property.

Excessive vacancies applies to thirty-five percent of the buildings, again the former Charter Barkley building. To give you an idea of the impact of that vacancy on the rest of the RPA, they make up more than half of the square footage within the proposed RPA and no other structure within the proposed RPA is more than one hundred feet distant from the vacant hospital structures.

Additionally, we looked at the required findings and tests to establish eligibility. Lack of growth and private investment, we found that the study area has not experienced growth in private investment based on the fact that the only significant building permits issued between 1998 and
2003 were related to that failed attempt I discussed earlier to convert the Charter Barkley site to an Alzheimer's facility. Also we found that the subsequent attempts to redevelop the site that has not been successful demonstrate both a lack of growth in private investment and also the fact that TIF systems might be necessary to facilitate redevelopment. Also, the structures of the former hospital are laid out in a very specialized manner so that conversion to another use would be inefficient and costly. We looked at demand potentially on taxing districts and services that might result from redevelopment moving the RPA. Three public schools who are in areas directly affected by the RPA are Profession Elementary, Orion Middle and Senn High School. And according to Chicago Public School data, these facilities are currently operating below capacity. Furthermore, provisions from the Illinois TIF Act call for reimbursement of
affected schools for increased costs
incurred as a result of TIF's Board of
Housing units.

I'll now talk briefly about the
main elements of the redevelopment plan. The
overall goals of the plan are to reduce or
eliminate the condition that qualified
Lakeside/Clarendon RPA as a conservation
area and to facilitate the redevelopment of
the Charter Barkley site in a way that
integrates it with the scale and fabric of
the surrounding community.

Specific objectives that we
included in the plan to achieve those goals
include facilitating the assembly,
preparation and marketing of the former
Charter Barkley Hospital site for
redevelopment. Facilitating rehab or
reconfiguration of any reusable structures
within the proposed site. Promoting new
residential developments that accommodate a
diverse economic and demographic mix of
residents including the development of new
affordable housing.
Providing necessary public structure and facilitating adequate on and off street parking. Promoting the development and improvement and/or maintenance of park and open space uses as necessary and appropriate to serve residents of the RPA and surrounding neighborhood. And providing opportunities for local and disadvantaged businesses and residents.

The proposed land use plan is another component of redevelopment plan illustrated on this board here. It shows the types of uses that can be afforded with TIF funds throughout the RPA. It does not supercede zoning and instead is the framework to identify the types of uses encouraged with TIF funds potentially.

In this case the future land use plans have been kept rather flexible in order to accommodate changes in the markets and future planning and development initiatives in the area. As indicated on this map, there are two proposed land uses.

One is park and open space which
again is comprised of the existing park and then a mixed use for an institutional category which applies to the remainder of the RPA.

The budget which is also included in the redevelopment plan on page 35 represents the whole amount of funds we spend in the TIF District over the next 23 years adjusted for inflation. The budget shown is seven and a quarter million dollars and the major line items shown are 2.975 million property acquisition, the property assembly including site, preparation, demolition and environmental radiation.

Two million for rehabilitation cost. Seven hundred fifty thousand dollars for construction costs including affordable housing. Five hundred thousand dollars for public improvements including sidewalk and alley improvements. And seven hundred and fifty thousand dollars for interest costs incurred by redevelopment projects.

And smaller allowances for professional services, relocation expenses,
job training, welfare to work and daycare.
The line items as they’re currently structured reflect the primary goal of the proposed TIF to achieve a successful redevelopment and reintegration of the Charter Barkley site and surrounding area.

I will now take any questions from the Board.

MS. MAREK: Can you tell us a little bit about what the existing residential housing is?

MR. SMITH: Sure.

MS. MAREK: Is that part of the vacancy?

MR. SMITH: No. All the existing buildings are occupied. The largest structure is located here and in general, the number of units in the building range from, I believe it’s three units in the small structure to a little over 60 in this structure over here.

CHAIRMAN MCCORMICK: Any more questions? If there are no further questions, I’ll entertain a motion that this
Joint Review Board finds that the proposed redevelopment plan, Lakeside/Clarendon Tax Increment Financing Redevelopment Project area satisfies the redevelopment plan requirements under the TIF Act.

The eligibility criteria is defined in Section 11.744-3 of the TIF Act. Any objectives of the TIF Act and that based on such findings, approves such plan and the designation of such areas of redevelopment project area under the TIF Act. Is there a motion?

MS. MAREK: So moved.

MS. YABLONSKI: Mr. Chairman, before you begin a motion, could I just give you a little --

CHAIRMAN MCCORMICK: I'm sorry. There is no public testimony, comments allowed here. As I mentioned earlier, there's a public hearing.

MS. YABLONSKI: I know but when we had our meeting nobody would listen to us because they said we were a small group. Did they bring back the information to you that when
we had the meeting nobody was in favor of
this? And I have letters signed by 121 of
the 210 unit owners in this owner who are not
in favor of passage at the present time.

CHAIRMAN MCCORMICK: That's fine and
I think you have a forum that is set for
that. Our initiative here is really just to
see if the area meets the criteria for the
conservation area. And I think that if you
have seen a public hearing in City Council
Chambers before the Committee, everybody
gets up to speak.

And they're all members of the
CDC who are going to be very much interested
in, you know, who you represent and what the
feelings are and the people in the area. So
I think that's really your forum. Is there a
motion?

MS. KOSMAL: So moved.

CHAIRMAN MCCORMICK: Is there a
second for the motion?

MS. MAREK: Second.

CHAIRMAN MCCORMICK: Is there any
further discussion? If not all in favor
please vote by saying aye?

(Chorus of ayes.)

CHAIRMAN MCCORMICK: All opposed

please vote by saying nay? Let the record
reflect that the Joint Review Board's
approval of the proposed Lakeside/Clarendon
Redevelopment Plan and designation of the
Lakeside/Clarendon Tax Increment Financing
Redevelopment Project area as a
redevelopment project area under the TIF
Act.

The adjournment of the
Lakeside/Clarendon Joint Review Board
meeting, do I hear a move to adjourn?

MS. MAREK: So moved.

CHAIRMAN MCCORMICK: We’re done.

(Whereupon Lakeside/Clarendon
adjourned at 10:25 a.m.)
(8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE MUNICIPALITY - 65 ILCS 5/11-74.4-5(d)(8)(A)

During 2004, there were no obligations issued for the Project Area.
(9) ANALYSIS OF DEBT SERVICE - 65 ILCS 5/11-74.4-5(d)(8)(B)

During 2004, there were no obligations issued for the Project Area.
(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)

During 2004, there were no tax increment expenditures or cumulative deposits over $100,000 within the Project Area. Therefore, no compliance statement was prepared.
(11) GENERAL DESCRIPTION AND MAP

The Lakeside/Clarendon Redevelopment Project Area is generally bounded on the east by the east side of Clarendon Avenue, on the north by the north side of Lakeside Place and the north side of the alley between Lakeside Place and Leland Avenue, on the west by the western edge of Arai Campus Park (located on the north side of Leland Avenue approximately midway between Clarendon Avenue and Sheridan Road) and on the south by the north side of Leland Avenue. 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.