2006 Annual Report

73rd/University Redevelopment Project Area

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

JUNE 30, 2007
June 30, 2007

Ms. Kathleen A. Nelson  
First Deputy Commissioner  
Department of Planning and Development  
121 North LaSalle Street  
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the 73rd/University 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 5/11-74.6-1 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

Ernst & Young LLP
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June 30, 2007

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 73rd/University
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-
74.4-5(d).

Sincerely,

[Signature]

Kathleen A. Nelson
First Deputy Commissioner
(1) **DATE OF DESIGNATION AND TERMINATION - 65 ILCS 5/11-74.4-5(d)(1.5)**

The Project Area was designated on September 13, 2006. The Project Area may be terminated no later than September 13, 2029.

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 2006, 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 1149
Chicago, Illinois 60606

Peter C. Nicholson, Director
Cook County Department of Planning & Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602

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

Martin 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
Chicago, Illinois 60611

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

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

Douglas Wright
South Cook County Mosquito Abatement District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

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 73rd/University 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, 2006, 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 29th day of June, 2007.

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 29, 2007

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 1149
Chicago, Illinois 60606

Peter C. Nicholson, Director
Cook County Department of Planning & Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602

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

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

Re: 73rd/University 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 2006, there was no financial activity in the Special Tax Allocation Fund.
(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

TABLE 6
DESCRIPTION OF PROPERTY PURCHASED BY THE MUNICIPALITY WITHIN THE TIF AREA

<table>
<thead>
<tr>
<th>STREET ADDRESS</th>
<th>APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY</th>
<th>PURCHASE PRICE</th>
<th>SELLER OF PROPERTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1213 E 72nd St ¹</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7154 S Greenwood Ave ¹</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7151 S Dobson Ave ¹</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

¹ This property was acquired through the Tax Reactivation Program ("TRP"), under which the City instructs the County of Cook to make a no cash bid on certain tax-delinquent parcels. The City then pursues the acquisition in a court proceeding and receives a tax deed from the County after a court order is issued. The City pays court costs and certain incidental expenses for each parcel, which average between $2,000 and $2,500. The size and description of each parcel is usually not available.
(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 12/31/06, and of such investments expected to be undertaken in year 2007; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/06, 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 2006, 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 2006, 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 2006, 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 2006, 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, 2006, no public investment is estimated to be undertaken for 2007.
CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing before the City of Chicago, Joint Review Board held on May 5, 20906 at 10:10 a.m. City Hall, Room 1003, Conference Room, Chicago, Illinois, and presided over by Mr. Eric Reese.

PRESENT:

MR. ERIC REESE
MS. COLLEEN STONE
MR. DAVID BRYANT
MS. KAY KOSMAL
MS. MARY SUE BARRETT
MS. FLORENCE BRAMSON
MS. CAROLYN JACKSON

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

ACCURATE REPORTING SERVICE (312) 263-0052
MR. REESE: Good morning. My name is Eric Reese, I'm the Deputy Budget Director for the Chicago Park District. To my left is --

MS. STONE: My name's Colleen Stone, I am here for John McCormick, I'm from the Department of Finance.

MR. BRYANT: David Bryant, I'm a Treasurer at Chicago Public Schools, I'm here for Assistant Mayor.

MS. BARRETT: Mary Sue Barrett, Metropolitan Planning Counsel, Public Member.

MS. BRAMSON: Florence Bramson.

MR. REESE: Florence is going to be our Public Member as well today.

All right, we'll get going. For the record, my name is Eric Reese, I'm a representative of the Chicago Park District, under Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act, as one of the statutory designated members of the Joint Review Board. Until election of a chairperson I'll moderate the Joint Review Board.
Board Meetings.

For the record, there will be two meetings of the Joint Review Board. One's for the review of the proposed Touhy/Western Tax Increment Financing District and one to review the proposed 73rd and University's Tax Increment Financing District.

The first meeting will be for the Touhy/Western.

The date of the Touhy/Western meeting was announced and set by the Community Development Commission of the City of Chicago at its meeting of April 11th, 2006. Notice of the Touhy/Western meeting of the Joint Review Board was also provided by certified mail to each of the taxing district represented on the board which includes Chicago Board of Education, Chicago Community Colleges District 508, Chicago Park District, Cook County and the City of Chicago. Public notice of this meeting was also posted as of Wednesday, May 3rd, 2006 in various locations throughout City Hall.

When a proposed redevelopment
plan would result in a displacement of residents of ten or more inhabited residential units, or would include 75 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, if a municipalities housing impact study determines that the majority of residential units in a proposed redevelopment project area are occupied by very low, low, to moderate income households as 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 with the proposed redevelopment project area.

With us today is Florence Bramson. Ms. Bramson, are you familiar with the boundaries of the proposed Touhy/Western Tax Increment Financing Redevelopment?

MS. BRAMSON: Yes.

MR. REESE: What is the address of your primary residence?
MS. BRAMSON: 6840 North Sacramento Boulevard.

MR. REESE: I such address within the boundaries of the proposed Touhy/Western Tax Increment Financing Redevelopment Project Area?

MS. BRAMSON: Excuse me?

MR. REESE: Is your address within the area?

MS. BRAMSON: Yes.

MR. REESE: Okay. Thank you very much. Have you provided representatives of the City of Chicago, Department of Planning and Development, with accurate information concerning your income and the income of members of your household residing within the address?

MS. BRAMSON: Yes.

MR. REESE: Based on the information provided to you by the Department of Planning and Development regarding applicable income level for very low, low and moderate income households, do you qualify as a member of one of these three categories?
MS. BRAMSON: Yes.

MR. REESE: Thank you very much. Ms. Bramson, are you willing to serve as the public member for the Joint Review Board for the Touhy/Western Tax Increment Financing Redevelopment Project Area?

MS. BRAMSON: Yes.

MR. REESE: I will enter in a motion that Florence Bramson be selected as the public member. Is there a motion?

MR. BRYANT: So moved.

MR. REESE: Thank you. All in favor please say aye.

(Chorus of ayes.)

MR. REESE: Let the record reflect that Florence Bramson has been selected as the public member for the Touhy/Western Tax Increment Financing Redevelopment Project Area.

Our next order of business --

MS. BARRETT: Question? Does that mean I'm not to vote on this item?

MR. REESE: Exactly.

MS. BARRETT: Okay.
MR. REESE: Thank you very much.

MS. BARRETT: I was not informed.

MR. REESE: Our next order of -- is that correct, let me just double check. She is serving as the public member from the --

MS. BARRETT: I'm the public member of this Board, and I believe there's only one public member?

MS. WORTHY: Oh, no, both of these TIF's require public members who actually live inside the district.

MS. BARRETT: Got it.

MR. REESE: Okay. And you're going to act as the public member for the second one?

MS. WORTHY: No, Carolyn Jackson will act as the public member --

MS. BARRETT: So you don't need me at this meeting?

MS. WORTHY: No.

MR. REESE: No, but you're more than welcome to participate all that you want.

MS. BARRETT: Okay.

MR. REESE: The next order of
business is to select a chairperson for the Joint Review Board. Is there any nomination?

MS. STONE: I nominate Eric Reese.

MR. REESE: Is there a second?

MR. BRYANT: Second.

MR. REESE: All in favor, please say aye.

(Chorus of ayes.)

MR. REESE: Let the record reflect that I will serve as chairperson and will now serve as chairperson for the remainder of the meeting.

As I mentioned, at this meeting we will be reviewing a plan for the Touhy/Western TIF District proposed by the City of Chicago. The staff of the City's Department of Planning and Development along with other departments and they have reviewed this plan which was introduced by the Community Development Commission on April 11th, 2006.

We will listen to a presentation by the consultant. Following the presentation we will address any questions
that the members might have for the consultant or city staff. A previous amendment to the TIF Act requires that -- to approve or disapprove the Touhy/Western plan and the designation of the Touhy/Western TIF area on the basis of the area and the plan satisfying the plan requirements.

The eligibility criteria are defined in the TIF Act and the objectives of the TIF Act. If the Board approves the plan designation of the area, the Board will then issue an advisory, non-binding recommendation by a voting majority of those members present and voting. Such recommendations shall be submitted to the city within 30 days after the Board meeting. Failure to submit such recommendations shall be deemed to constitute approval from the Board.

If the Board disapproves a planned designation of the area they must issue a written report describing why the plan and area failed to meet one or more of the objectives of the TIF Act in both the
plan requirements and the eligibility
criteria of the TIF act. The city will then
have 30 days to resubmit a revised plan.

The Board and the city must also
confer during this time to try and 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 approve with the
plan, may proceed with the plan but the plans
can be approved only with 3/5 vote of City
Counsel, excluding positions and members who
are vacant and those members that are
ineligible to vote because of conflict of
interest.

We will have a presentation for
the area presented by the consultants from
Louik/Schneider & Associates. Are they
present?

MR. KNIGHT: My name is Chris Knight,
I work for Louik/Schneider & Associates
which served as the consultants in the
designation of the Touhy/Western TIF
District. The area includes approximately
243 acres and 335 parcels and is bounded on
the west side by Sacramento Avenue from Touhy
to the north, down to North Shore Avenue on
the south.

On Cook Avenue it is bounds by
Albany Avenue on the west side down to
Western Avenue on the east, and the Western
Avenue corridor includes Birchwood Avenue on
the north end down to Arthur Avenue on the
south. In addition it is also bounded by
Warren Park, Phillip Rogers Park and School
which is shown on the maps here just west of
Western Avenue and north of Touhy.

The present land use plan,
present land use at the area includes mostly
commercial areas and mixed use commercial
and residential, both along Touhy and
Western Avenues. There's also institutional
uses distributed throughout the area that
includes public facilities, parks, schools,
places of worship. All of these are
designated by different color codes on the
present land use analysis behind me.

The proposed land use will be
predominantly mixed use and will include residential and, mixed use residential, commercial and institutional, so it will be incorporating the present institutional uses into the proposed land use.

To qualify the area we used the condition of conservation area which includes criteria for the age requirement where at least half the area needs to be of 35 years or more. The present condition of the area is, includes a high number of vacant buildings, deteriorated buildings and site improvement, underutilized parcels, general lack of maintenance, lack of parking, traffic congestion along Touhy Avenue, obsolete configuration and high speed traffic.

In addition to the age we found the necessary 4 criteria of the 13 to qualify the area as a conservation area. In fact, we did find eight, four of which were found to a major extent and four to a minor.

To a major extent we found obsolescence which was present in 173 of the
335 parcels which is approximately 52 percent; deterioration which was found in 220 of the parcels which is approximately 66 percent; deleterious land use or layout which was found in 176 of the parcels, which is 53 percent; and lastly lack of EAV growth, which is a criteria where the EAV needs to grow in a negative rate or a rate that is less than the balance of the City of Chicago, and in this instance we found that it was present in four of the last five years. Those years were from 1999 to 2000, 2000 to 2001, 2002 to 2003, and 2003 to '04, which was the last year that we were able to find. Now, to a minor extent we found dilapidation, which was found in 12 of the buildings, which is approximately six percent; excessive vacancies, which is in 31 of the buildings of which there are a total of 202, and that is approximately 15 percent of the area; excessive land coverage and overcrowding of the structures, which was found in 36 of the 335 parcels, which was approximately 11 percent; and finally a lack
of community planning, based on our review and analysis of the area, we found was, in deed, present in the area.

To conclude, we did, in fact, were, in fact, able to qualify the area as a conservation area based on the fact that it does incorporate the age requirement and at least 4 of the 13 eligibility factors. And again, to a major extent we did find obsolescence, deterioration, deleterious land use, and lack of EAV growth, and to a minor extent found dilapidation, excessive vacancies, excessive land coverage or layout, and lack of community planning.

I'll briefly go over the budget that we constructed for the area. We've projected a generation of increment of approximately $32 million and $2006 over the life of the TIF District, and these dollars will be allocated to property assembly, site preparation, public works and improvements, relocation costs, rehabilitation of existing structure, job training, interest subsidies and professional services such as studies,
surveys, plans, administrative costs and finally daycare services within the area.

MR. REESE: Based on the presentation do any members have any questions?

MR. BRYANT: No.

MR. REESE: I actually have one. Have any developers been selected to do any of the work or is it still --

MR. KNIGHT: Not that I'm aware of, no.

MR. REESE: Based on the presentation, actually, if there are no further questions I'll entertain a motion that this Joint Review Board finds that the proposed redevelopment plan, Touhy and Western Tax Increment Financing and Redevelopment Project area satisfies the redevelopment plan requirements under the TIF Act. The eligibility criteria defined in Section 11-74.4-3 of the TIF Act and the objective of the TIF Act, and that based on such findings include such proposed plan designations of such area.

Is there a motion?
MS. STONE: So moved.

MR. REESE: Is there a second?

MR. BRYANT: Second.

MR. REESE: All in favor please say aye.

(Chorus of ayes.)

MR. REESE: Let the record reflect the Joint Review Board's approval of the proposed Touhy/Western redevelopment plan designation of the Touhy/Western Tax Increment Financing Redevelopment Project Area as a redevelopment project area under the TIF Act.

MR. KNIGHT: Thank you.

MR. REESE: This will, I need a motion to adjourn the Touhy/Western Joint Review Board.

MR. BRYANT: So moved.

MR. REESE: Let's take a 30 second break before our next --

(Off the record.)

MR. REESE: We're now beginning the 73rd and University Joint Review Board Meeting. For the record, my name is Eric
Reese, I'm a representative of the Chicago Park District under Section 11-74.4-5 of the Tax Increment Allocation Redevelopment Act, as one of the statutory designated members of the Joint Review Board. Until the election of a chairperson I'll moderate this Joint Review Board meeting.

This will be a meeting to review the proposed 73rd and University Tax Increment Financing District. The date of this meeting was announced at and set by the Community Development Commission of the City of Chicago at its meeting on April 11th, 2006. Notice of this meeting of the Joint Review Board was also provided by certified mail to each of the taxing district representatives on the Board, which includes the Chicago Board of Education, Chicago Community Colleges District 508, the Chicago Park District, Cook County and the City of Chicago. Public notice of this meeting was also posted as of Wednesday, May 3rd, 2006 at various throughout City Hall.

When a proposed redevelopment
plan would result in the displacement of residents of 10 or more inhabited residential units, or would include 75 or more inhabited residential units the TIF Act requires that a public member of the Joint Review Board must reside in the proposed redevelopment project area.

In addition, if the Municipality Housing Impact Study determines that the majority of the residential units in a proposed redevelopment project area are to be occupied by very low, low and moderate income households, as defined in Section 3 of the Illinois Affordable Housing Act, the public member must be a person who resides in a very low, low, or moderate income housing within the proposed redevelopment project area.

With us today is Ms. Carolyn Jackson, correct?

MS. JACKSON: Yes.

MR. REESE: Are you familiar with the boundaries of the proposed 73rd and University Tax Increment Financing
Redevelopment Project?

MS. JACKSON: Yes.

MR. REESE: What's the address of your primary residence?

MS. JACKSON: 7107 South Ingleside.

MR. REESE: Is such address within the boundaries of the proposed area?

MS. JACKSON: Yes.

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

MS. JACKSON: Yes.

MR. REESE: Based on the information provided to you by the Department of Planning and Development regarding applicable income levels, very low, low and moderate income households, do you qualify as a member of one of these?

MS. JACKSON: Yes.

MR. REESE: Ms. Jackson, are you willing to serve as the public member for the
Joint Review Board for this 73rd and
University Tax Increment Financing and
Redevelopment Project Area?

MS. JACKSON: Yes.

MR. REESE: Thank you very much. --
entertain a motion that Ms. Jackson be
selected as the public member, is there a
motion?

MS. STONE: So moved.

MR. BRYANT: Second.

MR. REESE: Thank you. All in favor
please say aye.

(Chorus of ayes.)

MR. REESE: Let the record reflect
that Ms. Jackson has been selected as the
public member of the 73rd and University Tax
Increment Financing Redevelopment Project
Area.

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

MS. STONE: I nominate Eric Reese.

MR. REESE: Thank you very much, is
there a second?
MR. BRYANT: Second.

MR. REESE: All in favor?

(Chorus of ayes.)

MR. REESE: Thank you. Let the record reflect that I will remain as chairperson and will now serve as chairperson for the remainder of the meeting.

As I mentioned, at this meeting we'll be reviewing a plan for the 73rd/University District proposed by the City of Chicago, or proposed by the City of Chicago. The staff of the City's Department of Planning and Development along with other departments have reviewed this plan which was introduced by the City's Community Development Commission on April 11th, 2006.

We will listen to a presentation by the consultant on the plan. Following the presentation we will address any questions that the members may have for the consultant or city staff. Previous amendment to the TIF Act requires us to base our recommendation to approve or disapprove the 73rd/University
Plan, the designation of the 73rd/University TIF Area on the basis of the area and the eligibility criteria defined in the TIF Act and the objectives of the TIF Act.

If the Board approves a plan and the designation of the area, the Board will then issue an advisory non-binding recommendation by the vote of a majority of those members present and voting. Such recommendation shall be submitted to the City within 30 days of the Board Meeting. Failure to submit such a recommendation shall be deemed to constitute approval by the Board.

If the Board disapproves a claim, the designation of the area, the Board must issue a written report describing why the planned area failed to meet one or more of the objectives of the TIF Act in both the Planning Department and the eligible criteria of the TIF Act. The city will then have 30 days to resubmit the revised plan.

The Board and the city must also confer during this time to try and resolve
the issues that led to the Board's
disapproval. If such issues cannot be
resolved or if the revised plans are
disapproved the city may proceed with the
plan but the plan can be approved only with
3/5 vote of City Counsel.

We will now actually move to a
presentation by Louik/Schneider & Associates
for 73rd and University.

MS. RUFFOLO: Hi, my name is Tricia
Marino Ruffolo, I'm here to present the plan
prepared by Louik/Schneider & Associates for
the 73rd and University Redevelopment
Project Area.

As you can see in the maps behind
me, the study area is bounded by Oakwood
Cemetery on the north, 75th Street on the
south, the alley west of South Chicago Avenue
on the west and the railroad track on the
east.

As part of the redevelopment
plan, a housing impact study was prepared.
The existing land uses, the area is primarily
composed of residential uses, the second map
there is the existing land uses. In yellow
are all residential, the white are vacant
parcels, blue is institutional -- green is
institutional, blue is mixed and the red is
commercial.

The proposed land use for the
redevelopment project area simplifies the
land use plan a little bit with all the
residential remaining the same, the
institutional remaining the same and a mixed
for the area along South Chicago Avenue and
this parcel right here. The mixed land use
allows for residential and/or commercial and
institutional to be used within the same
parcel.

The Redevelopment Project Area
contains approximately 135 acres, 31 blocks,
808 parcels and 575 buildings. The study
area is characterized by the following
characteristics; a high number of vacant
parcels, over 26 percent; a high number of
deteriorated buildings, obsolete
configurations throughout, environmental
cleanup and concerns, and other
deteriorating characteristics.

Based on our findings the study area warrants the designation as a conservation area. Specifically the study area meets the statutory criteria for age, 83 percent of the buildings are 35 years of age or older, and of the 13 eligibility factors set forth in the act, 8 are present, and only three are needed for a designation.

The factors that were found present in the study area include dilapidation, which was found present to a minor extent in 56 of the 575 buildings; obsolescence which was found present to a major extent also in 375 of the 806 parcels; deterioration was found present to a major extent in 77 percent of the parcels; excessive vacancy was found present to a minor extent in 20 percent of the buildings. Inadequate utilities was also found present throughout the area because of the size and age of the water mains, and that was found present to a major extent, deleterious land use and layout was found present to a major
extent in 57 percent of the parcels.

Environmental cleanup exists in the study area and therefore, in the study area is present to a major extent in 20 percent of the parcels. Lack of community planning was also found present because the areas developed prior to the benefit or the guidance of a community plan.

Lack of EAV, lack of growth and EAV comparison was also found present. For the three of the last five years the study area has been increasing at a rate that is less than the balance of the community area, as the municipality.

Based on our findings the eligibility findings indicate that the study area qualifies as a conservation area and is in need of revitalization.

Any questions?

MR. BRYANT: Are you going to discuss the plan at all?

MS. RUFFOLO: The plan for the area? The redevelopment plan for the area is basically to support what is already there.
There are no -- to the residential. Keep the residential development here. As you can see, these parcels here are vacant, the plan is to improve those, and so that you see less of the white, and that you see all the yellow so that the residential infill is completed. And then could develop the commercial, there's a lot of vacancies within the commercial as you can see, there's a lot of vacant buildings and vacant parcels, and these are all vacant buildings here and down here, vacant parcels and vacant buildings throughout.

And so it's basically just to improve the area, add in new commercial where appropriate and institutional uses and to provide infill housing.

MR. REESE: Are there any other questions?

MR. BRYANT: Could we inspect the budget?

MS. RUFFOLO: Sure. The budget for the area is $37 million, and the categories, $2 million for property assembly, 2 million...
for site prep, 18 million for public works
and improvement, 1 million for relocation, a
rehab $9 million, job training, 1.5 million,
income subsidy is another 1.5, professional
services $750,000 and daycare services 1.5
million giving you the total of $37.250 for
the life of the TIF. Any other questions?

MR. BRYANT: No, I --

MR. REESE: Seeing there are no
further questions I will entertain a motion
that this Joint Review Board finds this
proposed redevelopment plan, 73rd/University
Tax Increment Financing Redevelopment
Project Area satisfies the redevelopment
plan requirements under the TIF Act.

The eligibility criteria defined
in Section 11-74.4-3 of the TIF Act and the
objectives of the TIF Act, and that based on
such findings approve such proposed plan and
the designation of such areas of
redevelopment project area under the TIF
Act. Is there a motion?

MS. STONE: So moved.

MR. REESE: All in favor?
(Chorus of ayes.)

MR. REESE: Let the record reflect
the Joint Review Board's approval of a
proposed 73rd/University Redevelopment Plan
and the designation of the 73rd/University
Tax Increment Plan as a redevelopment
project area under the TIF Act. This
concludes it. May I get a motion to adjourn.

MR. BRYANT: So moved.

MR. REESE: All in favor?

(Chorus of ayes.)

MR. REESE: Thank you all for your
help today.

(Whereupon the above matter
was concluded.)
STATE OF ILLINOIS  

COUNTY OF COOK  

I, JACK ARTSTEIN depose and say that I am a verbatim 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  

SUBSCRIBED AND SWORN TO  

BEFORE ME THIS 10TH DAY OF MAY, A.D. 2006.

NOTARY PUBLIC  

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

During 2006, 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 2006, there were no obligations issued for the Project Area.
(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)

During 2006, 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 73rd/University Redevelopment Project Area is generally bounded on the north by Oakwood Cemetery (at 67th and 71st Streets), on the south by 75th Street, on the east by the Illinois Central Railroad and on the west by the alley west of South Chicago 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.