
1998 Annual Report

**Bloomington-Laramie
Redevelopment Project Area**



**Pursuant to Mayor's
Executive Order 97-2**

JUNE 30, 1999



City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Christopher R. Hill
Commissioner

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June 30, 1999

The Honorable Mayor Richard M. Daley, Members
of the City Council, and Citizens of the City of Chicago
City of Chicago
121 N. LaSalle Street
Chicago, Illinois 60602

Ladies and Gentlemen:

The attached information for the Bloomingdale-Laramie Redevelopment Project Area, along with 63 other individual reports, is presented pursuant to the Mayoral Executive Order 97-2 (Executive Order) regarding annual reporting on the City's tax increment financing (TIF) districts. The City's TIF program has been used to finance neighborhood and downtown improvements, leverage private investment, and create and retain jobs throughout Chicago.

Pursuant to the Executive Order, the Annual Report, presented in the form of the attached, will be filed with the City Clerk for transmittal to the City Council and be distributed in accordance with the Executive Order.

Sincerely,

Christopher R. Hill
Commissioner
Department of Planning and Development

Walter K. Knorr
Chief Financial Officer



June 30, 1999

Mr. Christopher R. Hill
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Commissioner Hill:

Enclosed is the required annual report for the Bloomingdale-Laramie Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to the Mayor's Executive Order 97-2. The contents are based on information provided to us by the Chicago Departments of Planning and Development, Finance, and Law Department. We have not audited, verified, or applied agreed upon procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

The report includes the City's data methodology and interpretation of Executive Order 97-2 in addition to required information. The tables in this report use the same lettering system as the Executive Order in order to allow the reader to locate needed information quickly.

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

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

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Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

Purpose of Report:

The purpose of the Annual Report for the Bloomington-Laramie Redevelopment Project Area (Report) is to provide information regarding the City of Chicago (City) tax increment financing (TIF) districts in existence on December 31, 1998, as required by the Mayor's Executive Order 97-2 (Executive Order). This Report covers the Bloomington-Laramie Redevelopment Project Area (Project Area).

Methodology:

In the process of providing information about the Project Area, care was taken to follow the organization of the Executive Order to allow the reader to locate needed information in an efficient manner. The Report reflects only TIF economic activity during 1998, also referred to in this report as "the prior calendar year." As outlined below, several assumptions were made concerning certain required information.

(a) General Description

The general boundaries of the Project Area are described and illustrated in a map. However, in order to provide ease of reading, only major boundary streets are identified. For exact boundaries, the interested reader should consult the legal description of the Project Area boundaries found in the Redevelopment Plan (Attachment).

(b) Date of Designation and Termination

For purposes of this Report, the date of termination is assumed to occur 23 years from the date of designation, the maximum duration currently allowed under the Tax Increment Allocation Redevelopment Act.

(c) Copy of Redevelopment Plan

The Redevelopment Plan, as amended (if applicable), for the Project Area is provided as the Attachment at the end of the Report.

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(d) Description of Intergovernmental and Redevelopment Agreements

Table D describes agreements related to the Project Area which are either intergovernmental agreements between the City and another public entity or redevelopment agreements between the City and private sector entities interested in redeveloping all or a portion of the Project Area. The date of recording of agreements executed by the City in 1998 and filed with the Cook County Recorder of Deeds is included in Table D (if applicable).

(e) Description of TIF Projects

Table E describes each TIF project in the Project Area that has already received approval by the Community Development Commission, and which received TIF financing during 1998. Those projects in discussion, pre-proposal stage with a developer, or being reviewed by Community Development Commission staff are not "projects" for purposes of the Report. The amount budgeted for project costs and the estimated timetable were obtained from the Project Area's intergovernmental or redevelopment agreements, if such agreements exist. Table E specifically notes:

- 1) the nature of the project;
- 2) the budgeted project cost and the amount of TIF assistance allocated to the project;
- 3) the estimated timetable and a statement of any change in the estimate during the prior calendar year;
- 4) total City tax increment project expenditures during the prior calendar year and total City tax increment project expenditures to date;
- 5) a description of all TIF financing, including type, date, terms, amount, project recipient, and purpose of project financing.

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(f) Description of all TIF Debt Instruments

Table F describes all TIF debt instruments related to the Project Area in 1998. It should be noted that debt instruments issued without a security pledge of incremental taxes or direct payments from incremental taxes for principal and interest are not included in Table F, as such instruments do not qualify as TIF debt instruments as defined by the Executive Order. Table F includes:

- 1) the principal dollar amount of TIF debt instruments;
- 2) the date, dollar amount, interest rate, and security of each sale of TIF debt instruments and type of instrument sold;
- 3) the underwriters and trustees of each sale;
- 4) the amount of interest paid from tax increment during the prior calendar year (1998);
- 5) the amount of principal paid from tax increment during the prior calendar year (1998).

(g) Description of City Contracts

Table G provides a description of City contracts related to the Project Area, executed or in effect during 1998 and paid with incremental tax revenues. In addition, the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid is included in the table. Table G does not apply to any contract or contract expenditure reported under (e)(5) of Section 4 of the Executive Order.

City contracts related to the Project Area are defined as those contracts paid from TIF funds, not related to a specific TIF project, and not elsewhere reported. Items include, but are not limited to, payments for work done to acquire, dispose of, or lease property within a Project Area, or payments to appraisers, surveyors, consultants, marketing agents, and other professionals. These services may affect more than one project in a Project Area and are not otherwise reported. Table G does not report such noncontractual cost items as Recorder of Deeds filing fees, postage, telephone service, etc. City contracts include term agreements which are city-wide, multi-year contracts that provide goods or services for various City departments.

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(h) Summary of Private and Public Investment Activity

Table H describes each TIF project in the Project Area that has been executed through an intergovernmental or redevelopment agreement in 1998, or that has been approved by the Community Development Commission in 1998.

To the extent this information is available to the Commissioner of Planning and Development on a completed project basis, the table provides a summary of private investment activity, job creation, and job retention within the Project Area and a summary for each TIF project within the Project Area.

Table H contains the final ratio of private/public investment for each TIF project. The private investment activity reported includes data from the intergovernmental or redevelopment agreement(s) and any additional data available to the Commissioner of Planning and Development. Other private investment activity is estimated based on the best information available to the Commissioner of Planning and Development.

(i) Description of Property Transactions

Information regarding property transactions is provided in Table I to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. Specifically, the Executive Order requires descriptions of the following property transactions occurring within the Project Area during 1998:

- 1) every property acquisition by the City through expenditure of TIF funds, including the location, type and size of property, name of the transferor, date of transaction, the compensation paid, and a statement whether the property was acquired by purchase or by eminent domain;
- 2) every property transfer by the City as part of the redevelopment plan for the Project Area, including the location, type and size of property, name of the transferee, date of transaction, and the compensation paid;
- 3) every lease of real property to the City if the rental payments are to be made from TIF funds. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount;

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

- 4) every lease of real property by the City to any other person as part of the redevelopment plan for the Project Area. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount.

(j) Financial Summary Prepared by the City Comptroller

Section (j) provides a 1998 financial summary for the Project Area audited by an independent certified public accounting firm. These statements were prepared in accordance with generally accepted accounting principles. These statements include:

- 1) the balance in the fund for the Project Area at the beginning of the prior calendar year;
- 2) cash receipts by source and transfers deposited into the fund during the prior calendar year;
- 3) transfer credits into the fund for the Project Area during the prior calendar year;
- 4) expenditures and transfers from the fund, by statutory category, for the Project Area during the prior calendar year;
- 5) the balance in the fund for the Project Area at the conclusion of the prior calendar year.

(k) Description of Tax Receipts and Assessment Increments

Table K provides the required statement of tax receipts and assessment increments for the Project Area as outlined in the Executive Order. The amount of incremental property tax equals the incremental EAV from the prior year multiplied by the applicable property tax rates. Actual receipts may vary due to delinquencies, sale of prior years' taxes, and payment of delinquencies. See the financial report for actual receipts. Table K provides the following information:

- 1) for a sales tax Project Area, the municipal sales tax increment and state sales tax increment deposited in the fund during the prior calendar year;

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

- 2) for a utility tax Project Area, the municipal utility tax increment and the net state utility tax increment amount deposited in the special allocation fund during the prior calendar year;
- 3) for a property tax Project Area, (A) the total initial equalized assessed value of property within the Project Area as of the date of designation of the area, and (B) the total equalized assessed value of property within the Project Area as of the most recent property tax year;
- 4) the dollar amount of property taxes on property within the Project Area attributable to the difference between items (3)(A) and (3)(B) above.

All terms used in Table K relating to increment amounts and equalized assessed value (EAV) are construed as in Section 9 of the Illinois Tax Increment Allocation and Redevelopment Act or the Illinois Industrial Jobs Recovery Law. Unless otherwise noted, the EAV and property tax information were obtained from the Cook County Clerk's Office. All sales tax information was obtained from the City of Chicago.

(l) Certain Contracts of TIF Consultants

Table L provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Table L are based on responses to a mail survey. This survey was sent to every consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City in 1998. The Executive Order specifically applies to contracts that the City's tax increment advisors or consultants, if any, have entered into with any entity that has received or is receiving payments financed by tax revenues produced by the same Project Area.

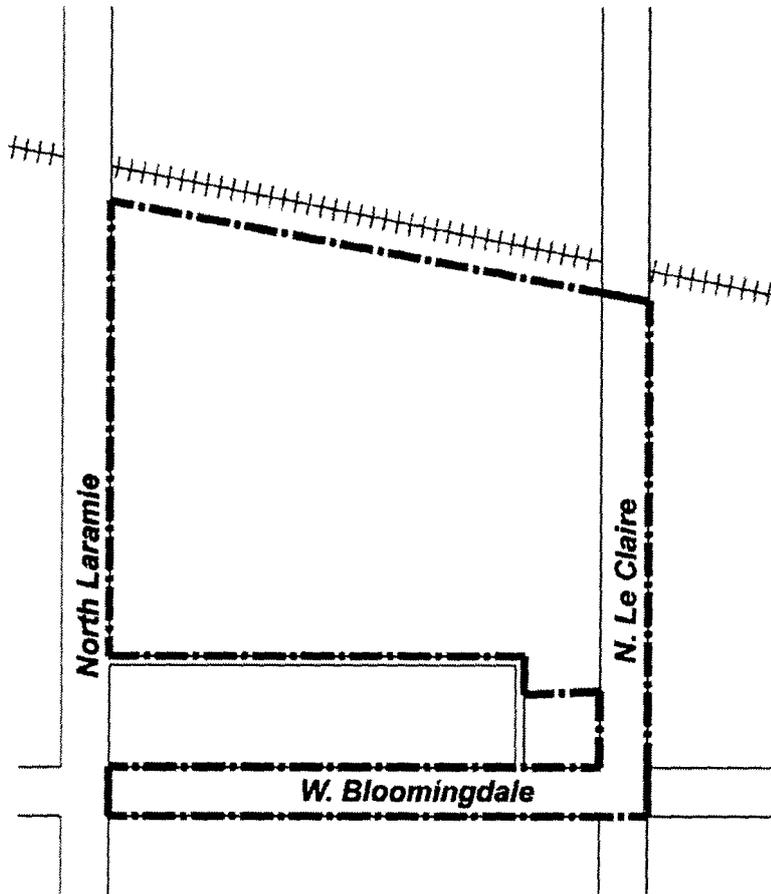
(m) Compliance Statement Prepared by an Independent Public Accountant

As part of the audit procedures performed by independent accountants, certain compliance tests were performed related to the Project Area. Included in the Annual Report is an audit opinion indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. Section (m) provides this statement.

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(a) GENERAL DESCRIPTION

The Project Area is generally bounded on the north by C.M.St.P.S.P. Railroad, on the east by North LeClaire Street, on the south by West Bloomingdale, and on the west by North Laramie. 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 (Attachment).



Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(b) DATE OF DESIGNATION AND TERMINATION

The Project Area was designated by the Chicago City Council on September 15, 1993. The Project Area may be terminated no later than September 15, 2016.

(c) COPY OF REDEVELOPMENT PLAN

The Redevelopment Plan for the Project Area, as amended (if applicable), is contained in this Report (Attachment).

(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS

During 1998, no new agreements were executed in the Project Area.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(e) DESCRIPTION OF TIF PROJECT(S)

During 1998, there were no tax increment project expenditures within the Project Area.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(f) DESCRIPTION OF TIF DEBT INSTRUMENTS

During 1998, there were no TIF debt instruments outstanding for the Project Area.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(g) DESCRIPTION OF CITY CONTRACTS

During 1998, there were no City contracts relating to the Project Area.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY

During 1998, there was no information available regarding public or private investment activity in the Project Area.

Bloomington-Laramie Redevelopment Project Area 1998 Annual Report

(i) DESCRIPTION OF PROPERTY TRANSACTIONS

During 1998, the City did not take or divest title to real property within the Project Area. Additionally, the City was not a lessor or lessee of real property within the Project Area during 1998.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER

During 1998, no financial activity occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

CITY OF CHICAGO, ILLINOIS
BLOOMINGDALE-LARAMIE
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 1998 AND 1997

CITY OF CHICAGO, ILLINOIS

BLOOMINGDALE-LARAMIE REDEVELOPMENT PROJECT

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BANSLEY AND KIENER, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS
125 SOUTH WACKER DRIVE
CHICAGO, ILLINOIS 60606-4496
AREA CODE 312 263-2700

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying balance sheets of the Bloomingdale-Laramie Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998 and 1997, and the related statements of revenues and changes in fund balance for the years then ended. These financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bloomingdale-Laramie Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998 and 1997, and the results of its operations and changes in fund balance for the years then ended in conformity with generally accepted accounting principles.

As explained in Note 1 to the financial statements, in 1998 the Bloomingdale-Laramie Redevelopment Project of the City of Chicago, Illinois changed its method of accounting for investments.

The year 2000 information on pages 7 and 8 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City of Chicago is or will become year 2000 compliant, that the City of Chicago's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Chicago does business are or will become year 2000 compliant.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of cash activities on page 9, which is also the responsibility of the City of Chicago's management, is presented for purposes of additional analysis and is not a required part of the financial statements of Bloomingdale-Laramie Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

Bansley and Kiener, L.L.P.

Certified Public Accountants

May 4, 1999

CITY OF CHICAGO, ILLINOIS
BLOOMINGDALE-LARAMIE REDEVELOPMENT PROJECT

BALANCE SHEETS
DECEMBER 31, 1998 AND 1997

<u>A S S E T S</u>	<u>1998</u>	<u>1997</u>
Cash and investments	\$397	\$381
Accrued interest receivable	<u>17</u>	<u>16</u>
Total assets	<u>\$414</u>	<u>\$397</u>
 <u>FUND BALANCE</u>		
Fund balance	<u>\$414</u>	<u>\$397</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
BLOOMINGDALE-LARAMIE REDEVELOPMENT PROJECT

STATEMENTS OF REVENUE AND CHANGES IN FUND BALANCE
YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Revenue		
Interest	\$ 17	\$ 16
Fund balance, beginning of year	<u>397</u>	<u>381</u>
Fund balance, end of year	<u>\$414</u>	<u>\$397</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
BLOOMINGDALE-LARAMIE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Description of Project

The Bloomingdale-Laramie Tax Increment Redevelopment Project Area (Project) was established in September 1993. The area has been established to finance improvements, leverage private investment and create and retain jobs. Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

Basis of Accounting

The Project is accounted for within the special revenue funds of the City.

The financial statements are prepared on the modified accrual basis of accounting and current financial resources measurement focus with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

Fixed assets are not capitalized in the general operating funds but, instead, are charged as current expenditures when purchased. The General Fixed Asset Account Group of the City includes the capital assets, if any, of the Project.

Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

CITY OF CHICAGO, ILLINOIS
BLOOMINGDALE-LARAMIE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash and Investments

Cash belonging to the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances.

On January 1, 1998, the City adopted GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." Accordingly, the City values its investments at fair value, or amortized cost.

Property Taxes

Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)

The City's operations, like those of many other business entities, may be impacted by the inability of certain computer programs and electronic systems with embedded microprocessor chips to recognize calendar dates beyond the year 1999. Unless such programs and microprocessors are modified or replaced prior to the year 2000, they may not function properly after 1999.

The City formed an executive committee in May 1998, to oversee possible City-wide year 2000 impacts. The Department of Business and Information Services has been charged with managing the City's year 2000 project. The year 2000 issue is covered within the scope of the City's year 2000 project. The year 2000 project is divided into stages as follows:

Awareness Stage - Establishing a budget and project plan for dealing with the year 2000 issue.

Assessment Stage - Identifying the mission critical systems, equipment and individual components for which year 2000 compliance is needed.

Remediation Stage - Making changes to systems and equipment.

Validation/testing Stage - Validating and testing the changes that were made during the remediation stage.

The City committed approximately \$28.2 million and \$32.0 million in 1998 and 1999, respectively, for the repair and replacement of year 2000 compromised systems. As of December 31, 1998, the City entered into contracts for approximately \$17.7 million for the test plan development, audit stages and upgrade of certain software programs.

Mission Critical Applications

The City has identified one computer application, the Chicago Accounting and Purchasing System, as critical to conducting the operations for year 2000 compliance. As of December 31, 1998, the City completed the awareness and assessment stages, and the remediation stage was in process for the above mission critical component. This mission critical component is still subject to the validation/testing stage. The City-wide completion of all stages is scheduled for September 1999.

Embedded Systems

The awareness stage, including an inventory of embedded systems has been completed. Baseline assessment of mission critical functions involving embedded systems was substantially completed by the end of the first quarter of 1999. The City has retained outside consultants to manage and implement completion of this aspect of the year 2000 project by the end of September 1999.

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)
(Continued)

Other Considerations

The City also initiated an assessment of mission critical vendors, which is being performed by a consultant with oversight from the executive committee to plan for continuity in the City's supply chain. Contingency planning for mission critical systems and other elements of the year 2000 project is scheduled to be completed by the end of September 1999.

The above description of the stages of work to address the year 2000 issues is not a guarantee those systems will be year 2000 compliant. Although the City is currently on schedule to meet its objectives for year 2000 compliance, there is no assurance that compliance will be achieved in a timely manner. Further, if the City successfully addresses its year 2000 issues, there is no assurance that any other entity or governmental agency (including governmental organizations or entities that provide essential infrastructure) with which the City electronically interacts will be year 2000 compliant. At this time, the City can not determine the potential impact of such noncompliance on the business and financial condition or the results of its operations.

SUPPLEMENTARY INFORMATION

SCHEDULE OF CASH ACTIVITIES
YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Cash flows from operating activities		
Interest received	\$ 16	\$ -
Cash and investments, beginning of year	<u>381</u>	<u>381</u>
Cash and investments, end of year	<u>\$397</u>	<u>\$381</u>
Reconciliation of revenues to net cash provided by operating activities		
Revenues	\$ 17	\$ 16
Adjustments to reconcile revenues to net cash provided by operating activities		
Changes in assets - (increase)		
Accrued interest receivable	<u>(1)</u>	<u>(16)</u>
	<u>\$ 16</u>	<u>\$ -</u>

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS

**TABLE K
DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1997 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1997</u>
1998	N.A. (1)	N.A. (1)	N.A. (1)	N.A. (1)	\$1,076,216	\$585,800	\$0

(1) N.A. - not applicable.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

(I) CERTAIN CONTRACTS OF TIF CONSULTANTS

During 1998, no TIF consultant was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

**(m) COMPLIANCE STATEMENT PREPARED BY AN INDEPENDENT PUBLIC
ACCOUNTANT**

During 1998, there were no tax increment expenditures within the Project Area. Therefore, no compliance statement was provided for this section.

**Bloomington-Laramie Redevelopment Project Area
1998 Annual Report**

**ATTACHMENT
REDEVELOPMENT PLAN**

BLOOMINGDALE/LARAMIE

**TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AND PLAN**

**CITY OF CHICAGO
Richard M. Daley, Mayor**

**Prepared by
Department of Planning and Development
Valerie B. Jarrett, Commissioner**

November, 1992

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Project Area

Map #5, Acquisition Map for Bloomingdale/Laramie Redevelopment
Project Area

Map #6, Land-Use Plan for Bloomingdale/Laramie Redevelopment
Project Area

1. INTRODUCTION

Because of its geographic location and its accessibility by water, rail, air, and the Interstate Highway system, Chicago has long been considered the industrial center of the Midwest and the nation. As such, it has brought employment to local residents, property tax dollars to the local economy, and dollar investment in terms of plants and equipment.

Historically, most of the industrial firms in the metropolitan area have chosen to locate within the City of Chicago. This trend, however, has changed with the increased suburbanization of the metropolitan area. Outlying communities and counties provide opportunities for industrial and industrial-related firms and tenants to build or rent facilities which are modern and offer maximum efficiency.

The City of Chicago has recognized the importance of its industrial sector, and has taken a number of steps to maintain its industrial base and provide potential sites for relocation and expansion of manufacturing and related businesses. One such step was the release of a plan to strengthen the economic base of the City's west side in December, 1991. The Corridors of Industrial Opportunity: A Plan for Industry in Chicago's West Side document outlines a series of land-use policies and capital improvements necessary to retain the west side's 1,630 industrial firms which employ over 80,000 workers, and to attract new businesses and create employment opportunities for Chicagoans.

The plan identifies eight key West Side industrial corridors targeted for retention, industrial expansion and new development opportunities. The plan calls for amending provisions of the Chicago Zoning Ordinance, requiring significant re-zoning requests in these corridors to be processed as "planned developments". The plan also recommended a revision of the Ordinance's M (manufacturing) - zoning classifications, where appropriate, to eliminate uses inconsistent with industrial development. The plan for the first time prioritizes West Side industrial capital investments. It also identifies specific sites for industrial development opportunities.

In support of its job creation goal, the City's industrial land use policy seeks to provide opportunities for synergy between related industrial activities, to minimize the conflicts between industrial and other land uses, and to maximize the benefits of public investment in capital programming related to industrial investment.

This policy is supported by the following implementation strategy:

- A. Adopt an industrial land use plan which designates viable and well defined industrial corridors.

Industrial corridors designated by this industrial land use plan would be considered areas of the City's highest priority for long term industrial development and investment.

- B. Maintain the industrial integrity of the corridor by requiring that proposals for non-industrial development and proposals for rezoning to non-industrial districts be approved as planned developments.
- C. Continue the selective use of the Planned Manufacturing District mechanism as a tool for assuring stability of land use in the City's industrial areas.
- D. Amend the provisions of the Chicago Zoning Ordinance applicable to the manufacturing zoning districts to provide for a classification of uses and associated development standards which are congruent with the needs of modern industrial development.
- E. Rezone the non-industrial zoned properties within the corridor and, as necessary, existing industrially zoned properties consistent with the appropriate modified M-zoning category.
- F. When reviewing any proposed rezoning of industrial property located outside of the corridors, include considerations of the impact upon any nearby viable industrial development.
- G. Establish an interdepartmental program to identify and regularly update the infrastructure needs of industry throughout the City.

The industrial land use plan should be used to guide infrastructure improvements in the capital programming process. Emphasis should be placed on strengthening the City's industrial corridors.

- H. Feature the industrial opportunities identified in the land use plan in citywide programs to attract, expand and retain industry.

The Corridors of Industrial Opportunity: A Plan for Industry in Chicago's West Side document was approved by the Chicago Plan Commission on March 12, 1992.

2. ARMITAGE INDUSTRIAL CORRIDOR

One of the industrial corridors identified by the above plan is the Armitage Industrial Corridor (see map #1: Armitage Industrial Corridor). The Armitage Corridor consists of 371 acres of land zoned for manufacturing within the area generally bounded by Fullerton Avenue on the north, Cicero Avenue on the east, Bloomingdale Avenue on the south, and Oak Park Avenue on the west.

This corridor of manufacturing activity originated in the 1870's around the Galewood Yard, a former railway siding of the Milwaukee

Road Railroad. The Galewood Industrial District, as it was originally known, was a center for metals manufacturing. Industrial expansion in the 1920's and 30's diversified the corridor's industrial base with the addition of firms like Zenith Electronics Corporation and M & M/Mars Candy Company. Today the rail yard is vacant while a dynamic mix of modern industry remains near by.

Major improvements to Cicero Avenue, currently underway, will make direct access to the corridor, and the Bloomingdale/Laramie site in particular, possible along Cicero Avenue. Portions of these improvements are complete now and all remaining segments of the improvement program are expected to be completed in 1983. Additional improvements include street widening, resurfacing, intersection throat widening, off-street parking and traffic signal modernization. Within the corridor, Grand Avenue is the main truck route north of the Metra tracks; Harlem and Cicero Avenue reach the Eisenhower Expressway. Armitage Avenue is used by larger trucks (up to 13'6 in height) connecting Grand Avenue to Cicero Avenue. Bloomingdale Avenue is the major truck route on the south side of the corridor.

At the corridor's eastern edge are several parcels of property collectively containing 10.47 acres of land, predominated by underutilized land and buildings, foremost of which is the former Archer-Daniels-Midland Company (ADM) site. This area is generally bounded by the Soo line railroad tracks on the north; N. LeClaire Avenue on the east; the first east-west alley north of W. Bloomingdale Avenue on the south; and N. Laramie Avenue on the west (see map #2: TIF Boundary Map). One-third of the site vacant land and the remainder of the property has numerous underutilized, partially demolished industrial structures that jeopardize the public safety of nearby residents.

The west side plan recommends that this site in the Armitage Industrial Corridor offers an industrial expansion opportunity if the present site conditions (partially demolished buildings, asbestos, above and underground storage tanks, soil conditions, perimeter site control, fly-dumping, etc.) can be resolved.

Although City initiatives and expenditures have stimulated private investment in rehabilitation and new construction within other parts of the Armitage Industrial Corridor, the Bloomingdale/Laramie Redevelopment Area (hereinafter designated and defined as the "Redevelopment Project Area") has historically not been subject to growth and development through investment by private enterprise, and is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Tax Increment Financing Redevelopment Project and Plan and the investment of public funds.

3. Tax Increment Financing

In January, 1977, tax increment financing ("TIF") was made possible by the Illinois General Assembly through passage of the Tax

Increment Allocation Redevelopment Act (hereinafter referred to as the "Act".) The Act is found in Illinois Revised Statutes, Chapter 24, Section 11-73,4-1 et seq. as amended. The Act provides a means for municipalities after approval of a "redevelopment plan and project" to redevelop "blighted," "conservation" or "industrial park conservation" areas and to finance public redevelopment costs with incremental real estate tax revenues. Incremental real estate tax revenue ("tax increment revenue") is derived from the increase in the equalized assessed valuation ("EAV") of the real property. Any increase in EAV is then multiplied by the current tax rate which results in tax increment revenue. A decline in current EAV does not result in a negative real estate tax increment.

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue 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; (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 revenues by increasing tax rates; it generates revenues by allowing the municipality to capture, temporarily, new real estate tax revenues resulting from redevelopment. Further, under tax increment financing, all taxing districts continue to receive the tax revenue they received prior to redevelopment from property in the area. Moreover, taxing districts can receive distributions of excess increment when more tax increment revenue is received that is necessary to pay for expected redevelopment project costs and principal and interest obligations issued to pay such costs. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

4. The Bloomingdale/Laramie Tax Increment Redevelopment Project and Plan

This Bloomingdale/Laramie Tax Increment Redevelopment Project and Plan (herein-after referred to as the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private actions in the Redevelopment Project Area.

This Redevelopment Plan also specifically describes the Redevelopment Project Area and sets forth the blighting factors which qualify the Redevelopment Project Area for designation as a blighted area as defined in the Act.

In addition to describing the objectives of the redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. The "Redevelopment Project" as used herein means any development project which may, from time to

time, be undertaken to accomplish the objectives of the Redevelopment Plan.

The Redevelopment Project represents an important economic opportunity for the City of Chicago. By creating an environment to stimulate private development, Chicago will strengthen its tax base and allows for the potential of creating and retaining jobs and provides a viable alternative for companies that might otherwise move to the suburbs or out of state.

The goal of the City of Chicago, however, is to ensure that the entire Redevelopment Project Area be redeveloped on a comprehensive and carefully planned basis in order to ensure that orderly development occurs:

1. On a comprehensive rather than a fragmented basis to ensure that the land-use, pedestrian access, vehicular circulation, parking, service and urban design systems will be implemented in a cohesive manner, meeting modern-day principles and standards.
2. On comprehensive and integrated basis to ensure that blighting factors are eliminated.
3. Within a reasonable but defined time period so that the area may once again contribute productively to the economic vitality of the City.
4. To the greatest extent possible, seek redevelopment proposals that will retain existing and create new employment opportunities for Chicago residents.

Implementation of the Redevelopment Project Area is a complex undertaking, and it presents challenges and opportunities commensurate with its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government. The adoption of this Redevelopment Plan will make possible the development of a comprehensive program for its implementation within the Redevelopment Project Area. By means of public investment, the area will become a stable environment that will again attract private investment. Public investment will set the stage for the rebuilding of the area with private capital.

Public and private investment is possible only if tax increment financing is used pursuant to the terms of the Act. The revenue generated by the development will play an integral role in encouraging private investment. Conditions of blight that have precluded substantial private investment in the past will be eliminated. Through this Redevelopment Plan, the City of Chicago will serve as the driving force for coordinating the assets and efforts of the private sector for public-private redevelopment plan. Implementation of this Redevelopment Plan will benefit the City, its neighborhoods and residents and all the taxing

districts which encompass the Bloomingdale/Laramie area in the form of an expanded tax base, employment opportunities and a wide range of other tangible benefits.

5. REDEVELOPMENT PROJECT AREA DESCRIPTION

The boundaries of the Bloomingdale/Laramie Redevelopment Project Area (hereinafter referred to as the "Redevelopment Project Area") have been carefully drawn to include only the real property and improvements thereon substantially benefitted by the proposed redevelopment project improvements to be undertaken as part of this Redevelopment Plan. The boundaries are more specifically shown in Figure 2, Boundary Map, and more particularly described as follows:

BOUNDARY DESCRIPTION:

A TRACT OF LAND BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF LOT 1 IN CHICAGO GRAIN COMPANY'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF VACATED BLOCKS 2 AND 3 AND VACATED STREET BETWEEN SAID BLOCKS IN CRAGIN, BEING CHAS. B. HOSMER'S SUBDIVISION OF PART OF THE SOUTHEAST 1/4 OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTHEASTERLY ALONG THE NORTHERLY LINE OF LOT 1 IN CHICAGO GRAIN COMPANY'S ADDITION TO CHICAGO AFOREMENTIONED AND THE NORTHERLY LINE OF VACATED BLOCK 2 OF CRAGIN'S AFOREMENTIONED (BEING ALSO THE SOUTHERLY RIGHT OF WAY LINE OF CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD) TO THE NORTHEAST CORNER OF VACATED BLOCK 2 OF CRAGIN'S AFOREMENTIONED; THENCE CONTINUING SOUTHEASTERLY (ACROSS N. LECLAIRE AVENUE) TO THE NORTHWEST CORNER OF LOT 1 IN BLOCK 11 OF CRAGIN'S AFOREMENTIONED; THENCE SOUTH ALONG THE WEST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 11 OF CRAGIN'S AFOREMENTIONED TO THE SOUTHWEST CORNER OF SAID LOT 25; THENCE CONTINUING SOUTH (ACROSS W. BLOOMINGDALE AVENUE) TO THE NORTHWEST CORNER OF LOT 31 IN BLOCK 10 OF CRAGIN'S AFOREMENTIONED; THENCE WEST (ACROSS N. LECLAIRE AVENUE) TO THE NORTHEAST CORNER OF LOT 58 IN BLOCK 5 OF CRAGIN'S AFOREMENTIONED; THENCE WEST ON THE NORTH LINE OF SAID LOT 58 TO THE NORTHWEST CORNER OF SAID LOT 58; THENCE CONTINUING WEST (ACROSS A NORTH-SOUTH 16 FOOT PUBLIC ALLEY) TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 5 OF CRAGIN'S AFOREMENTIONED; THENCE WEST ON THE NORTH LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN BLOCK 5 OF CRAGIN'S AFOREMENTIONED TO THE NORTHEAST CORNER OF LOT 1 IN ELI GOLDSTINE'S SUBDIVISION OF LOTS 11 TO 20 INCLUSIVE, IN BLOCK 5, CRAGIN, BEING CHAS. B. HOSMER'S SUBDIVISION OF PART OF THE SOUTHEAST 1/4 OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE WEST ON THE NORTH LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN ELI GOLDSTINE'S RESUBDIVISION AFOREMENTIONED TO THE NORTHEAST CORNER OF LOT 21 IN BLOCK 5 OF CRAGIN'S AFOREMENTIONED; THENCE WEST ON THE NORTH LINE OF LOTS 21 TO 24, BOTH INCLUSIVE, IN BLOCK 5 OF CRAGIN'S AFOREMENTIONED TO THE NORTHWEST CORNER OF SAID

LOT 24; THENCE NORTH (ACROSS W. BLOOMINGDALE AVENUE) TO THE SOUTHWEST CORNER OF LOT 25 IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED; THENCE EAST ON THE SOUTH LINE OF LOTS 25 TO 48, BOTH INCLUSIVE, IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED TO THE SOUTHEAST CORNER OF SAID LOT 48; THENCE EAST (ACROSS A NORTH-SOUTH 16 FOOT PUBLIC ALLEY) ON A LINE DRAWN FROM THE SOUTHEAST CORNER OF LOT 48 TO THE SOUTHWEST CORNER OF LOT 49 IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED; THENCE EAST ON THE SOUTH LINE OF SAID LOT 49 TO THE SOUTHEAST CORNER OF SAID LOT 49; THENCE NORTH ON THE EAST LINE OF LOTS 49 TO 52, BOTH INCLUSIVE, IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED TO THE SOUTHEAST CORNER OF LOT 53 IN BLOCK 4 OF CRAGIN AFOREMENTIONED; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 53 TO THE SOUTHWEST CORNER OF SAID LOT 53; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 53 AND 54 A DISTANCE OF 40.00 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH THE EASTWARDLY EXTENSION OF THE SOUTH LINE OF LOTS 1 TO 24, BOTH INCLUSIVE, THENCE WEST (ACROSS A NORTH-SOUTH 16 FOOT PUBLIC ALLEY) IN EXTENSION OF THE SOUTH LINE OF SAID LOTS 1 TO 24 AND ON THE SOUTH LINE OF SAID LOTS 1 TO 24, BOTH INCLUSIVE, TO THE SOUTHWEST CORNER OF LOT 24 IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 24 IN BLOCK 4 OF CRAGIN'S AFOREMENTIONED AND SAID WEST LINE EXTENDED NORTH TO THE SOUTHWEST CORNER OF VACATED BLOCK 3 OF CRAGIN'S AFOREMENTIONED; THENCE NORTH ON THE WEST LINE OF VACATED BLOCK 3 OF CRAGIN'S AFOREMENTIONED AND THE WEST LINE OF LOT 1 AND LOT 2 THE CHICAGO GRAIN COMPANY'S ADDITION TO CHICAGO AFOREMENTIONED TO THE PLACE OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PIN NO. 13-33-404-014
13-33-404-016
13-33-404-017

PIN NO. 13-33-408-001
13-33-408-002
13-33-408-027
13-33-404-028
13-33-408-029
13-33-408-030
13-33-408-031
13-33-408-036
13-33-408-037

6. REDEVELOPMENT PROJECT AREA GOALS AND POLICIES

Managed growth in the form of both public and private investment in new development and facilities is essential in the Redevelopment Project Area. Redevelopment efforts in the Redevelopment Project Area will strengthen the entire City through the elimination of unsafe and hazardous buildings, the environmental cleanup of the site, increased tax base and additional employment opportunities.

The act encourages the public and private sectors to work together to resolve the issues of urban growth and development within the redevelopment area. The effort the City and the private sector to jointly redevelop parts of the Redevelopment Project Area will receive significant support from the financing methods made available by the Act.

This section of the Redevelopment Plan identifies the goals and policies of the City for the Redevelopment Area. A subsequent section of this Redevelopment Plan identifies the more specific program which the City plans to undertake in achieving the redevelopment goals and policies which have been identified.

A. General Goals

- o Provide TIF eligible infrastructure improvements within the Redevelopment Project Area.
- o Encourage industrial development by eliminating physical and economic deterioration and obsolescence within the Redevelopment Project Area.
- o Produce carefully planned and efficiently carried out economic development proposals within the Redevelopment Project Area.
- o Revitalize the Redevelopment Project Area to establish it as an important economic center contributing to the regional and national focus of the City as a leader in industrial development.
- o Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of the properties adjacent to the Redevelopment Project Area.
- o Allow for an increased real estate and sale tax base for the City of Chicago, the State of Illinois and other municipal taxing districts extending into the development Project Area.

- o To the highest extent possible, seek redevelopment opportunities that will retain and create employment for Chicago residents.

B. Policies

It is the policy of the City of Chicago to:

- o Foster the City's industrial base and to maintain the City's diversified economy for the general welfare of its citizens;
- o Strengthen existing manufacturing areas which are suitable in size, location and character and which the City Council deems may benefit from designation;
- o Encourage private investment, plant modernization, and industrial expansion by providing for a stable and predictable environment that will allow companies to efficiently make products and do business.
- o To create job opportunities for Chicago residents as a result of public investment in industrial development.

7. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

The Redevelopment Project Area is an improved area as defined in the Act.

Within the redevelopment area it must be demonstrated that because of the combination of five or more factors described in the Act, the area is detrimental to the public safety, health, morals or welfare. Based upon surveys, inspections and analysis of the area, the Redevelopment Project Area qualifies for designation as a "blighted area" as defined by the Act.

- o Of the fourteen factors set forth in the Act for improved areas, 9 are present in the area.
- o The factors present are reasonably distributed throughout the entire property/site.
- o The entire site is impacted by and show the presence of blight factors.

The Redevelopment Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

A separate report titled the Bloomingdale/Laramie Tax Increment Redevelopment Area Eligibility Report describes in detail the surveys and analysis undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. The factors listed below and shown in Figure 2, Summary of Blight Factors, are present in the Redevelopment Area.

A. Project Area Factors

The project area includes all of the property located within an area generally bounded by: The Soo line Railroad on the north; N. Leclaire Avenue on the east; the first east-west alley north of W. Bloomingdale Avenue on the south; and N. Laramie Avenue on the west.

1. Age

Age as a factor is present to a major extent throughout. The buildings on the site, including several additions, are 35 years in age or older (1945-1953).

2. Dilapidation

Dilapidation as a factor is present to a major extent in the area. The seventeen (17) structures on the site are in

substandard condition. Thirteen (13) of the structures have been partly demolished.

3. Obsolescence

Obsolescence as a factor is present to a major extent. The multi-story buildings are incapable of efficient or economic use.

4. Deterioration

Deterioration as a factor is present to a major extent throughout the property. In addition to the buildings' condition, traffic circulation areas are in poor condition, characterized by irregular asphalt, depressions allowing water ponding, and the presence of weeds and debris.

5. Existence of Structures Below Minimum Code

The existence of structures below minimum code standards is present to a major extent. Fifteen (15) of the seventeen (17) structures have major building code violations.

6. Excessive Vacancies

Excessive vacancies as a factor is present to a major extent. Only four (4) of the seventeen (17) structures have operating businesses.

7. Lack of Ventilation, Light or Sanitary Facilities

The thirteen (13) substandard buildings are unihabitable. No mechanical ventilation systems remain the critical buildings. Conditions of the lack of ventilation, light, or sanitary facilities have been documented. This condition exists to a major extent.

8. Deleterious Land-Use or Layout

Deleterious land-use or layout is present to a major extent. Buildings' relationship to each other is not efficient.

9. Depreciation of Physical Maintenance

Depreciation of physical maintenance is present to a major extent and includes the deferred maintenance of the buildings and site improvements, including the parking areas.

10. Lack of Community Planning

Lack of community planning is present to a major extent. The current buildings and related site configuration including

size, setback and parking requirements, do not conform to standards for contemporary development. The area lacks an overall plan for coordinated development on a parcel-by-parcel basis.

- o Exterior survey of the condition and use of each building;
- o Field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
- o Analysis of existing uses and their relationships;
- o Comparison of current land use to current zoning ordinance and the current zoning map;
- o Comparison of surveyed buildings to property maintenance and other codes of the City;
- o Analysis of original and current platting and building size and layout;
- o Analysis of building floor area and site coverage; and
- o Review of previously prepared development plans, studies and data.

8. BLOOMINGDALE/LARAMIE TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA

This section presents the overall program to be undertaken by the City of Chicago or by private developers acting under redevelopment agreements with the City. It includes a description of redevelopment activities, a general land-use plan, estimated redevelopment project costs, a description of sources of funds to pay redevelopment project costs, a description of obligations that may be issued, identification of the most recent equalized assessed valuation of properties in the Redevelopment Project Area, and an estimate of anticipated equalized assessed valuation (see map #3: Boundary Map for Redevelopment Project Area).

In the event the City determines that implementation of certain activities or improvements is not feasible, the City may reduce the scope of the overall program and Redevelopment Project.

A. Redevelopment Plan and Project Objectives

- o Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a blighted area. Section 7 of this Redevelopment Plan Blighted Area Conditions Existing in the Redevelopment Project Area, describes existing blighting conditions.
- o Improve the economic viability of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.
- o Assemble land into parcels that conform to modern industrial standards in regard to shape and size for disposition and redevelopment.
- o Create an environment which stimulates the private sector to invest in new construction, expansion, and rehabilitation in the area.
- o Achieve development which is integrated both functionally and aesthetically with adjacent development, and which contains a complementary mix of uses.
- o Encourage a high-quality appearance of buildings, rights-of-way, and open spaces, and encourage high standards of design and construction.
- o Provide sites for needed public improvements of facilities in proper relationship to projected demand and in accordance with accepted design criteria for such facilities.
- o Provide needed incentives to encourage a broad range of

improvements in both rehabilitation and new development efforts.

- o Encourage the participation of minorities and women in the professional services and investment involved in the development of the Redevelopment Project Area.
- o Implement and achieve the Redevelopment Project Area Goals and Policies as set forth in Section 3 of this Redevelopment Plan.

B. Redevelopment Activities

The City proposes to achieve its redevelopment goals, policies and objectives for the Redevelopment Project Area through public financing techniques including, but not limited to, tax increment financing and by undertaking some or all of the following actions (see map #4: Development Program)

1. Property Acquisition

The Municipality is authorized under Chapter 24, Section 11-74,4-4 (c) of the Tax Increment Allocation Redevelopment Act, through its Corporation Counsel, to negotiate for the acquisition of parcels contained within the Redevelopment Project Area. In the event the Corporation Counsel is unable to acquire any of said parcels through negotiation, the Corporation Counsel maybe authorized to institute eminent domain proceedings to acquire said property; nothing herein shall be in derogation of any prior authority.

To achieve the renewal of the Redevelopment Project Area, property identified in Map 5 (Acquisition Map), attached hereto and made a part hereof, may be acquired by the City of Chicago and cleared of all improvements if any and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements or facilities. The City may determine that to meet the objectives of this Redevelopment Plan, other properties in the Redevelopment Project Area not scheduled for acquisition should be acquired, or certain property currently listed for acquisition should not be acquired. Acquisition of land for public rights-of-way may also be necessary for the portions of said rights-of-way that the City does not own.

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary uses until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the City may deem appropriate. Further, the City may require executed redevelopment agreements with developers before it acquires any of the properties.

2. Building Demolition, Environmental Remediation and Site Preparation

The City may make funds available for demolition and removal of dilapidated structures, breaking-up and removal of old structural foundations and other semi or permanent above or below grade structures.

The City may also make funds available to remediate existing environmental conditions on the properties that threaten the public health and safety of its citizens. Environmental remediation activities may include, but are not limited to: asbestos removal, underground and above ground storage tanks (USTs/AGTs) and contaminated soil excavation and removal.

In addition, the City may also make funds available to prepare the site for development. These activities may include, but are not limited to: storm water detention, site grading (cut and fill), removal of private/public easements and rail spur refurbishment.

3. Provision of Public Improvements

Adequate public improvements and facilities may be provide (where necessary) to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to the following:

A. Infrastructure Improvement

The City may make funds available to improve the condition of adjacent public right-of-ways to complement private development and investment by providing upgraded access/egress to the redevelopment project area. These activities may include, but are not limited to street reconstruction or resurfacing, curb, gutter and sidewalk removal and/or replacement, vertical clearance improvements, and traffic signalization improvements.

B. Utility Improvements

The City may make funds available to upgrade the condition of utilities. These activities may include, but are not limited to: existing on-site utilities, including sewer and water lines, that are improperly located and/or of inadequate size and capacity to serve new industrial development.

4. Job Training and Related Educational Programs

Separate or combined programs designed to increase the skills of the labor force to take advantage of the employment

opportunities within the Redevelopment Project Area will be implemented. This will be particularly important in conjunction with development of international trade operations and related services.

5. Analysis, Administration, Studies, Surveys, Legal, et al.

Activities include the long-term management of the TIF Program as well as the costs of establishing the Program and designing its components.

6. Provision for Interest Subsidy

Funds may be made available to privately held properties for the purpose of reducing interest costs for the purpose of redeveloping properties.

7. Redevelopment Agreements

Land assemblage which may be by purchase, exchange, donation, lease, or eminent domain shall be conducted for a sale, lease of conveyance or dedication for a construction of improvements or facilities. Terms of conveyance shall be incorporated in appropriate redevelopment agreements which may contain more specific controls than those stated in this Redevelopment Plan.

C. General Land-Use Plan

The Land-Use Plan, (see map #6 Land-Use Plan), attached hereto and made a part hereof, identifies land-uses and public rights-of-way to be in effect upon adoption of this Redevelopment Plan. The only land-use category included within the Redevelopment Project Area is industrial uses.

As mentioned above, the redevelopment project area is within the Armitage industrial corridor, and therefore, targeted for retention, industrial expansion and new industrial development opportunities. The project area is zoned as general and restricted manufacturing districts, and therefore, no zoning reclassifications are necessary to achieve the goals, set forth for the redevelopment project area.

The Land-Use Plan as designated in map #6 provides a guide for future land-use improvements and developments within the Redevelopment Project Area.

Special uses, performance standards, and use and bulk regulations as set forth in the Chicago Zoning Ordinance are applicable to development within the Redevelopment Project Area.

D. Estimated Redevelopment Project Costs

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

1. 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, marketing, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected;
2. 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, and the clearing and grading of land;
3. Costs of rehabilitation, reconstruction or repair or remodelling of existing buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. 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 hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;.
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
8. 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;
9. Payment in lieu of taxes as defined in the Act.
10. Costs of job training, advanced vocation education or career education, including but not limited to courses in occupational, semi-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 Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10.23.3a of the School Code;

11. Interest cost 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 regard to the redevelopment project during that year;
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to this Act may not exceed 30 percent of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to this Act or such greater amount as may be hereinafter authorized by law, including by P.A. 86-1398.

A range of activities and improvements will be required to implement the tax increment redevelopment project. The necessary improvements and their costs are shown in Table 1, Estimated Redevelopment Project Costs. To the extent that the City has incurred costs in anticipation of the adoption of tax increment financing, the City shall be reimbursed from real estate tax increment revenues for such redevelopment costs. The total

redevelopment project costs are intended to provide an upper limit on expenditures. Within this limit, adjustments may be made in line items without amendment of this Redevelopment Plan. Additional funding in the form of State and Federal grants, and private developer contributions will be pursued by the City as means of financing improvements and facilities which are of a general community benefit.

**Table 1
BLOOMINGDALE/LARAMIE REDEVELOPMENT PROGRAM
ESTIMATED REDEVELOPMENT PROJECT COSTS**

<u>Program Activity</u>	<u>Estimated Cost</u>
* Property Acquisition	\$1,000,000
* Building Demolition	\$1,000,000
* Environmental Remediation	\$1,000,000
* Site Preparation	\$ 500,000
* Public Infrastructure Improvements	\$2,000,000
* Job Training and Related Education Programs	\$ 100,000
* Analysis, Studies, Surveys, Legal and Other Professional Services	\$ 300,000
	<hr/>
GROSS PROJECT COST ESTIMATE:	\$5,900,000

* Exclusive of capitalized interest, issuance cost, administrative cost, interest and other financing cost.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for redevelopment costs and municipal obligations which have been issued to pay or such costs may be derived from tax increment revenues and proceeds from municipal obligations which have as their revenue tax source tax increment revenue or other public financing sources. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to either, fund tax increment obligations and redevelopment project costs or to reimburse other public funding sources for "front funding" of project costs shall be the incremental real property tax revenue. Incremental real property tax revenue is attributable to the increase in the current EAV of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial EAV of each such property in the Redevelopment

Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

F. Issuance of Obligations

The City may issue obligations secured by the tax increment special tax allocation fund pursuant to Section 11-74.4-7 of the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Redevelopment Project Area, such ultimate retirement date occurring in the year 2015.

Also, the final maturity date of any such obligations which are issued may not be later than twenty (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. The amounts payable in any year as principal of and interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued may be serial of term maturities, and may or may not be subject to mandatory sinking fund redemptions.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real property tax increment is not used for such purposes, may be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

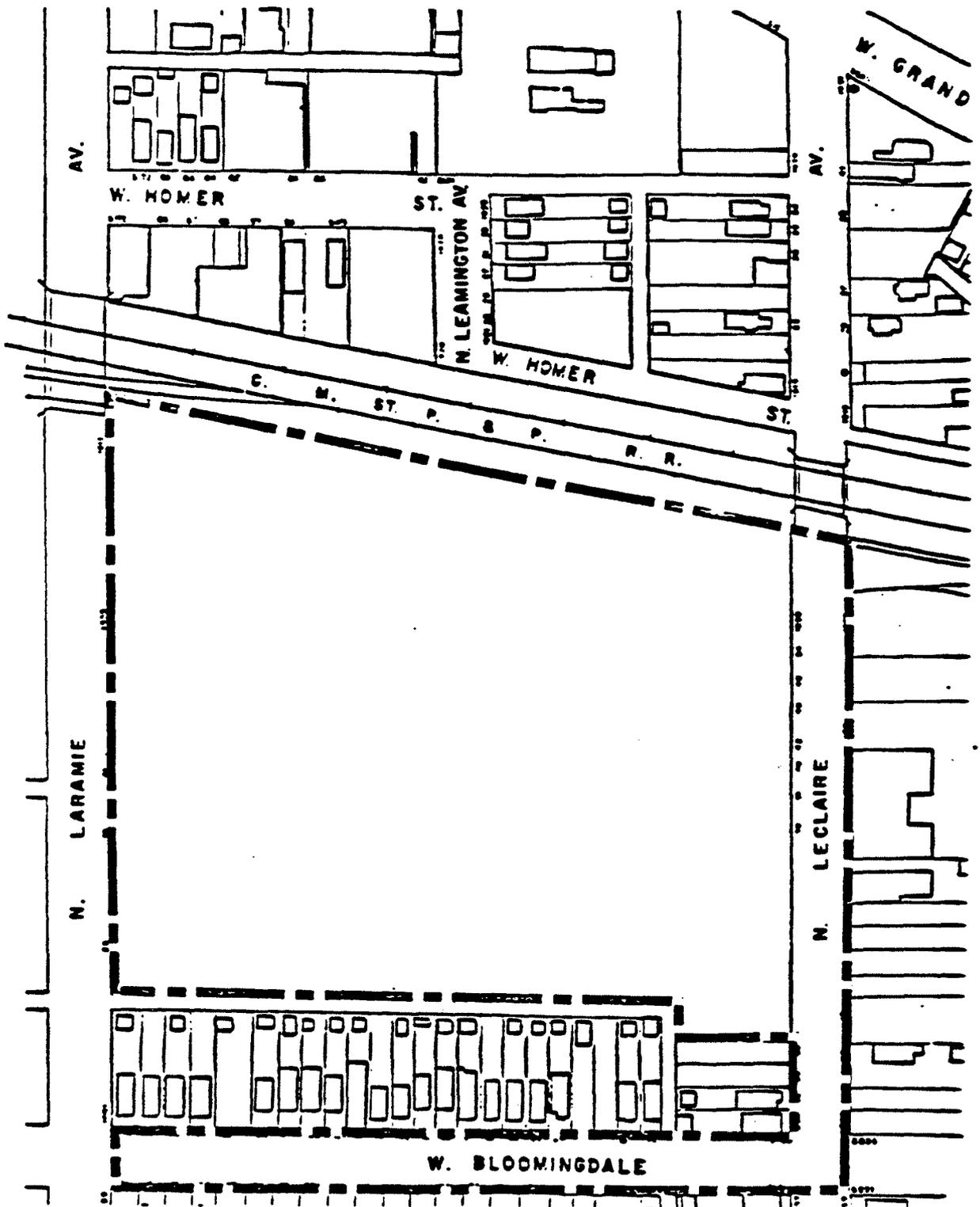
G. Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

Table 2 lists the most recent 1991 equalized assessed valuation of property in the Redevelopment Project Area. The total estimated equalized assessed valuation for the Redevelopment Project Area is \$856,751.

H. Anticipated Equalized Assessed Valuation

By the year 2006, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at

MAP #2: BOUNDARIES FOR TAX INCREMENT FINANCING DISTRICT



Bloomington/Laramie
 Tax Increment Redevelopment Area

Department of Planning and Development
 Valerie B. Jarrett, Commissioner


 N

 - TIF Boundary

Scale: 1/2" = 66'-0"

approximately \$9,137,192. This estimate is based on several key assumptions, including: 1) Redevelopment for the uses specified in this Redevelopment Plan will occur in a timely manner; 2) the market value of the recommended industrial development will increase following completion of the redevelopment activities described in the Redevelopment Plan; and 3) the ten year average of the State Multiplier of 1.8672 as applied to assessed values will remain unchanged.

**TABLE 2
SUMMARY OF 1991 EQUALIZED ASSESSED VALUATIONS**

<u>Real Estate Block Number</u>	<u>Equalized Assessed Value</u>
13-33-404-014	\$ 255,121
13-33-404-016	\$ 1,866
13-33-404-017	\$ 261,428
13-33-408-001	\$ 8,410
13-33-408-002	\$ 5,593
13-33-408-027	\$ 89,993
13-33-408-028	\$ 33,469
13-33-408-029	\$ 33,469
13-33-408-030	\$ 6,186
13-33-408-031	\$ 6,924
13-33-408-036	\$ 65,187
13-33-408-037	\$ 89,105
TOTAL:	\$ 856,751

This figure is subject to final verification. Initial EAV is estimated to be \$856,751. After verification, the correct figures shall be certified to by the County Clerk of Cook County, Illinois.

9. PHASING AND SCHEDULING OF REDEVELOPMENT PROJECT

A phased development strategy will be used to achieve a timely and orderly redevelopment of the project area.

City expenditures for redevelopment project costs will be carefully phased on a reasonable and proportional basis to coincide with redevelopment expenditures by private developers.

10. PROVISIONS FOR AMENDING THIS REDEVELOPMENT

Bloomington/Laramie Tax Increment Redevelopment Project and Plan may be amended pursuant to the provisions of the Act.

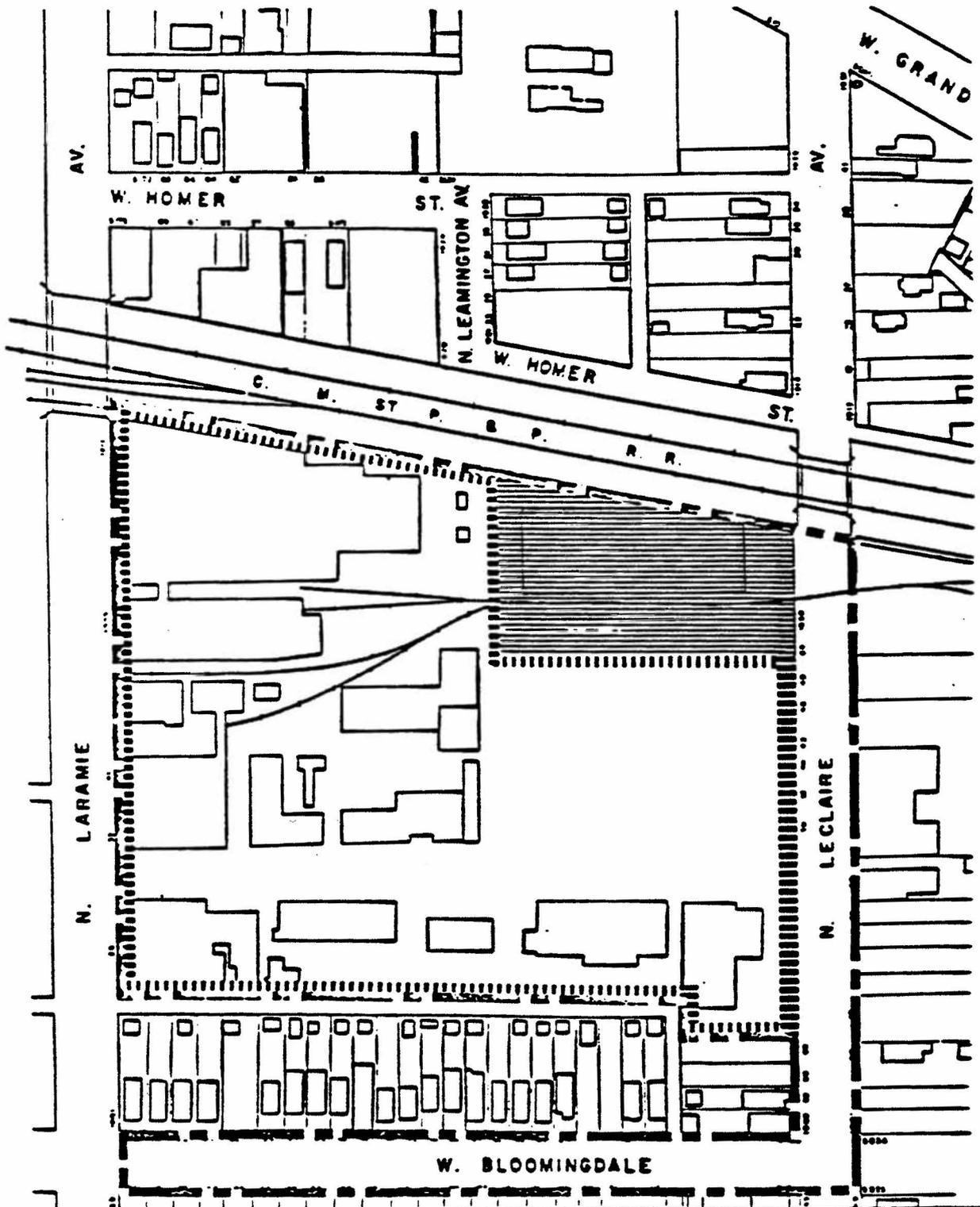
11. AFFIRMATIVE ACTION PLAN

The City is committed to and will aggressively implement the following principles with respect to the Bloomingdale/Laramie Tax Increment Redevelopment Plan and Project:

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Plan and Project, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B. This commitment to affirmative action will ensure that all members of protected groups, are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Plan and Project, the City shall require and promote equal employment practices and affirmative action on the part of itself, the developer(s) and their contractors and vendors. In particular, parties contracting for work on the Project shall be required to agreed to the principles set forth in this section.

MAP #3: BOUNDARIES FOR REDEVELOPMENT PROJECT AREA



Bloomingdale/Laramie
Tax Increment Redevelopment Area

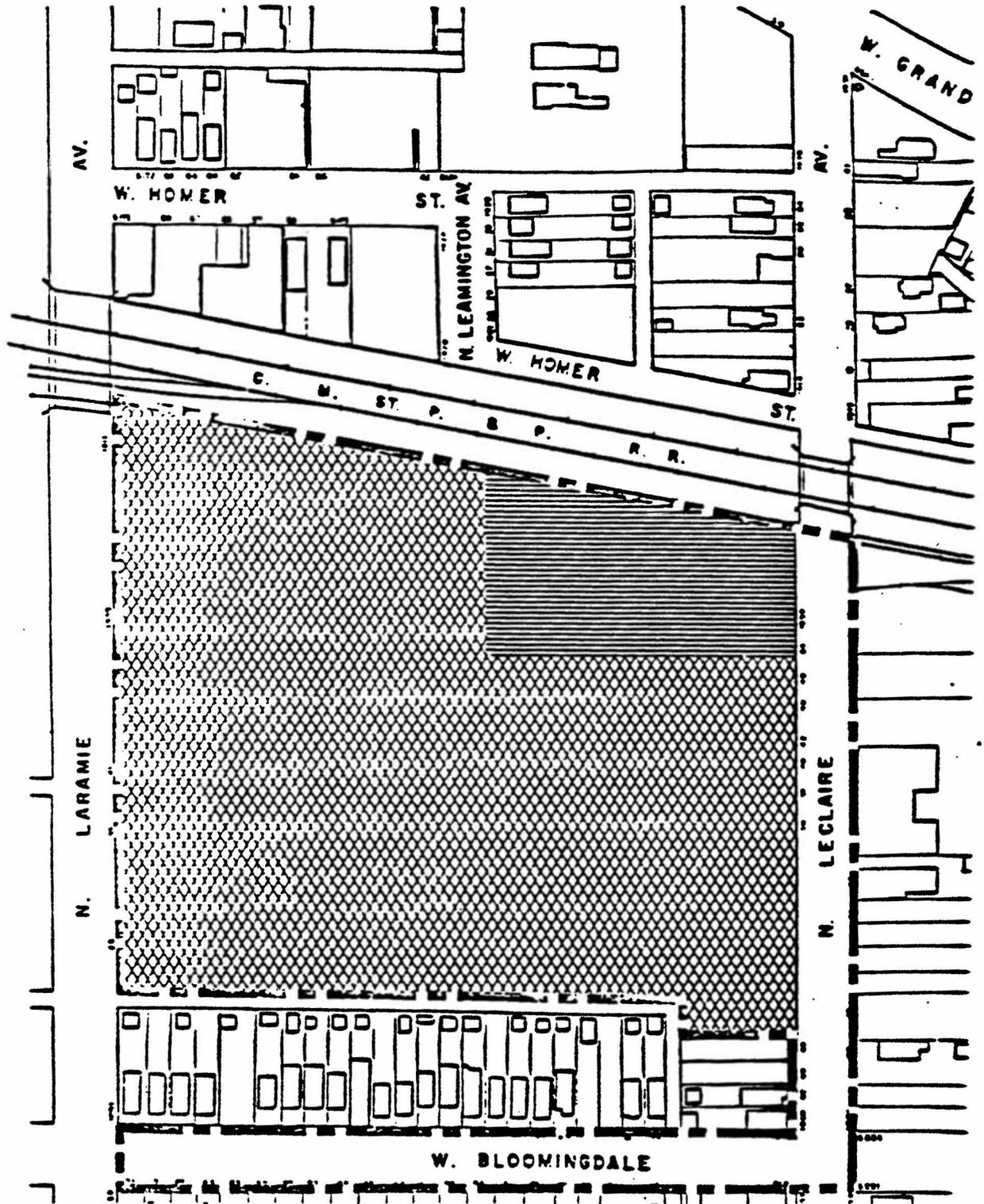
Department of Planning and Development
Valerie B. Jarrett, Commissioner



- ▬▬▬▬▬▬ - Redevelopment Project Area Boundary
- ▬▬▬▬▬▬ - Existing uses to remain
- ▬▬▬▬▬▬ - TIF District Boundary

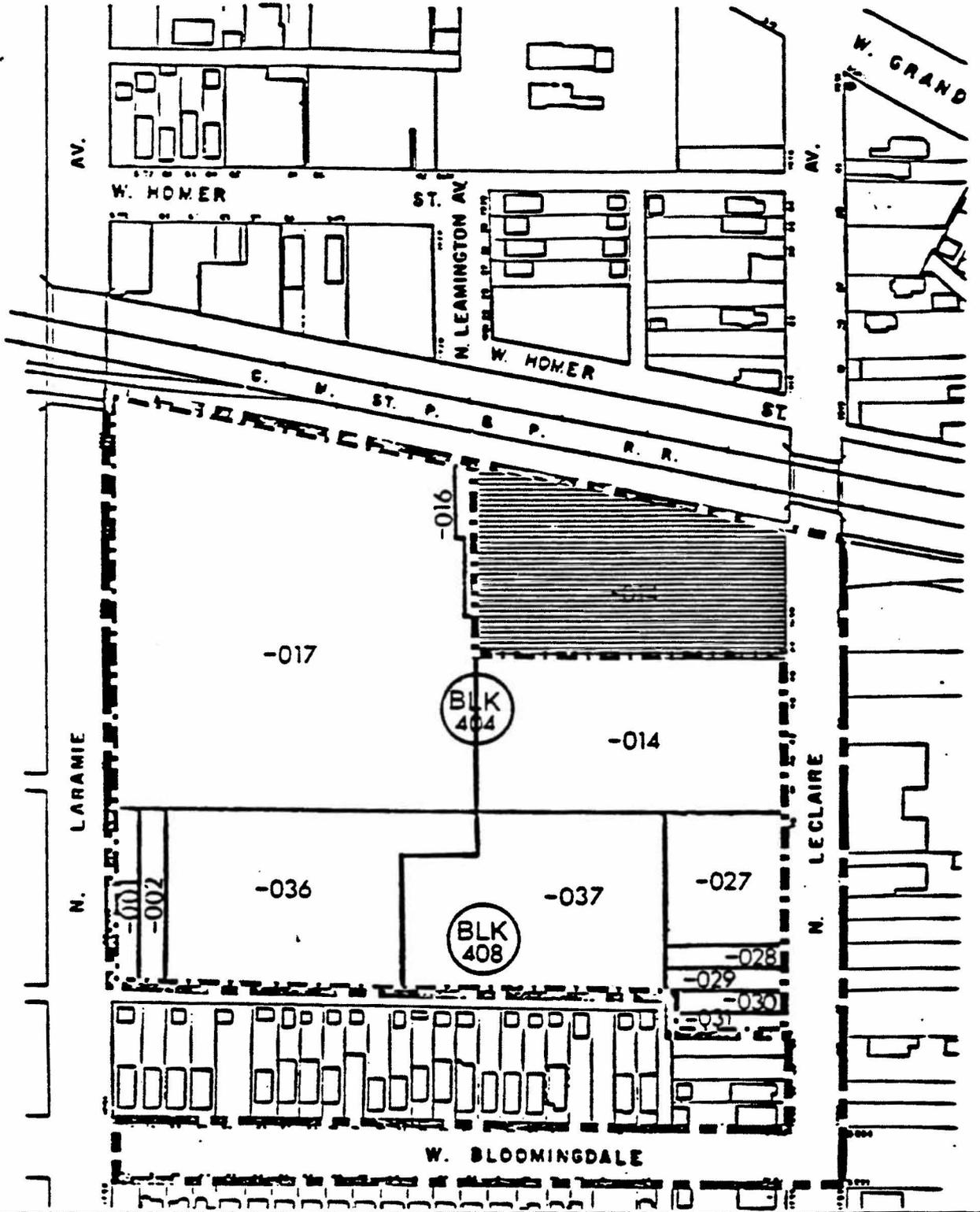
Scale: 1/2" = 66' - 0"

MAP #4: DEVELOPMENT PROGRAM



<p>Bloomingdale/Laramie Tax Increment Redevelopment Area</p>		<ul style="list-style-type: none"> - Development Program Area - Existing uses to remain - TIF District Boundary
<p>Department of Planning and Development Valerie B. Jarrett</p>		<p>Scale: 1/2" = 66'-0"</p>

MAP #5: ACQUISITION MAP



**Bloomingdale/Laramie
Tax Incremental Redevelopment Area**

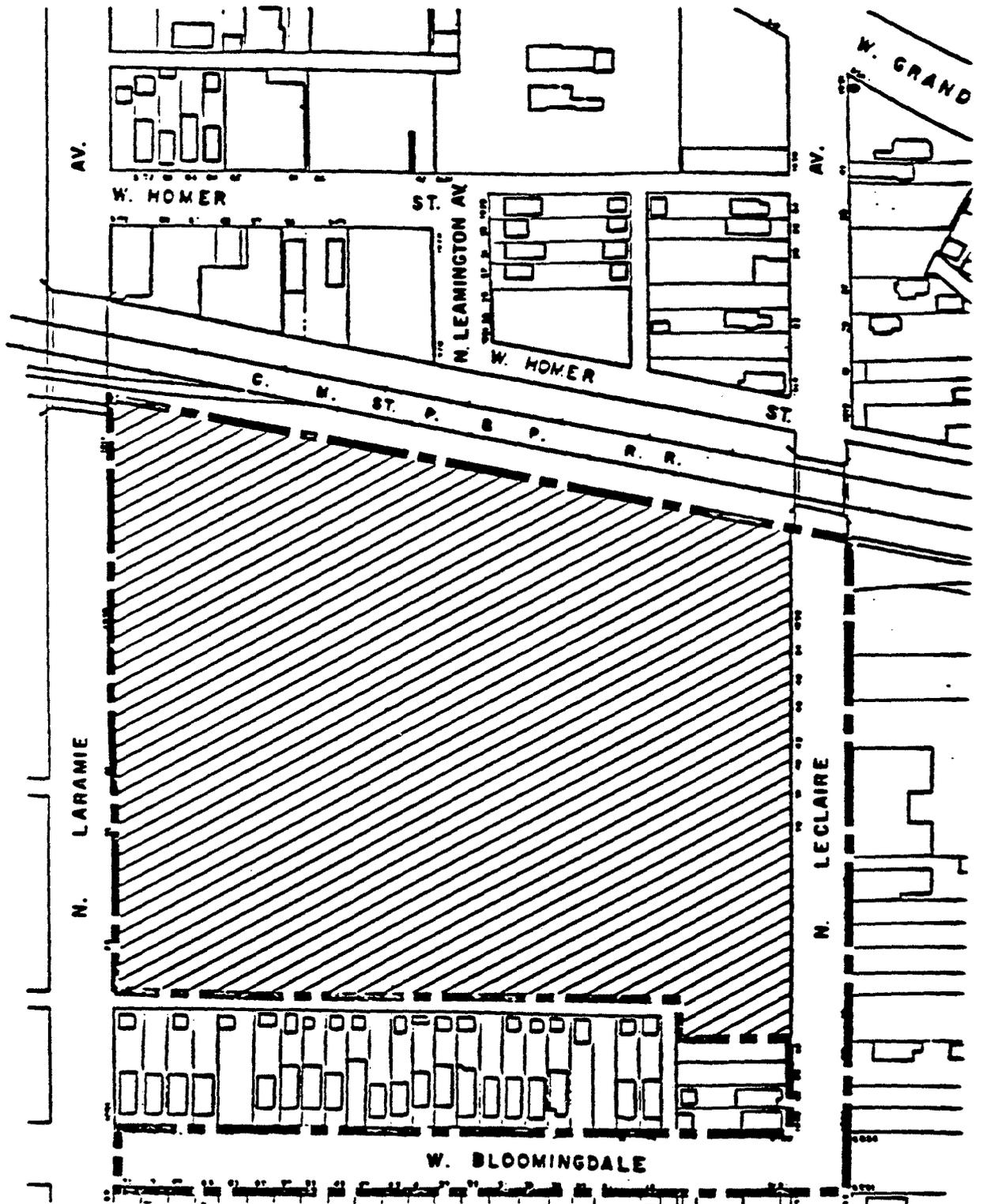
Department of Planning and Development
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 - Parcels to be Acquired
 - Existing uses to remain
 - TIF District Boundary


 N

Scale: 1/2" = 66'-0"

MAP #6: LAND-USE MAP



<p>Bloomingdale/Laramie Tax Increment Redevelopment Area</p>		<p>--- TIF District Boundary</p>
<p>Department of Planning and Development Valerie B. Jarrett, Commissioner</p>	<p>/// Industrial Uses</p>	<p>Scale: 1/2"=66'0"</p>