119TH AND HALSTED
REDEVELOPMENT PROJECT AREA

REDEVELOPMENT PLAN AND PROJECT

Prepared for:
The City of Chicago

By:
Camiros, Ltd.

June 29, 2001
Revised January 24, 2003

This plan is subject to review and may be revised after comment and public hearing
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1. INTRODUCTION

This document presents a Tax Increment Redevelopment Plan and Project (hereinafter referred to as the "Plan") pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (1996 State Bar Edition), as amended (the Act) for the 119th & Halsted neighborhood located in the City of Chicago, Illinois (the "Project Area"). The Project Area is adjacent to the existing West Pullman Industrial Park Conservation Area. The Project Area boundaries are irregular, generally extending north-south along Halsted Street from 111th Street to 123rd Street and east-west along 119th Street from Wentworth Avenue to Morgan Street. The Project Area is comprised largely of commercial property, which is the predominant use along both Halsted Street and 119th Street. It should be noted that a significant amount of residential use is also present within the Project Area, located largely south of 119th Street and east of Halsted Street. The Plan responds to problem conditions within the Project Area and reflects a commitment by the City of Chicago (the "City") to improve and revitalize the Project Area.

The Plan presents research and analysis undertaken to document the eligibility of the Area for designation as a "conservation area" tax increment financing ("TIF") district. The need for public intervention, goals and objectives, land use policies and other policy materials are presented in the Plan. The results of a study documenting the eligibility of the Area as a conservation area are presented in Appendix C, Eligibility Study, (the "Study").

In adopting the Act, the Illinois State Legislature found at 5/11-74.4-2(a) that:

... there exist in many municipalities within this State blighted, conservation and industrial park conservation areas as defined herein; that the conservation areas are rapidly deteriorating and declining and may soon become blighted areas if their decline is not checked...

and at 5/11-74.4-2(b) that:

... in order to promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken... The eradication of blighted areas and treatment and improvement of conservation areas and industrial park conservation areas by redevelopment projects is hereby declared to be essential to the public interest.
In order to use the tax increment financing technique, a municipality must first establish that the proposed redevelopment project area meets the statutory criteria for designation as a "blighted area," a "conservation area" or an "industrial park conservation area." A redevelopment plan must then be prepared which describes the development or redevelopment program intended to be undertaken to reduce or eliminate those conditions which qualified the redevelopment project area as a "blighted area," "conservation area," or combination thereof, or "industrial park conservation area," and thereby enhance the tax bases of the taxing districts which extend into the redevelopment project area. The statutory requirements are set out at 65 ILCS 5/11-74.4-3, et seq.

The Act provides that, in order to be adopted, a Plan must meet the following conditions under 5/11-74.4-3(n):

1. the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the redevelopment plan,
2. the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality,
3. the redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs (which dates shall not be later than December 31 of the year in which the payment to the municipal treasurer as provided in Section 8(b) of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted),
4. in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area,
5. if any incremental revenues are being utilized under Section 8a(1) or 8a(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986 the municipality finds (a) that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, and (b) that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

Redevelopment projects are defined as any public or private development projects undertaken in furtherance of the objectives of the redevelopment plan.

The City authorized an evaluation to determine whether a portion of the City to be known as the 119th & Halsted Redevelopment Area, qualifies for designation as a "blighted area," pursuant to the provisions contained in the Act. If the Area so qualified, the City requested the preparation of a redevelopment plan for the Area in accordance with the requirements of the Act.
The 119th and Halsted Redevelopment Project Area

The Project Area is approximately 183 acres in size and includes 822 contiguous parcels and public rights-of-way. Much of the Project Area is characterized by:

- buildings over the age of 35 years
- deleterious land use and layout
- deterioration of buildings, site improvements and right-of-ways
- dilapidation of buildings
- inadequate access to public rights-of-way
- excessive vacancies in terms of vacant lots and vacant buildings
- unused railroad rights-of-way
- other blighting characteristics

As a result of these conditions, the Project Area is in need of redevelopment, rehabilitation and/or revitalization. In recognition of the unrealized potential of the Project Area, the City is taking action to facilitate its revitalization.

The purpose of the Plan is to create a mechanism to allow for the development of new commercial and public facilities on existing vacant and underutilized land, the redevelopment and/or expansion of existing businesses, the redevelopment of obsolete land uses, and the improvement of the area’s physical environment and infrastructure. The redevelopment of the Project Area is expected to encourage economic revitalization within the community and the surrounding area.

The Project Area as a whole has not been subject to growth and development by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Plan. The eligibility analysis, attached hereto as Appendix C, concluded that property in this area is experiencing deterioration and disinvestment. The analysis of conditions within the Project Area indicates that it is appropriate for designation as a “blighted area” in accordance with the Act.

The Plan summarizes the analyses and findings of the consultant’s work, which unless otherwise noted, is solely the responsibility of Camiros, Ltd. and its subconsultants. Camiros, Ltd. has prepared this 119th and Halsted Redevelopment Plan and Project and the related eligibility report with the understanding that the City would rely (i) on the findings and conclusions of the Plan and the related eligibility report in proceeding with the designation of the Project Area and the adoption and implementation of the Plan, and (ii) on the fact that Camiros, Ltd. has obtained the necessary information so that the Plan and the related eligibility report will comply with the Act.

The Plan has been formulated in accordance with the provisions of the Act. This document is a guide to all proposed public and private actions in the Project Area.
2. PROJECT AREA DESCRIPTION

The land to be designated as the 119th and Halsted Redevelopment Project Area (the "Project Area") is shown in Figure 1, Boundary Map. The Project Area is approximately 183 acres in size, including public rights-of-way. A legal description of the Project Area is included as Appendix B of this document. The Project Area is adjacent to the West Pullman Industrial Conservation Area. The Project Area includes only contiguous parcels and qualifies for designation as a "blighted area." The proposed Project Area includes only that area that is anticipated to be substantially benefited by the proposed redevelopment project improvements.

The general area has been the subject of two planning studies in recent years. The South Halsted Street Corridor Plan, completed in 1999, establishes a broad vision for the area, which would consist of new commercial development on vacant/underutilized land as well as rehabilitated housing and new housing development. The Plan also calls for improvements to public infrastructure, aesthetic enhancements and new/upgraded public facilities. The second study was the 119th and Halsted Redevelopment Area Eligibility Study and Redevelopment Plan, completed in May of 1998. The boundaries of that plan are essentially the same as the boundaries for this tax increment financing district. Many of the policies of the Plan, including land use and acquisition policies, are based on aforementioned 119th and Halsted Redevelopment Area designation.

Community Background

The Project Area lies primarily within the West Pullman Community Area, although a small portion extends into the Roseland and Morgan Park Community Areas. The Project Area is adjacent to the West Pullman Industrial TIF district. The community was initially settled in the 1830s but did not experience rapid growth until the later 1800s when the Illinois Central and Michigan Central Railroads were developed and industries such as the Pullman Palace Car were established. Industrial development in the general area began with the development of the West Pullman Land Association, which purchased land between Wentworth and Halsted from 115th Street to 119th Street.

The first of many waves of immigrants from Europe settled in the West Pullman community in the early 1900s. After World War II, the population grew from 29,000 in 1950, peaking at 45,000 in 1980. However, in 1970 a major demographic change began to occur, and in 1990, 94 percent of West Pullman was African-American. West Pullman's population declined to just under 40,000 by 1990. This decline in population was accompanied by a decline in housing units from 12,281 in 1980 to 11,919 in 1990.

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After World War II, housing development boomed and reflected a style more common to suburban development. In 1990, the percent of owner-occupied housing in the West Pullman Community Area reached an all time high at 72 percent, comparable to suburbs. The 1990 median value of owner-occupied homes in the West Pullman community ($59,270) is generally higher than those in surrounding neighborhoods.

The 1990 median family income in West Pullman was higher than the median for the City as a whole. However, the unemployment rate for the community area has consistently been higher than the City average. The skill level of employed persons within West Pullman, however, is high with 54 percent being white collar workers.

Several large industries within the broader area, including International Harvester and Dutch Boy Paints, relocated their factories and operations to the suburbs. Other businesses, however, have remained in the area, including Carl Buddig and Company and other smaller manufacturing businesses. The net result of industrial relocation has been a significant loss of local jobs, especially well paying industrial sector jobs.

Current Land Use and Zoning

The current land use within the Project Area consists of commercial, residential, institutional/public, industrial, and mixed-use property. A large amount of vacant land is also present. Commercial use is concentrated along Halsted Street and 119th Street. Residential use is located primarily south and east of the 119th Street and Halsted Street frontages. Institutional/public uses take the form of places of worship, a public school, and a Chicago Housing Authority office and warehouse, which for the most part, are located on the main arterial streets of 119th and Halsted Street. Industrial uses are scattered throughout the Project Area, with older uses located along the former railroad line. The current configuration of land use is represented in Figure 3, Existing Land Use, while the current zoning is shown in Figure 4, Existing Zoning.

Current zoning generally reflects the pattern of existing land use. One exception is the presence of a few remnant commercial buildings along 120th Street in spite of the R-4 district zoning. Another inconsistency involves a small area on the west side of Halsted Street between 116th Street and 117th Street, which is currently used for commercial/industrial use but is zoned R-3. Other relatively minor use nonconformities exist within the Project Area.

Conditions within the Project Area include a series of improvement challenges. The Project Area contains a high proportion of vacant lots and buildings. While this condition exists throughout the Project Area, the highest concentration exists along 119th Street, 120th Street and the residential property between these two streets. Several decades ago, 119th Street and 120th Street were thriving commercial streets. As land use and transportation characteristics changed, commercial use became unsustainable and property along these streets began to decline. The negative effects of declining commercial property affected the adjacent residential property. Combined with a prevailing building age of approximately 80 years, the lack of maintenance and reinvestment resulting in a deterioration and vacancy. Today, deterioration, vacant lots and vacant buildings are widespread throughout the Project Area.
Transportation Characteristics

Transportation facilities within the Project Area include a commuter rail and the local street system. One current railroad line and one former railroad line exist in the Project Area. The current railroad line is Metra's electric rail commuter service between Chicago and Blue Island. A Metra commuter station is located on Halsted Street at 121st Street. This is a commuter only line and carries no freight service. Another railroad right-of-way, that of the Penn Central Railroad, was purchased by the City of Chicago Department of Transportation for the purpose of establishing a pedestrian/bike trail and open space.

Halsted Street and 119th Street are the primary routes for north-south and east-west circulation, respectively. Halsted Street is State Route 1, and represents an important arterial street for the Far South area. 119th Street functions as a collector street. Circulation on local streets consists of a combination of two-way and one-way traffic. Interchanges for Interstate 94 and Interstate 57 are located outside the Project Area to the east and west, respectively.

Mass transportation serving the Project Area includes CTA buses. Bus #119 runs east-west on 119th Street, extending northward on Michigan Avenue to 95th Street and the 95th Street Red Line Rapid Transit Station. Bus #8A runs north-south along Halsted Street, providing access to the Red Line Rapid Transit Station at 79th Street. Bus #8A also connects with Bus #8, which extends service northward from the Red Line Rapid Transit Station at 79th Street to Waveland Street on the North Side. In addition, Bus #359 provides service connecting several south suburban communities to the 121st Street Metra commuter station. The combination of CTA and Metra service provides good transportation to the Project Area.
3. ELIGIBILITY OF THE PROJECT AREA FOR DESIGNATION AS A BLIGHTED AREA

The Project Area on the whole has not been subject to significant growth and development through investment by private enterprise. Based on the conditions present, the area is not likely to be comprehensively or effectively developed without the adoption of the Plan. In April and May of 2001, a series of studies was undertaken to establish whether the proposed Project Area is eligible for designation as a blighted area in accordance with the requirements of the Act. This analysis concluded that the Project Area so qualifies.

For improved property, the presence of five of the 13 conditions set forth in the Act is required for designation of improved property as a blighted area. These factors must be meaningfully present and reasonably distributed within the Area. Of the 13 factors cited in the Act for improved property, eight factors are present within the Area.

The following six factors were found to be present to a major extent:
- Deterioration (affecting 74% of all tax blocks)
- Obsolescence (affecting 47% of all tax blocks)
- Presence of structures below minimum code standards (affecting 95% of all tax blocks)
- Excessive vacancies (affecting 72% of all tax blocks)
- Excessive land coverage and overcrowding of structures and community facilities (affecting 26% of all tax blocks)
- Stagnant or declining EA

Two additional factors are present to a minor extent within the Project Area. These are:
- Deleterious land use or layout (affecting 12% of all tax blocks)
- Dilapidation (affecting 19% of all tax blocks)
For vacant property, the presence of two of the five conditions set forth in the Act is required for designation of improved property as a blighted area. These factors must be meaningfully present and reasonably distributed within the Area. Of the 5 factors cited in the Act for improved property, three factors are present within the Area.

- Obsolete platting (affecting 100% of the tax blocks)
- Deterioration on adjacent property (affecting 75% of the tax blocks)
- Stagnant or declining EAV

For more detail on the basis for eligibility, refer to the study in Appendix C.

Need for Public Intervention

The analysis of conditions within the Project Area included an evaluation of construction activity between 1996 and 2000. Table 1 summarizes construction activity within the Redevelopment Project Area by year and project type.

Table 1
BUILDING PERMIT ACTIVITY (1996-2000)

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<thead>
<tr>
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<tr>
<td><strong>Construction Value</strong></td>
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<td>New Construction</td>
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<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
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<td>Additions</td>
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<tr>
<td>Alterations/Repairs</td>
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<td>$46,202</td>
<td>$56,975</td>
<td>$18,700</td>
<td>$41,840</td>
<td>$201,467</td>
</tr>
<tr>
<td>Demolition</td>
<td>$48,500</td>
<td>$5,500</td>
<td>$29,525</td>
<td>$25,800</td>
<td>$23,500</td>
<td>$132,825</td>
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<td>$143,040</td>
<td>$58,602</td>
<td>$180,275</td>
<td>$57,250</td>
<td>$113,290</td>
<td>$552,457</td>
</tr>
</tbody>
</table>

|                |     |     |       |       |       |       |
| **# of Permits Issued** |     |     |       |       |       |       |
| New Construction    | 0   | 0   | 0      | 0      | 0      | 0      |
| Additions           | 4   | 2   | 6      | 2      | 2      | 16     |
| Alterations/Repairs | 6   | 8   | 6      | 5      | 9      | 34     |
| Demolition          | 7   | 1   | 3      | 3      | 2      | 16     |
| **Total**           | 17  | 11  | 15     | 10     | 13     | 66     |

Source: City of Chicago, Dept. of Buildings

During this five-year period, a total of 66 building permits were issued for property within the Project Area. In analyzing the building permit activity, it should be recognized that a certain level of activity occurs merely to address basic maintenance needs, which appears to account for a large majority of the construction activity. Between 1996 and 2000, no projects were undertaken in the Area that had a construction value of $100,000 or more. Furthermore, no permits were issued for new construction. Sixteen permits were issued for demolition, representing 24% of the permits and 24% of the total construction value over the five-year period. Thirty-four permits were issued for alterations and repairs, while 6 permits were issued for additions.
The $552,457 in construction spending that has occurred in the Project Area over the past five years represents a minimal level of investment. This five-year private sector investment is roughly equal to the development value of one full service restaurant. Alternatively, this level of investment is approximately equal to three-1,800 square foot new houses. Given the large amount of vacant land present within the Project Area, and the presence of widespread deterioration, a significantly higher level of private investment is required to reverse the area’s decline. Clearly, the lack of development is not being resolved through private-sector investment, and a continuation of this minimal level of private investment may exacerbate blight within the Project Area.

Despite the lack of private sector investment, equalized assessed value (EAV) within the Area grew from approximately $15.8 million in 1996 to $18.7 million in 2000. However, for this period, the EAV of the Area grew at a slower rate (17.7%) than that of the City (33.1%). This growth in EAV could be the result of one or more of several factors, including improvements to a small number of properties or normal growth due to inflation. However, the increase in EAV is not the result of widespread reinvestment in private property through construction activity. Given the blight and obsolescence that has been documented, the overall redevelopment of the Project Area would not reasonably be expected to occur without public intervention and the adoption of the Plan.
4. REDEVELOPMENT PLAN GOALS AND OBJECTIVES

The proposed Plan and Project is consistent with City plans for the area. The land uses conform to those approved by the Chicago Planning Commission and to recent City-sponsored plans for the area. The following goals and objectives are provided to guide development in the Project Area.

General Goals:
- Reduce or eliminate deleterious conditions within the Project Area.
- Provide for the orderly transition from obsolete land uses, to more appropriate land use patterns.
- Create an attractive environment that encourages new commercial development.
- Increase affordable housing (for-sale and rental), including market rate housing set aside (20%).
- Employ residents within and surrounding the Project Area in jobs generated by area development.
- Improve public facilities and amenities.
- Enhance the tax base of the Project Area.

Redevelopment Objectives:
- Encourage private investment.
- Direct development activities to appropriate locations within the Project Area in accordance with the land use plan and general land use strategies.
- Encourage rezoning of obsolete land use designations to facilitate development of underutilized property for uses that have demonstrated market support.
- Provide opportunities for business and commercial development where there is demonstrated market support.
- Encourage development of affordable for-sale and rental housing, as defined by the City’s Department of Housing, for persons earning no more than 120 percent of the area median income and persons earning no more than 80 percent of area median income, respectively.
- Encourage development of market-rate housing as part of an overall program to create a mixed-income neighborhood.
• Realign segments of the proposed bikeway/open space on the former railroad right-of-way to improve access to private property and to create more viable redevelopment parcels.

• Establish job readiness and job training programs to provide residents within and surrounding the Project Area with the skills necessary to secure jobs in the Project Area and in adjacent redevelopment project areas.

• Promote hiring of local residents, including graduates of the Project Area’s job readiness and job training programs.

• Improve recreational amenities within the Project Area.

**Design Objectives:**

• Provide off-street parking to support existing and new commercial uses within the 119th and Halsted Business District.

• Establish design standards for commercial and residential redevelopment to ensure compatible high-quality development.

• Enhance the appearance and function of existing commuter rail public transit facility.

• Encourage increased use of public transit facilities through pedestrian-friendly design, while also improving vehicular movement.
5. REDEVELOPMENT PLAN

The City proposes to achieve the Plan’s goals through the use of public financing techniques, including tax increment financing, and by undertaking some or all of the following actions:

**Property Assembly, Site Preparation and Environmental Remediation**

To meet the goals and objectives of the Plan, the City may acquire and assemble property throughout the Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Figure 7, Land Acquisition Overview Map (Appendix A), reflects the properties proposed for acquisition on the existing acquisition map from the 119th and Halsted Street Redevelopment Area Designation, adopted in 1998. Table 2, Land Acquisition by Parcel Identification Number and Address (see Appendix A), provides a list of the properties proposed for acquisition on this underlying acquisition map. There is no new acquisition of property proposed as part of the Plan.

In connection with the City exercising its power to acquire real property not currently on the Land Acquisition Overview Map, including the exercise of the power of eminent domain, under the Act in implementing the Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of the Plan. The acquisition of such property can be paid for using TIF funds.

For properties described in Figure 7 (the Land Acquisition Overview Map) in Appendix A, the acquisition of occupied properties by the City shall commence within four years from the date of the publication of the ordinance approving the underlying plan (9/9/98). Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four-year period, the City may acquire such property pursuant to the Plan under the Act according to its customary procedures as described in the preceding paragraph.

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Intergovernmental and Redevelopment Agreements

The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as “Redevelopment Projects”). Such redevelopment agreements may be needed to support the rehabilitation or construction of allowable private improvements, in accordance with the Plan; incur costs or reimburse developers for other eligible redevelopment project costs as provided in the Act in implementing the Plan; and provide public improvements and facilities which may include, but are not limited to utilities, street closures, transit improvements, streetscape enhancements, signalization, parking and surface right-of-way improvements.

Terms of redevelopment as part of this redevelopment project may be incorporated in appropriate redevelopment agreements. For example, the City may agree to reimburse a developer for incurring certain eligible redevelopment project costs under the Act. Such agreements may contain specific development controls as allowed by the Act.

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

Job Training

To the extent allowable under the Act, job training costs may be directed toward training activities designed to enhance the competitive advantages of the Project Area and to attract additional employers to the Area. Working with employers and local community organizations, job training and job readiness programs may be provided that meet employers’ hiring needs, as allowed under the Act.

A job readiness/training program is a component of the Plan. The City expects to encourage hiring from the community that maximizes job opportunities for Chicago residents.

Relocation

Relocation assistance may be provided to facilitate redevelopment of portions of the Area, and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.
Analysis, Professional Services and Administrative Activities
The City may undertake or engage professional consultants, engineers, architects, attorneys, and others to conduct various analyses, studies, administrative or legal services to establish, implement and manage the Plan.

Provision of Public Improvements and Facilities
Adequate public improvements and facilities may be provided to service the Area. Public improvements and facilities may include, but are not limited to, street closures to facilitate assembly of development sites, upgrading streets, signalization improvements, provision of streetscape amenities, river walk improvements, parking improvements and utility improvements.

Financing Costs Pursuant to the Act
Interest on any obligations issued under the Act accruing during the estimated period of construction of the redevelopment project and other financing costs may be paid from the incremental tax revenues pursuant to the provisions of the Act.

Interest Costs Pursuant to the Act
Pursuant to the Act, the City may allocate a portion of the incremental tax revenues to pay or reimburse developers for interest costs incurred in connection with redevelopment activities in order to enhance the redevelopment potential of the Area.
6. REDEVELOPMENT PROJECT DESCRIPTION

The Plan seeks to create a strong, active and diverse business district along Halsted Street and to create an attractive and viable residential neighborhood in the area south and east of the 119th/Halsted intersection. Physical improvements to the Project Area are seen as a critical component of its overall improvement.

The Plan recognizes that new investment in commercial and residential property is needed to achieve revitalization. In certain cases, attracting new private investment may require the redevelopment of existing properties. Proposals for infrastructure improvements will stress projects that will serve and benefit the surrounding residential, commercial, and institutional uses. A comprehensive program of aesthetic enhancements will include streetscape improvements, facade renovations and aesthetically compatible new development. The components will create the quality environment required to sustain the revitalization of the Project Area.

Based on this assessment, the goals of the redevelopment projects to be undertaken in the Project Area are to: 1) foster viable commercial redevelopment on vacant, deteriorated or obsolete property that can serve the Far South Side community; 2) redevelop obsolete commercial property along 119th and 120th Street for residential use; 3) redevelop vacant and deteriorated residential property to remove blighting influences and create a sustainable neighborhood; and 4) integrate public investments in infrastructure and facilities to help foster a suitable environment for private-sector investments. The major physical improvement elements anticipated as a result of implementing the proposed Plan are outlined below.

Commercial Redevelopment

The Plan recognizes that commercial redevelopment is a key element of area improvement. The Plan seeks to focus commercial development along Halsted Street, with more intensive development at the major intersections of 115th/Halsted and 119th/Halsted. Smaller-scale commercial and mixed-use (commercial/residential) development is envisioned south of the 119th/Halsted intersection.

Residential Redevelopment

Residential redevelopment is proposed for the deteriorated and obsolete commercial property along 119th and 120th Streets. Townhouse units or 2-flats/3-flats are seen as appropriate housing types for this redevelopment. Single family residential is most suitable for in-fill development along local side streets.
Public Improvements

Improvements to public infrastructure and facilities are needed to complement and attract private sector investment. Infrastructure improvements may include:

- Improvement of the former railroad right-of-way as a bikeway and open space amenity.
- Improvement of streetscape conditions along Halsted Street to support commercial redevelopment.
- Improvement of street intersections to improve traffic flow.
- Expansion of the parking supply.
- Enhancement of streetscape conditions along 119th and 120th Street to support residential redevelopment.
- Construction of a new public library at the corner of 119th and Halsted.
- Improvement of other public facilities that meet the needs of the community.
7. GENERAL LAND USE PLAN AND MAP

The land uses proposed in the Area are generally consistent with current zoning. One significant exception is the land along 119th Street east of Halsted Street. Land in this location is currently zoned B2-1 and is proposed for largely residential use. All proposed land use is subject to the approval of the Chicago Plan Commission. Figure 6, General Land Use Plan, in Appendix A, identifies land uses expected to result from implementation of the Plan in the Area. The land use categories planned for the Area are: 1) residential, 2) commercial/mixed-use, 3) public/institutional, and 4) park/open space use. The commercial/mixed use category includes commercial use, residential use, or commercial and residential uses within the same building. Institutional uses and park/open space amenities may be incorporated into any of these land use categories as needs and opportunities present themselves. The General Land Use Plan is intended to provide a guide for future land use improvements and developments within the Area.

The General Land Use Plan is intended to serve as a broad guide for land use and redevelopment policy. The plan is general in nature to allow adequate flexibility to respond to shifts in the market and private investment. A more specific discussion of the proposed uses within the Project Area is outlined below.

Residential Use

Residential use is proposed south and east of the 119th/Halsted intersection. Most of the property along 119th Street east of Emerald Avenue is proposed for residential use. This represents a shift in land use policy from its current zoning, which is B2-1. This area is no longer viable as a commercial district and should be redeveloped for residential use. The treatment of 119th Street is similar to that of 120th Street, which was a viable commercial district many years ago, but is now zoned residential. Other areas shown for residential use reflect existing residential property or vacant property that should be redeveloped for residential use.

Commercial/Mixed Use

Commercial/mixed use development is proposed for the Halsted Street corridor and for scattered properties on 119th Street and 115th Street. Commercial and retail development is envisioned for most of this area. However, allowing residential use provides needed flexibility, especially for property where a clear trend of future use is not evident. Important recommendations include the redevelopment of the current CHA office
and warehouse facility on 115th Street and relocation of a small number of older industrial uses needed to facilitate broader commercial redevelopment of land, particularly along Halsted Street.

Public/Institutional

Property designated as public/institutional use represent primarily existing uses. Prominent uses include the West Pullman Elementary School at 120th Street and Parnell Avenue and the City of Chicago fire station at 119th Street and Peoria Street. A number of churches are also present within the area. The most significant proposed use is a new public library at the northwest corner of 119th and Halsted.

Park/Open Space

The most prominent park/open space use is the proposed bikeway on the former railroad right-of-way running northwest to southeast through the Project Area. The alignment of this bikeway, as shown on the General Land Use Plan, reflects proposals to realign segments of the bikeway to improve access to private property and promote more effective redevelopment. Such recommendations have been discussed with City officials and will be considered where feasible. Another proposed park/open space facility is the vacant, wooded property located along the proposed bikeway between 114th Street and 112th Street.

These land use strategies are intended to direct development toward the most appropriate land use pattern for the various portions of the Project Area and enhance the overall development of the Area in accordance with the goals and objectives of the Plan. Locations of specific uses, or public infrastructure improvements, may vary from the General Land Use Plan as a result of more detailed planning and site design activities. Such variations are permitted without amendment to the Plan as long as they are consistent with the Plan’s goals and objectives and the land uses and zoning approved by the Chicago Plan Commission.
8. REDEVELOPMENT PLAN FINANCING

Tax increment financing is an economic development tool designed to facilitate the redevelopment of blighted areas and to arrest decline in areas that may become blighted without public intervention. It is expected that tax increment financing will be an important means, although not necessarily the only means, of financing improvements and providing development incentives in the Project Area throughout its twenty-three year life.

Tax increment financing can only be used when private investment would not reasonably be expected to occur without public assistance. The Act sets forth the range of public assistance that may be provided.

It is anticipated that expenditures for redevelopment project costs will be carefully staged in a reasonable and proportional basis to coincide with expenditures for redevelopment by private developers and the projected availability of tax increment revenues.

Eligible Project Costs

Redevelopment project costs include the sum total of all reasonable, or necessary, costs incurred, or estimated to be incurred, and any such costs incidental to the Plan. Some of the costs listed below became eligible costs under the Act pursuant to an amendment to the Act which became effective November 1, 1999. Eligible costs may include, without limitation, the following:

1. Professional services including: costs of studies and surveys, development of plans and specifications, implementation and administration of the Plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however, that no charges for professional services may be based on a percentage of the tax increment collected and the terms of such contracts do not extend beyond a period of three years. Redevelopment project costs may not include general overhead or administrative costs of the City that would still have been incurred if the City had not designated a redevelopment project area or approved a redevelopment plan.

2. The cost of marketing sites within the Area to prospective businesses, developers and investors.
3. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land.

4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the cost of replacing an existing public building, if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.

5. Costs of the construction of public works or improvements, but not including the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building unless the City makes a reasonable determination, supported by information that provides the basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the Plan.

6. Costs of job training and retraining projects including the cost of “welfare-to-work” programs implemented by businesses located within the Area, advanced vocational education or career education, including but not limited to courses in occupational, semitechnical or technical fields leading directly to employment, incurred by one or more taxing districts as provided in the Act.

7. Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and, which may include payment of interest on any obligations issued under the Act, including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and not exceeding 36 months thereafter and including reasonable reserves related thereto.

8. 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 Plan, to the extent the City, by written agreement, accepts and approves such costs.

9. An elementary, secondary or unit school district’s increased costs attributable to assisted housing units will be reimbursed as provided for in the Act.

10. Relocation costs, to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by state or federal law or in accordance with the requirements of the Act.

11. Payment in lieu of taxes.
12. Interest costs incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
- such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the developer with regard to the redevelopment project during that year;
- if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the developer for such redevelopment project, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
- up to 75 percent of the interest cost incurred by a developer for the financing of rehabilitated or new housing units for low-income households and very low income households, as defined in Section 3 of the Illinois Affordable Housing Act.

13. Up to 50% of the cost of construction, renovation and/or rehabilitation of all low-income and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low-income and very low-income households, only the low-income and very low-income households shall be eligible for benefits under the Act.

14. Up to 75% of the interest incurred by a developer for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

15. The cost of day care services for children of employees from low-income families working for businesses located within the Area and all or a portion of the cost of operation of day care centers established by Area businesses to serve employees from low-income families working in businesses located in the Area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80% of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

The cost of constructing new privately-owned buildings is not an eligible redevelopment project cost, unless specifically authorized by the Act.
Estimated Project Costs

A range of activities and improvements may be required to implement the Plan. The proposed eligible activities and their estimated costs over the life of the Area are briefly described below and also shown in Table 3, Estimated Redevelopment Project Costs.

1. Professional services including planning, legal, surveys, real estate marketing costs, fees and other related development costs. This budget element provides for studies and survey costs for planning and implementation of the project, including planning and legal fees, architectural and engineering, development site marketing, financial and special service costs. (Estimated cost: $1,500,000)

2. Property assembly costs, including acquisition of land and other property, real or personal, or rights or interests therein, and other appropriate and eligible costs needed to prepare the property for redevelopment. These costs may include the reimbursement of acquisition costs incurred by private developers. Land acquisition may include acquisition of both improved and vacant property in order to create development sites, accommodate public rights-of-way or to provide other public facilities needed to achieve the goals and objectives of the Plan. Property assembly costs also include: demolition of existing improvements, including clearance of blighted properties or clearance required to prepare sites for new development, site preparation, including grading, and other appropriate and eligible site activities needed to facilitate new construction, and environmental remediation costs associated with property assembly which are required to render the property suitable for redevelopment. (Estimated cost: $10,000,000)

3. Rehabilitation, reconstruction, repair or remodeling of existing public or private buildings and fixtures; and up to 50% of the cost of construction of low-income and very-low-income housing units. (Estimated cost: $3,250,000)

4. Construction of public improvements, infrastructure and facilities. These improvements are intended to improve access within the Area, stimulate private investment and address other identified public improvement needs, and may include all or a portion of a taxing district's eligible costs, including increased costs of the Chicago Public Schools attributable to assisted housing units within the Area in accordance with the requirements of the Act. (Estimated cost: $12,000,000)

5. Costs of job training and retraining projects, advanced vocational education or career education, as provided for in the Act. (Estimated cost: $1,000,000)

6. Relocation costs, as judged by the City to be appropriate or required to further implementation of the Plan. (Estimated cost: $1,000,000)

7. Financing and interest costs associated with redevelopment projects, pursuant to the provisions of the Act. (Estimated cost: $3,500,000)

8. Provision of day care services as provided in the Act. (Estimated cost: $250,000)

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9. All or part of a taxing district's capital costs resulting from or incurred in furtherance of the Plan, to the extent that the City, by written agreement accepts and approves such costs. (*Estimated cost: $2,500,000*)

The estimated gross eligible project cost over the life of the Area is $35 million. All project cost estimates are in 2001 dollars. Any bonds issued to finance portions of the redevelopment project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with issuance of such obligations, as well as to provide for capitalized interest and reasonably required reserves. The total project cost figure excludes any costs for the issuance of bonds. Adjustments to estimated line items, which are upper estimates for these costs, are expected and may be made without amendment to the Plan.

Table 2
**ESTIMATED REDEVELOPMENT PROJECT COSTS**

<table>
<thead>
<tr>
<th>Program Action/Improvement</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning, Legal, Surveys, Redevelopment</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Marketing Costs and Related Development Costs</td>
<td></td>
</tr>
<tr>
<td>Property Assembly, Site Preparation and Environmental Remediation</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Rehabilitation (may include up to 50% of the cost of construction of low and very low-income housing units)</td>
<td>$3,250,000</td>
</tr>
<tr>
<td>Public Improvements</td>
<td>$12,000,000 (1)</td>
</tr>
<tr>
<td>Job Training and Retraining</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Relocation</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Financing and Interest Costs</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Day Care</td>
<td>$250,000</td>
</tr>
<tr>
<td>Taxing District Capital Costs</td>
<td>$2,500,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$35,000,000</strong> (2) (3)</td>
</tr>
</tbody>
</table>

(1) *This category may also include reimbursing capital costs of taxing districts impacted by the redevelopment of the Area and school district costs pursuant to the Act. As permitted by the Act, the City may pay, or reimburse all, or a portion of a taxing district's costs resulting from the Redevelopment Project pursuant to a written agreement by the City accepting and approving such costs.*

(2) *The Total Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs. The amount of the Total Project Costs that can be incurred in the Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Area only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Area, but will not be reduced by the amount of redevelopment project costs incurred in the Area which are paid from incremental taxes generated from contiguous redevelopment project areas.*

(3) *The Total Project Costs provides an upper limit on expenditures and adjustments may be made in line items without amendment to the Plan.*
Sources of Funds

Funds necessary to pay for redevelopment project costs and municipal obligations, which have been issued to pay for such costs, are to be derived principally from tax increment revenues and proceeds from municipal obligations, which have as their source of payment tax increment revenue. 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 fund tax increment obligations and redevelopment project costs, shall be the incremental real property taxes. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Area over and above the initial equalized assessed value of each such property in the 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 City may, from time to time, deem appropriate. The City may incur Project Costs (costs for line items listed on Table 2), which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

The Project Area may be contiguous to, or be separated only by a public right-of-way from, other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Area to pay eligible project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in the Plan.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.61-1 et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas, or those separated only by a public right-of-way, are interdependent with those of the Project Area, the City may determine that it is in the best interests of the City, and in furtherance of the purposes of the Plan, that net revenues from the Project Area be made available to support any such redevelopment project areas and vice versa. The City therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, or other areas described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 3.
Development of the Project Area would not be reasonably expected to occur without the use of the incremental revenues provided by the Act. Redevelopment project costs include those eligible project costs set forth in the Act. Tax increment financing or other public sources will be used only to the extent needed to secure commitments for private redevelopment activity.

**Nature and Term of Obligations to be Issued**

The City may issue obligations secured by the tax increment special tax allocation fund established for the Area pursuant to the Act or such other funds or security as are available to the City by virtue of its powers, available under the Act, pursuant to the Illinois State Constitution.

All obligations issued by the City in order to implement the Plan shall be retired not later than December 31 of the year in which the payment to the municipal treasurer as provided in Section 8(b) of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted. The final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issuance. One or more series of obligations may be sold at one or more times in order to implement the Plan. The City may also issue obligations to a developer as reimbursement for project costs incurred by the developer on behalf of the City.

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 the real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Area in the manner provided by the Act.

**Most Recent Equalized Assessed Valuation**

The purpose of identifying the most recent equalized assessed valuation ("EAV") of the Project Area is to provide an estimate of the initial EAV, which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the Project Area. The 2000 EAV of all taxable parcels in the Area is $18,689,034. This total EAV amount by PIN is summarized in Appendix D. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Area will be calculated by Cook County.
Anticipated Equalized Assessed Valuation

Once the redevelopment project has been completed and the property is fully assessed, the EAV of real property within the Area is estimated at $28.7 million. This estimate has been calculated assuming that the Project Area will be developed in accordance with Figure 6, General Land Use Plan, of the Plan.

The estimated EAV assumes that the assessed value of property within the Project Area will increase substantially as a result of new development and public improvements.

Calculation of the estimated EAV is based on several assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) the application of a State Multiplier of 2.1391 to the projected assessed value of property within the Redevelopment Project Area; and 3) an annual inflation factor of 2%. The projected State Multiplier was calculated by averaging the State Multipliers for Cook County for the most recent nine-year period (1991-1999).

Financial Impact on Taxing Districts

The Act requires an assessment of any financial impact of the Area on, or any increased demand for services from, any taxing district affected by the Plan and a description of any program to address such financial impacts or increased demand. The City intends to monitor development in the Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

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

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

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

Metropolitan Water Reclamation District of Greater Chicago. The Water Reclamation District provides the main trunk lines for the collection of wastewater from cities, villages and towns, and for the treatment and disposal thereof.

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

Board of Education of the City of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth grade.
Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs.

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

City of Chicago. The City is responsible for the provision of a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; building, housing and zoning codes, etc. The City also administers the City of Chicago Library Fund, formerly a separate taxing district from the City.

The proposed revitalization of the Project Area would be expected to create moderate demands on public services. The development of new residential property on vacant and deteriorated land would increase the demand for school services as well as parks and other population-based services. The demand for water and sewer services would increase as well. Proposed commercial development would not increase the demand for population-based services, but would increase demand for water and sewer services and similar types of infrastructure, including the Metropolitan Water Reclamation District.

Redevelopment of the Area may result in changes to the level of required public services. The required level of these public services will depend upon the uses that are ultimately included within the Project Area. Although the specific nature and timing of the private investment expected to be attracted to the Project Area cannot be precisely quantified at this time, a general assessment of financial impact can be made based upon the level of development and timing anticipated by the proposed Plan.

When completed, developments in the Project Area will generate property tax revenues for all taxing districts. Other revenues may also accrue to the City in the form of sales tax, business fees and licenses, and utility user fees. The costs of some services such as water and sewer service, building inspections, etc. are typically covered by user charges. However, others are not and should be subtracted from the estimate of property tax revenues to assess the net financial impact of the Plan on the affected taxing districts.

For the taxing districts levying taxes on property within the Area, increased service demands are expected to be negligible because they are already serving the Area. Upon completion of the Plan, all taxing districts are expected to share the benefits of a substantially improved tax base. However, prior to the completion of the Plan, certain taxing districts may experience an increased demand for services.

It is expected that most of the increases in demand for the services and programs of the aforementioned taxing districts, associated with the Project Area, can be adequately handled by the existing services and programs maintained by these taxing districts. However, $2 million has been allocated within the Project Budget to "taxing district capital costs" to address potential demands associated with implementing the Plan.

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Real estate tax revenues resulting from increases in the EAV, over and above the certified initial EAV established with the adoption of the Plan, will be used to pay eligible redevelopment costs in the Project Area. Following termination of the Project Area, the real estate tax revenues, attributable to the increase in the EAV over the certified initial EAV, will be distributed to all taxing districts levying taxes against property located in the Area. Successful implementation of the Plan is expected to result in new development and private investment on a scale sufficient to overcome blighted conditions and substantially improve the long-term economic value of the Project Area.

**Completion of the Redevelopment Project and Retirement of Obligations to Finance Redevelopment Project Costs**

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Plan is adopted (By December 31, 2024).
9. HOUSING IMPACT STUDY

A Housing Impact Study has been conducted for the Redevelopment Project Area (Project Area) to determine the potential impact of redevelopment on area residents. As set forth in the Tax Increment Allocation Redevelopment Act (the "Act"), if the redevelopment plan for a redevelopment plan project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and the City is unable to certify that no displacement of residents will occur, the municipality shall prepare a housing impact study and incorporate the study in the separate feasibility report required by the subsection (a) of Section 11-74.4-5 (sic) [Section 11.74-4-4.1]. Since the Project Area contains more than 75 inhabited residential units and may displace 10 or more residents, a housing impact study is required. This Housing Impact Study, which is part of the 119th & Halsted Redevelopment Plan and Project, fulfills this requirement. It is also integral to the formulation of the goals, objectives, and policies of the Plan.

This Housing Impact Study is organized into two parts. Part I describes the housing survey conducted within the Project Area to determine existing housing characteristics. Part II describes the potential impact of the Plan. Specific elements of the Housing Impact Study include:

PART I - HOUSING SURVEY

- Type of residential unit, either single family or multi-family.
- The number and type of rooms within the units, if that information is available.
- Whether the units are inhabited or uninhabited, as determined not less than 45 days before the date that the ordinance or resolution required by subsection (a) of Section 11-74.4-5 of the Act is passed.
- Data as to the racial and ethnic composition of the residents in the inhabited residential units, which shall be deemed to be fully satisfied if based on data from the most recent federal census.
PART II - POTENTIAL HOUSING IMPACT

- The number and location of those units that will be or may be removed.
- The municipality's plans for relocating assistance for those residents in the proposed redevelopment project area whose residencies are to be removed.
- The availability of replacement housing for those residents whose residences are to be removed, and the identification of the type, location, and cost of the replacement housing.
- The type and extent of relocation assistance to be provided.

PART I - HOUSING SURVEY

Part I of this study provides the type, size, and number of residential units within the Project Area, the number of inhabited and uninhabited units, and the racial and ethnic composition of the residents in the inhabited residential units.

Number and Type of Residential Units

The number and type of residential buildings in the area were identified during the building condition and land use survey conducted as part of the eligibility analysis for the area. This survey, completed on May 24, 2001, revealed that the Project Area contains 247 residential or mixed-use residential buildings containing a total of 400 units. The number of residential units by building type is outlined in Table 3, Number and Type of Residential Units.

Table 3
NUMBER AND TYPE OF RESIDENTIAL UNITS

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Total Number of Buildings</th>
<th>Total Number of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family</td>
<td>143</td>
<td>143</td>
</tr>
<tr>
<td>Two-Flat</td>
<td>52</td>
<td>104</td>
</tr>
<tr>
<td>Three-Flat</td>
<td>5</td>
<td>15</td>
</tr>
<tr>
<td>Multi-Family (4 or more units)</td>
<td>7</td>
<td>36</td>
</tr>
<tr>
<td>Mixed-Use (Residential Above)</td>
<td>38</td>
<td>74</td>
</tr>
<tr>
<td>Rooming Houses</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>247</td>
<td>400</td>
</tr>
</tbody>
</table>

Number and Type of Rooms within Units

The distribution within the Project Area of the 400 residential units by number of rooms and by number of bedrooms is identified in tables within this section. The methodology to determine this information is described below.

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Methodology

In order to describe the distribution of residential units by number and type of rooms within the Project Area, Camiros, Ltd. analyzed 1990 United States Census data by Block Groups for those Block Groups encompassed by the Redevelopment Project Area. A Block Group, as defined by the U.S. Census, is a combination of census blocks (a census block is the smallest entity for which the Census Bureau collects and tabulates 100% data). The Block Group is the lowest level of geography for which the Census Bureau tabulates sample, or long-form, data. In this study, we have relied on 1990 federal census sample data because it is the best available information regarding the housing units and residents of the Redevelopment Project Area. The Block Group data available for the Project Area are based on a sampling of residential units. Based on this data, a proportional projection was made of the number of bedrooms in each unit and the distribution of units by the number of rooms within each unit. The results of this survey are outlined in Table 4, Units By Bedroom Type, and in Table 5, Units By Number of Rooms.

Table 4
UNITS BY BEDROOM TYPE

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Percentage (1990 Census)</th>
<th>Current Estimated For Project Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>1.6</td>
<td>6</td>
</tr>
<tr>
<td>1 Bedroom</td>
<td>5.3</td>
<td>20</td>
</tr>
<tr>
<td>2 Bedrooms</td>
<td>33.5</td>
<td>124</td>
</tr>
<tr>
<td>3 Bedrooms</td>
<td>42.3</td>
<td>157</td>
</tr>
<tr>
<td>4 Bedrooms</td>
<td>12.0</td>
<td>45</td>
</tr>
<tr>
<td>5+ Bedrooms</td>
<td>5.3</td>
<td>20</td>
</tr>
<tr>
<td>Rooming Houses</td>
<td>0.0</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>400</td>
</tr>
</tbody>
</table>

1 As defined by the Census Bureau, number of bedrooms includes all rooms intended for use as bedrooms even if they are currently used for some other purpose. A housing unit consisting of only one room, such as a one-room efficiency apartment, is classified, by definition, as having no bedroom.
Table 5
UNITS BY NUMBER OF ROOMS

<table>
<thead>
<tr>
<th>Number of Rooms</th>
<th>Percentage (1990 Census)</th>
<th>Current Estimated for Project Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Room</td>
<td>0.8</td>
<td>3</td>
</tr>
<tr>
<td>2 Rooms</td>
<td>1.1</td>
<td>4</td>
</tr>
<tr>
<td>3 Rooms</td>
<td>4.5</td>
<td>17</td>
</tr>
<tr>
<td>4 Rooms</td>
<td>12.5</td>
<td>46</td>
</tr>
<tr>
<td>5 Rooms</td>
<td>33.4</td>
<td>124</td>
</tr>
<tr>
<td>6 Rooms</td>
<td>27.1</td>
<td>101</td>
</tr>
<tr>
<td>7 Rooms</td>
<td>7.6</td>
<td>29</td>
</tr>
<tr>
<td>8 Rooms</td>
<td>7.8</td>
<td>29</td>
</tr>
<tr>
<td>9+ Rooms</td>
<td>5.2</td>
<td>19</td>
</tr>
<tr>
<td>Rooming Houses</td>
<td>0.0</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td><strong>400</strong></td>
</tr>
</tbody>
</table>

2 As defined by the Census Bureau, for each unit, rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or Pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

### Number of Inhabited Units

A survey of inhabited dwelling units within the Project Area was conducted by Camiros, Ltd. and completed on May 24, 2001. This survey identified 400 inhabited residential units, of which 35 (9.4%) were identified as vacant. Therefore, there are approximately 365 total inhabited units within the Project Area. As required by the Act, this information was ascertained as of May 24, 2001, which is a date not less than 45 days prior to the date that the resolution required by subsection (a) of Section 11-74.4-5 of the Act is or will be passed (the resolution setting the public hearing and Joint Review Board meeting dates).

### Race and Ethnicity of Residents

As required by the Act, the racial and ethnic composition of the residents in the inhabited residential units was determined. Population projections from Claritas Inc., a national demographic data provider, were used to compile the information on race and ethnicity of residents. These projections were based on data from the 1990 U.S. census; detailed information from the 2000 Census on the racial and ethnic composition of residents within the Project Area has not yet been released.

According to the population projections from Claritas, there are an estimated 11,302 residents living within the proposed boundaries of the 119th & Halsted Redevelopment Project Area in 2000. Table 6, Race and Ethnicity Characteristics, describes the race and ethnic composition of these residents, below.
Table 6
RACE AND ETHNICITY CHARACTERISTICS

<table>
<thead>
<tr>
<th>Race</th>
<th>Estimated Residents in 2000</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>127</td>
<td>1.1%</td>
</tr>
<tr>
<td>Black</td>
<td>11,161</td>
<td>98.8%</td>
</tr>
<tr>
<td>American Indian/Eskimo/Aleut</td>
<td>5</td>
<td>0.0%</td>
</tr>
<tr>
<td>Asian/Pacific Islander</td>
<td>9</td>
<td>0.1%</td>
</tr>
<tr>
<td>Total</td>
<td>11,302</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hispanic Origin</th>
<th>Estimated Residents in 2000</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>66</td>
<td>0.6%</td>
</tr>
<tr>
<td>Non-Hispanic</td>
<td>11,228</td>
<td>99.4%</td>
</tr>
<tr>
<td>Total</td>
<td>11,294</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: Claritas Inc.

PART II - POTENTIAL HOUSING IMPACT

Part II contains, as required by the Act, information on any acquisition, relocation program, replacement housing, and relocation assistance.

Number and Location of Units That May Be Removed

The primary objectives of the Redevelopment Plan are to redevelopment vacant land, correct obsolete land use patterns through redevelopment, and conserve existing housing units. While the Plan does not propose redevelopment of current residential use areas, some displacement of residential units may occur in the process of redeveloping obsolete commercial (mixed use) buildings and through the consolidation of vacant lots.

Currently, one portion of the Project Area has been the subject of redevelopment proposals. The City issued an RFP on February 13, 2001, for the "purchase and redevelopment of properties for new single-family housing near 119th & Halsted." The land identified by this RFP includes property on Union Avenue and Emerald Avenue between 119th and 120th Streets. However, all of the properties offered in this RFP are vacant lots, and there are no residential buildings or occupied dwelling units present on this land.

In addition to the active development project initiated by the City, there is a possibility that over the 23-year life of the Redevelopment Project Area, some inhabited residential units may be removed as a result of implementing the Plan. In order to meet the statutory requirement of defining the number and location of inhabited residential units that may be removed, a methodology was established that would provide a rough, yet reasonable, estimate. This methodology is described below.

Methodology

The methodology used to fulfill the statutory requirements of defining the number and location of inhabited residential units that may be removed involves three steps.

33 June 29, 2001
Revised January 24, 2003
1. Step one counts all inhabited residential units previously identified on any underlying acquisition maps. For this purpose, the aforementioned 119th and Halsted Redevelopment Area was reviewed. Since there are 21 inhabited residential units on current acquisition maps, the number of residential units that may be removed due to identified acquisition is 21.

2. Step two counts the number of inhabited residential units contained on parcels that are dilapidated as defined by the Act. From the survey conducted by Camiros, Ltd., a total of two buildings have been identified within the Project Area that can be classified as dilapidated and that contain occupied residential units. Each of these buildings was identified as having one occupied dwelling unit. Therefore, the number of inhabited residential units that may be removed due to demolition or rehabilitation of dilapidated buildings is two.

3. Step three counts the number of inhabited residential units that exist where the future land use indicated by the Plan will not include residential uses. After reviewing the General Land Use Plan for the Project Area, we determined that there are 46 units impacted by changes to the existing land use. Therefore, the number of inhabited residential units that may be removed due to future land use change is 46.

Figure 8, Housing Impact Study Map, identifies the 69 occupied units, which is the sum of Steps 1 - Step 3, that could potentially be removed during the 23-year life of this 119th & Halsted Redevelopment Plan and Project. In addition, the specific parcels’ PINs are listed in Table 9, Land Acquisition by Parcel Identification Number and Address, located in Appendix A.

Replacement Housing

In accordance with Section 11- 74.4-3 (n)(7) of the Act, the City shall make a good faith effort to ensure that affordable replacement housing for any qualified displaced residents whose residence is removed is located in or near the Project Area.

To promote development of affordable housing, the Plan requires that developers receiving tax increment financing assistance for market-rate housing are to set aside at least 20 percent of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means affordable rental units should be affordable to households earning no more than 80 percent of the area median income (adjusted for family size), or for sale units affordable to households earning 120% of the area median income. If, during the 23-year life of the 119th & Halsted Redevelopment Project Area, the acquisition plans change, the City shall make every effort to ensure that appropriate replacement housing will be found in either the Project Area or the surrounding Community Areas.

Currently, there are no bona fide residential development projects planned that will contain affordable units. The only prospective residential development project identified is the City-sponsored single-family in-fill project near 119th and Halsted Streets. The developer selection process has not yet been finalized and there is a possibility that some of the units may be affordable.
The location, type, and cost of a sample of possible replacement housing units located within the West Pullman, Roseland and Morgan Park Community Areas were determined through classified advertisements from the Chicago Tribune, the Chicago Sun Times, and from Internet listings Apartments.com during the last part of the month of May, 2001. It is important to note that Chicago has a rental cycle where apartments turn over at a greater rate on May 1 and October 1 of each year. These times would likely reflect a wider variety of rental rates, unit sizes and locations than those available in June. The location, type, and cost of these units is listed in Table 7, Survey of Available Housing Units, below:

Table 7
SURVEY OF AVAILABLE HOUSING UNITS

<table>
<thead>
<tr>
<th>Location</th>
<th># of Bedrooms</th>
<th>Rental Price</th>
<th>Amenities</th>
<th>Section 8 Accepted</th>
<th>Community Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 104465 S. Corliss</td>
<td>1</td>
<td>$350</td>
<td>Share kitchen &amp; bath, includes furniture</td>
<td></td>
<td>Pullman</td>
</tr>
<tr>
<td>2 95th &amp; Vanderpole</td>
<td>1</td>
<td>$430</td>
<td>Includes Heat</td>
<td></td>
<td>Beverly</td>
</tr>
<tr>
<td>3 112th King Dr.</td>
<td>1</td>
<td>$400-$485</td>
<td>Includes Heat</td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>4 111th &amp; Vernon</td>
<td>1</td>
<td>$460</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>5 108th &amp; Indiana</td>
<td>1</td>
<td>$495</td>
<td>Includes Heat</td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>6 108th &amp; S. King Dr.</td>
<td>1</td>
<td>$500</td>
<td>Includes Heat</td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>7 Nr. 115th &amp; King Dr.</td>
<td>1</td>
<td>$507-$525</td>
<td>Includes Heat</td>
<td>Yes</td>
<td>Roseland/Pullman</td>
</tr>
<tr>
<td>8 119th &amp; Longwood</td>
<td>1</td>
<td>$545</td>
<td></td>
<td></td>
<td>Morgan Park</td>
</tr>
<tr>
<td>9 87th &amp; Carpenter</td>
<td>1</td>
<td>$575</td>
<td></td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>10 Nr. 112th &amp; King Dr.</td>
<td>1</td>
<td>$595</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>11 90th Blk of Beverly</td>
<td>1</td>
<td>$600</td>
<td></td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>12 Roseland Pullman</td>
<td>1 &amp; 2</td>
<td>$350-$920</td>
<td></td>
<td></td>
<td>Roseland/Pullman</td>
</tr>
<tr>
<td>14 773-909-9257</td>
<td>1 &amp; 2</td>
<td>$565-$785</td>
<td>Includes Heat</td>
<td></td>
<td>Washington Hts./Beverly</td>
</tr>
<tr>
<td>15 Nr. 107th &amp; Michigan</td>
<td>2</td>
<td>$500</td>
<td>Includes Heat</td>
<td>Yes</td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>16 11748 S. Woodlawn</td>
<td>2</td>
<td>$575</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>17 11315 S. Langley</td>
<td>2</td>
<td>$600</td>
<td></td>
<td></td>
<td>Pullman</td>
</tr>
<tr>
<td>18 89th &amp; Ada</td>
<td>2</td>
<td>$696</td>
<td>Includes Utility</td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>19 107th &amp; Langley</td>
<td>2</td>
<td>$700</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>20 10539 S. Corliss</td>
<td>2</td>
<td>$700</td>
<td></td>
<td>Yes</td>
<td>Pullman</td>
</tr>
<tr>
<td>21 101st &amp; King Dr.</td>
<td>2</td>
<td>$725</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>22 9000 S. Laflin</td>
<td>2</td>
<td>$750</td>
<td>Includes Utilities</td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>23 89th &amp; Ada</td>
<td>2</td>
<td>$850</td>
<td>Includes Heat</td>
<td>Yes</td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>24 119th &amp; Lasalle</td>
<td>2</td>
<td>$850</td>
<td></td>
<td></td>
<td>Pullman</td>
</tr>
<tr>
<td>26 Nr. 114th &amp; Wentworth</td>
<td>3</td>
<td>$595</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
</tbody>
</table>
Table 7
SURVEY OF AVAILABLE HOUSING UNITS, cont.

<table>
<thead>
<tr>
<th>Location</th>
<th># of Bedrooms</th>
<th>Rental Price</th>
<th>Amenities</th>
<th>Section 8 Accepted</th>
<th>Community Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 111th &amp; King Dr.</td>
<td>3</td>
<td>$600</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>28 120th &amp; State</td>
<td>3</td>
<td>$650</td>
<td>Includes Heat</td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>29 111th &amp; Halsted</td>
<td>3</td>
<td>$750</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>30 115th &amp; Princeton</td>
<td>3</td>
<td>$800</td>
<td></td>
<td></td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>31 11600 S. Ada</td>
<td>3</td>
<td>$950</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>32 8901 S. Ada</td>
<td>3</td>
<td>$950</td>
<td></td>
<td>Yes</td>
<td>Washington Hgts.</td>
</tr>
<tr>
<td>33 90th &amp; Ada</td>
<td>3</td>
<td>$1000</td>
<td>Includes Garage and Yard</td>
<td>Washington Hgts.</td>
<td></td>
</tr>
<tr>
<td>34 107th &amp; Perry</td>
<td>3 and 4</td>
<td>$975</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>35 503 E. 94th St.</td>
<td>4</td>
<td>$540</td>
<td>Includes Heat</td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>36 136 E. 108th</td>
<td>4</td>
<td>$650</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
<tr>
<td>37 114th &amp; Lowe</td>
<td>4</td>
<td>$1300</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>38 536 W. 104th</td>
<td>5</td>
<td>$1400</td>
<td></td>
<td>Yes</td>
<td>Roseland</td>
</tr>
<tr>
<td>39 110th &amp; Vernon</td>
<td>5</td>
<td>$675</td>
<td></td>
<td></td>
<td>Roseland</td>
</tr>
</tbody>
</table>

Source: Chicago Tribune, Chicago Sun Times, Apartments.com & Camiros, Ltd.

To further determine the availability of replacement rental housing for those residents of rental units, which may potentially be removed, Camiros, Ltd. reviewed the Regional Rental Market Analysis Summary Report, prepared for the Metropolitan Planning Council in November 1999. This report describes vacancy rates by apartment type for three defined sub-regions within the City: North, West, and South. The Project Area is located entirely within the South region as defined within the Summary Report.

The Summary Report lists vacancy rates for each of the three defined sub-regions for units in small buildings (2 to 9 units), which are the predominant building types in the Project Area. However, the only unit types for which data are available are two and three or more bedrooms. The vacancy rates for units within small buildings within the South region were as follows:

<table>
<thead>
<tr>
<th>Type/Size</th>
<th>Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 BR</td>
<td>4.4%</td>
</tr>
<tr>
<td>3 or more BR</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

Based on information provided by real estate brokers, and apartment rental agency professionals operating within the West Pullman, Roseland and Morgan Park community areas, typical monthly rents (including heat, but not other utilities) that are affordable for the community encompassing the Project Area ranged as follows:

<table>
<thead>
<tr>
<th>Type/Size</th>
<th>Rent Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2 room Studio</td>
<td>$300-$400</td>
</tr>
<tr>
<td>3-4 room, 1 BR</td>
<td>$350-$500</td>
</tr>
<tr>
<td>4 room, 2 BR</td>
<td>$400-$650</td>
</tr>
<tr>
<td>5 room, 2 BR</td>
<td>$400-$700</td>
</tr>
<tr>
<td>6 room, 3 BR</td>
<td>$500-$700</td>
</tr>
</tbody>
</table>
Since one of the key goals of the Plan is to develop infill housing on currently vacant lots and rehabilitate existing deteriorated buildings, it is assumed that displacement, if any, caused by activities as part of the Plan, will occur concurrently with the development of new housing, both rental and for-sale. As a result, it is anticipated that there will be no net loss of units within the Project Area. Furthermore, there is a likelihood that any displacement of the 69 potential units would occur incrementally over the 23-year life of the Project Area as individual development projects occur. Therefore, it is not anticipated that there would be a need to relocate more than a few households, if any, in any given year during the full life of the Project Area.

Relocation Assistance

While the removal or displacement of housing units is not a goal of the Plan, it is possible that a small number of units may be removed in the process of implementing the Plan. If the removal or displacement of low-income or very low-income residential housing units is required, such residents will be provided with relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. The City shall make a good faith effort to ensure that affordable replacement housing for the aforementioned households is located in or near the Project Area.

As used in the above paragraph, "low-income households," "very low-income households," and "affordable housing" have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, I 310 ILCS 65/3. As of the date of this study, these statutory terms have the following meaning:

a. "low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50% but less than 80% of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development ("HUD") for purposes of Section 8 of the United States Housing Act of 1937;

b. "very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 50% of the median income of the area of residence, adjusted for family size, as so determined by HUD; and

c. "very, very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 30% of the median income of the area of residence, adjusted for family size, as so determined by HUD; and

d. "affordable housing" means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than

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June 29, 2001
Revised January 24, 2003
telephone, of no more than 30% of the maximum allowable income for such households, as applicable.

In order to estimate the number of moderate, low-, very low-, and very, very low-incomes households in the Project Area, Camiros, Ltd. used data available from Claritas Inc., a national demographic data provider. This information is summarized on Table 8, Household Income, which provides estimates of the number of households within the Project Area at various income levels. Claritas estimates that of all households residing within the Block Group areas encompassed by the Project Area, 20.8% may be classified as very, very low-income, 13.4% may be classified as very low-income, 20.8% may be classified as low-income, and 18.9% may be classified as moderate-income households. The remaining 26.2% of households may be classified as above moderate-income. These percentages are based on an average household size of four (4) persons, which is rounded up from the average household size of 3.801 persons within the Project Area projected by Claritas. Applying these percentages to the 365 occupied housing units (equivalent to households) identified during the survey completed by Camiros, Ltd. reveals the following:

Table 8
HOUSEHOLD INCOME

<table>
<thead>
<tr>
<th>Income Category</th>
<th>Percentage of Households</th>
<th>Number of Households</th>
<th>Annual Income Range (Average Household of 4 Persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very, Very Low-Income</td>
<td>20.8%</td>
<td>76</td>
<td>$0-$21,150</td>
</tr>
<tr>
<td>Very Low-Income</td>
<td>13.4%</td>
<td>49</td>
<td>$21,151-$35,250</td>
</tr>
<tr>
<td>Low-Income</td>
<td>20.8%</td>
<td>76</td>
<td>$35,251-$52,500</td>
</tr>
<tr>
<td>Moderate-Income</td>
<td>18.9%</td>
<td>69</td>
<td>$52,501-$84,600</td>
</tr>
<tr>
<td>Above Moderate-Income</td>
<td>26.2%</td>
<td>95</td>
<td>$84,600-higher</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>365</td>
<td></td>
</tr>
</tbody>
</table>

Source: Claritas, Inc. and Camiros, Ltd.

As described above, the estimates of the total moderate-, low-, very low-, or very, very low-income households within the Project Area collectively represent 73.8% of the total inhabited units and those households below moderate-income collectively represent 55.0% of the total inhabited units. Therefore, replacement housing for any displaced households over the course of the 23-year life of the 119th & Halsted Redevelopment Plan and Project should be affordable at these income levels. It should be noted that these income levels are likely to change over the 23-year life of the Project Area as both median income changes and income levels within the Project Area change.
10. PROVISIONS FOR AMENDING THE PLAN

The Plan may be amended pursuant to the provisions of the Act.
11. CITY OF CHICAGO COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

The City is committed to and will affirmatively implement the following principles in redevelopment agreements with respect to the Plan. The City may implement various neighborhood grant programs imposing these or different requirements.

1. The assurance of equal opportunity in all personnel and employment actions, 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.

2. Developers will meet City of Chicago standards for participation of Minority Business Enterprises and Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.

3. This commitment to affirmative action will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

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

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

119TH AND HALSTED
REDEVELOPMENT PROJECT AREA

FIGURES 1-7
FIGURE 2
REDEVELOPMENT AREA DESIGNATIONS

119TH & HALSTED REDEVELOPMENT PROJECT AREA

JUNE, 2001
N. T. S.
CAMIROS

LEGEND
- STUDY AREA BOUNDARY
- 119TH/HALSTED REDEVELOPMENT AREA
- WEST PULLMAN INDUSTRIAL PARK CONSERVATION AREA
FIGURE 3
EXISTING LAND USE
119TH & HALSTED REDEVELOPMENT PROJECT AREA

LEGEND
- RESIDENTIAL
- MIXED USE
- COMMERCIAL/RESIDENTIAL
- INSTITUTIONAL/RESIDENTIAL
- COMMERCIAL
- PUBLIC/INSTITUTIONAL
- INDUSTRIAL
- VACANT BUILDING
- VACANT LOT
FIGURE 3
EXISTING LAND USE

119TH & HALSTED REDEVELOPMENT PROJECT AREA
FIGURE 3
EXISTING LAND USE
119TH & HALSTED REDEVELOPMENT PROJECT AREA
JUNE, 2001
FIGURE 4
EXISTING ZONING
119TH & HALSTED REDEVELOPMENT PROJECT AREA

LEGEND
ZONING DISTRICT
BOUNDARY

M 1-1: Restricted Manufacturing Districts

M 1-1

BUS PLN #131

MATCH LINE

S. HALSTED ST.

S. ROGERS ST.

S. MORGAN ST.

S. CONOVER ST.

S. LEAVENSTON AV.

S. SUMMIT ST.

S. CANFIELD ST.

S. PERRIN ST.

S. NORTHERN ST.

S. HALSTED ST.

W. 112TH ST.

W. 113TH ST.

W. 114TH ST.

W. 115TH ST.

W. 116TH ST.

W. 117TH ST.

W. 118TH ST.

MATCH LINE

NORTH
FIGURE 6
GENERAL LAND USE PLAN
119TH & HALSTED REDEVELOPMENT PROJECT AREA
LEGEND
- RESIDENTIAL
- COMMERCIAL/MIXED USE
- PUBLIC/INSTITUTIONAL
- PARK/OPEN SPACE

FIGURE 6
GENERAL LAND USE PLAN
119TH & HALSTED REDEVELOPMENT PROJECT AREA
JUNE, 2001
LEGEND

- PROPERTIES TO BE ACQUIRED

NOTE: THIS MAP REFLECTS THE ACQUISITION POLICY OF THE PREVIOUSLY ESTABLISHED 119TH & HALSTED REDEVELOPMENT AREA DESIGNATION

FIGURE 7
ACQUISITION MAP
119TH & HALSTED REDEVELOPMENT AREA
FIGURE 7
ACQUISITION MAP

119TH & HALSTED REDEVELOPMENT AREA

LEGEND

- PROPERTIES TO BE ACQUIRED

NOTE: THIS MAP REFLECTS THE ACQUISITION POLICY OF THE PREVIOUSLY ESTABLISHED 119TH & HALSTED REDEVELOPMENT AREA DESIGNATION.
FIGURE 7
ACQUISITION MAP
119TH & HALSTED REDEVELOPMENT AREA

NOTE: THIS MAP REFLECTS THE ACQUISITION POLICY OF THE PREVIOUSLY ESTABLISHED 119TH & HALSTED REDEVELOPMENT AREA DESIGNATION

JUNE, 2001
FIGURE 8
LOCATION OF OCCUPIED RESIDENTIAL PROPERTIES
THAT MAY BE REMOVED

119TH & HALSTED REDEVELOPMENT PROJECT AREA

LEGEND

LOCATION OF OCCUPIED RESIDENTIAL PROPERTIES THAT MAY BE REMOVED