

**43rd AND DAMEN
TAX INCREMENT REDEVELOPMENT PROJECT**

PLAN AND PROJECT

**Prepared for:
The City of Chicago**

**By:
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April, 1994

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

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43RD AND DAMEN
TAX INCREMENT REDEVELOPMENT
PLAN AND PROJECT

**1.
INTRODUCTION**

This document presents the recommended Tax Increment Redevelopment Plan and Project for the 43rd and Damen industrial area located in the Stockyards Industrial Corridor on Chicago's south side. The plan and project respond to problem conditions including the presence of numerous blighting factors, and a lack of private investment within the study area, and reflect the commitment by the City of Chicago to improve and revitalize the Redevelopment Project Area. Private development and investment in the area cannot be reasonably expected to occur without the leadership and assistance of the City including the adoption of this Redevelopment Plan and Project, and the use of tax increment financing.

Tax Increment Financing

In adopting the Tax Increment Allocation Redevelopment Act, the Illinois State Legislature found that

"...there exist in many municipalities within this State blighted, conservation and industrial park conservation areas; that the conservation areas are rapidly deteriorating and declining and may soon become blighted areas if their decline is not checked...It is hereby found and declared 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 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 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 conservation area", and thereby enhance the tax bases of the taxing districts which extend into 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 legislation requires that each redevelopment plan set forth in writing the program which will be undertaken to accomplish the municipality's redevelopment objectives. The Act also states that

"No redevelopment plan shall be adopted unless... (1) The municipality finds that 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 be anticipated to be developed without the adoption of the redevelopment plan, (2) The municipality finds that 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. Those dates shall not be more than 23 years from the adoption of the ordinance approving the redevelopment project area, if the ordinance was adopted on or after January 15, 1981, and not more than 35 years if the ordinance was adopted before January 15, 1981 or if the municipality is subject to the Local Government Financial Planning and Supervision Act...., (4) The municipality finds, 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 8(a)(1) or 8(a)(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."

Pursuant to the provisions contained in the Act, the City of Chicago has authorized an evaluation of whether a portion of the 43rd and Damen industrial area qualifies for designation as a "blighted area" and, if the area so qualifies, the preparation of a redevelopment plan for the redevelopment project area in accordance with the requirements of the Act.

The 43rd and Damen Redevelopment Project Area

The 43rd and Damen Redevelopment Project Area is located within the Stockyards Industrial Corridor on Chicago's south side. The Redevelopment Project Area is generally bounded by the east line of the east 1/2 of the NW 1/4 of Section 6-38-14, then east along the south right-of-way line of 43rd Street to a point approximately 130 feet west of the west right-of-way line of Wolcott Avenue, then generally southwest along the Chicago River and Industrial Railroad Company right-of-way to the east right-of-way line of Damen Avenue, then west to the west right-of-way line of Damen Avenue, then north approximately 110 feet, then southwest along the southeastern property line of tax parcel 20-06-301-014, then generally north along the western property line of said parcel, continuing north along the western property line of tax parcel 20-06-301-010 to a point approximately 250 feet south of the south right-of-way line of 43rd Street then west approximately 100 feet, then north approximately 250 feet to the south right-of-way line of 43rd Street, then west approximately 1,060 feet, then north to the north right-of-way line of 43rd Street, then east to the west line of the east 1/2 of the NW 1/4 of Section 6-38-14, then north a distance of approximately 625 feet, then east a distance of approximately 660 feet, then north a distance of approximately 28 feet, then east a distance of approximately 655 feet to the east line of the east 1/2 of the NW 1/4 of Section 6-38-14 then south to the point of beginning. The 43rd and Damen Redevelopment Project Area is approximately 35.96 acres in size and is bordered on the east by the Stockyards Tax Increment Financing District which was established in 1989.

The 43rd and Damen Redevelopment Project Area has not been subject to growth and development by private enterprise. An analysis of conditions within the redevelopment project area indicates that it is appropriate for designation as a redevelopment project in accordance with the State of Illinois tax increment financing legislation.

The analysis disclosed that the area was originally developed without the benefit or guidance of overall community planning, and that the area does not meet basic standards and guidelines for contemporary development. As a result of these and other factors, the area is characterized by conditions that warrant the designation of the entire area as a "blighted area" under the definitions set forth in the Tax Increment Allocation Redevelopment Act of the State of Illinois (hereinafter referred to as the "Act").

The 43rd and Damen Redevelopment Plan and Project have been formulated in accordance with the provisions of the Act. This document is a guide to all proposed public and private actions in the Redevelopment Project Area.

2. REDEVELOPMENT PROJECT AREA DESCRIPTION

The 43rd and Damen Redevelopment Project Area is generally bounded by the east line of the east 1/2 of the NW 1/4 of Section 6-38-14, then east along the south right-of-way line of 43rd Street to a point approximately 130 feet west of the west right-of-way line of Wolcott Avenue, then generally southwest along the Chicago River and Industrial Railroad Company right-of-way to the east right-of-way line of Damen Avenue, then west to the west right-of-way line of Damen Avenue, then north approximately 110 feet, then southwest along the southeastern property line of tax parcel 20-06-301-014, then generally north along the western property line of said parcel, continuing north along the western property line of tax parcel 20-06-301-010 to a point approximately 250 feet south of the south right-of-way line of 43rd Street then west approximately 100 feet, then north approximately 250 feet to the south right-of-way line of 43rd Street, then west approximately 1,060 feet, then north to the north right-of-way line of 43rd Street, then east to the west line of the east 1/2 of the NW 1/4 of Section 6-38-14, then north a distance of approximately 625 feet, then east a distance of approximately 660 feet, then north a distance of approximately 28 feet, then east a distance of approximately 655 feet to the east line of the east 1/2 of the NW 1/4 of Section 6-38-14 then south to the point of beginning. The boundaries of the Redevelopment Project Area are shown in Figure 1. The Redevelopment Project Area is approximately 35.96 acres in size.

A legal description of the Redevelopment Project Area is included as Appendix A of this document. The proposed redevelopment project area includes only contiguous parcels, qualifies for designation as a "blighted area" and is not less than 1-1/2 acres in aggregate as required by the Act. The proposed Redevelopment Project Area includes only that area which is anticipated to be substantially benefited by the proposed redevelopment project improvements.

The 43rd and Damen Redevelopment Project Area is located in the Stockyards Industrial Corridor. The Redevelopment Project Area presently consists of 24 parcels of vacant and improved industrial property under multiple ownerships. Five tax parcels in the study area are railroad property. A review of City zoning and base maps indicates that this area once contained many rail spurs which no longer exist.

The predominant land use in the Redevelopment Project Area is warehouse and distribution. Other industrial uses surround the redevelopment project area. The present land use distribution is shown in Figure 2.

The Redevelopment Project Area is presently zoned as a M2-3 General Manufacturing District east of Damen and as a M3-5 Heavy Manufacturing District west of Damen (Figure 3).

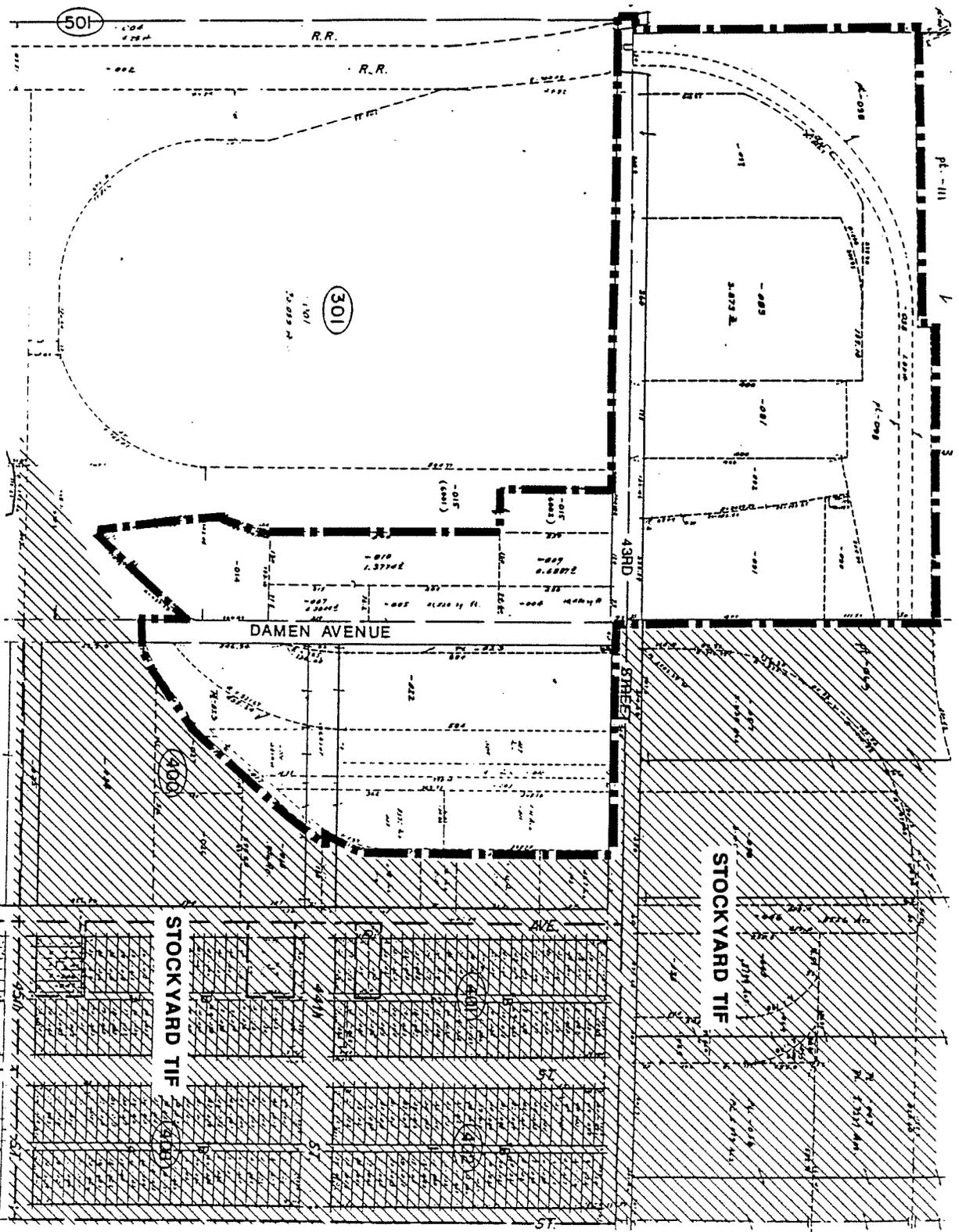
The Dry Storage Corporation is the largest property owner in the Redevelopment Project Area. Dry Storage holdings include approximately 620,000 square feet of warehouse space divided among six buildings on slightly less than 18 acres of land.

Truck access to the Redevelopment Project Area is provided via 43rd Street. Damen Avenue is elevated through the Redevelopment Project area and does not provide direct truck access. Pedestrian access is provided by two stairways from Damen Avenue to 43rd Street below. 43rd Street is paved, however, other public and private rights-of-way serving the study area exist as unimproved dirt and gravel roadways.

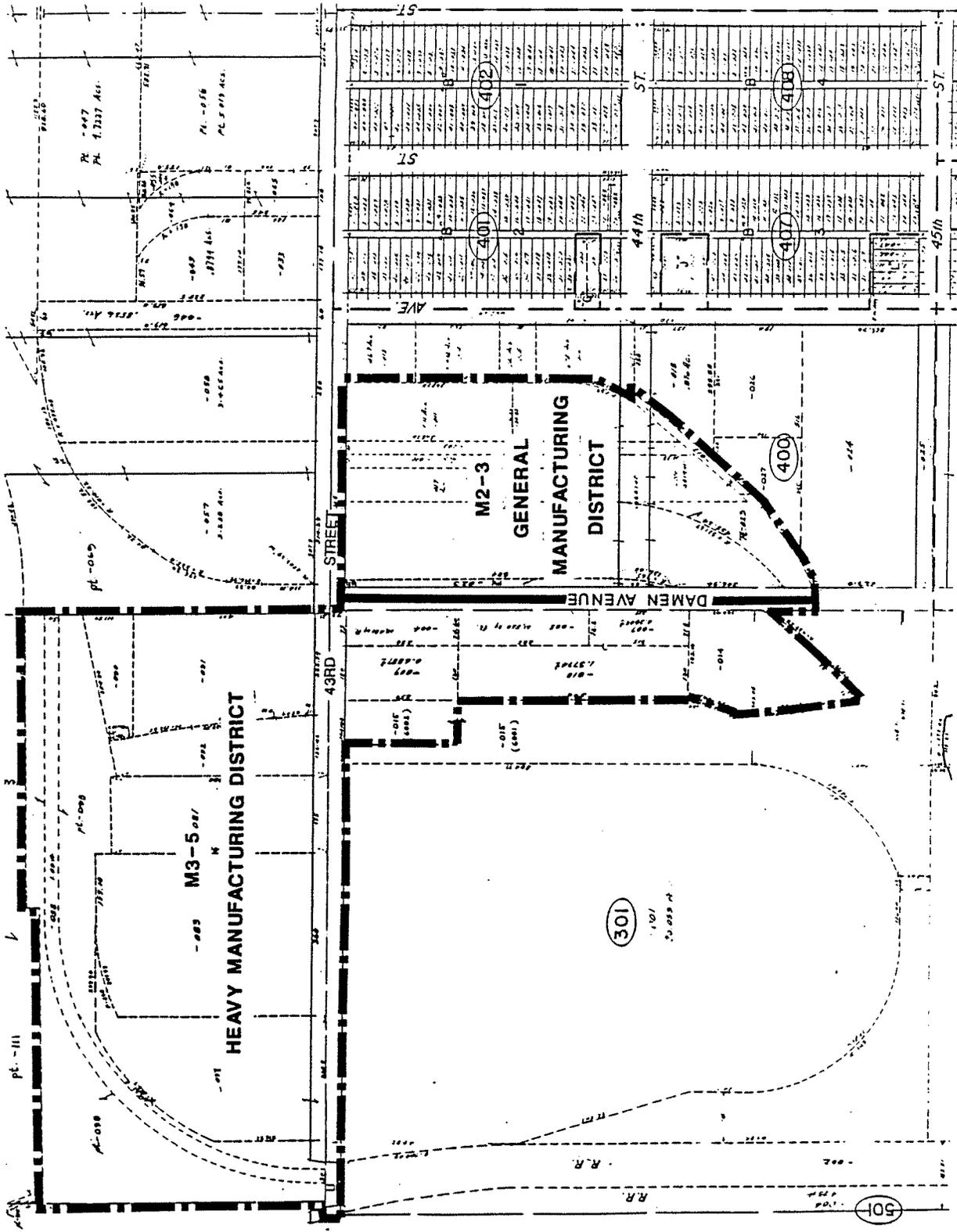
The area was developed in two major waves. The earliest buildings were built in the early 1900's and include two large multi-story warehouses and two smaller industrial buildings. These buildings are located in the southeast quadrant of the study area and were designed to take advantage of the numerous rail spurs that served the area. The remaining buildings in the study area were built between 1962 and 1974. It was during this period that the area assumed its current identity as a strong warehouse and distribution district.

43rd & Damen
 Redevelopment Project Area

Figure 1



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Figure 3
Existing Zoning

3. ELIGIBILITY OF THE PROJECT AREA FOR DESIGNATION AS A BLIGHTED AREA

The 43rd and Damen Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. Based on the conditions present, the area is not likely to be developed without the adoption of the redevelopment plan.

In February, 1994 a study was undertaken to establish whether the proposed redevelopment project area is eligible for designation as a blighted area in accordance with the requirements of the "Real Property Tax Increment Allocation Development Act." This analysis concluded that the area qualifies as a blighted area.

Of the 14 factors cited in the Act, 8 factors are present within the 43rd and Damen Redevelopment Project Area. Five are required in order for the area to be designated as blighted. The following blighting factors were found to be present within the Redevelopment Project Area:

- Age
- Deleterious land use or layout
- Depreciation of physical maintenance
- Deterioration
- Excessive land coverage
- Inadequate Utilities
- Lack of community planning
- Obsolescence

Several unused railroad parcels were also found to be present in the study area.

The specific basis upon which eligibility for designation as a blighted area was established, is presented in the 43rd and Damen Tax Increment Redevelopment Project Eligibility Report.

4.
COMMUNITY PLANNING OBJECTIVES/REDEVELOPMENT PLAN GOALS AND OBJECTIVES

The proposed 43rd and Damen Redevelopment Plan and Project are consistent with the City of Chicago's industrial development policies articulated in the City's CORRIDORS OF INDUSTRIAL OPPORTUNITY: A Plan for Industry in Chicago's West Side and companion documents prepared for Chicago's North and South Sides. As stated in these industrial policy documents:

" The creation and preservation of jobs for Chicago residents is a major economic development goal of the city...In support of its job creation goal, the City's industrial land use policy seeks to provide opportunities for synergy between related industrial activities, to minimize the conflicts between industrial and other land uses, and to maximize the benefits of public investment in capital programming and related industrial investment."

The adopted industrial land use policy is supported by a nine point implementation strategy:

1. Adopt an industrial land use plan which designates viable and well defined industrial corridors.
2. Maintain the industrial integrity of the corridor by requiring that proposals for non-industrial development and proposals for rezoning to non-industrial districts be approved as planned developments.
3. Continue the selective use of the Planned Manufacturing District mechanism as a tool for assuring stability of land use in the City's industrial areas.
4. Amend the provisions of the Chicago Zoning Ordinance applicable to the manufacturing zoning districts for a classification of uses and associated development standards which are congruent with the needs of modern industrial development.
5. Rezone the non-industrial zoned properties within the corridor and, as necessary, existing industrially zoned properties consistent with the appropriate modified M-zoning category.
6. Give priority consideration to the operational needs of existing industrial uses when reviewing the rezoning of industrial property outside of industrial corridors.
7. Establish an interdepartmental program to identify and regularly update the infrastructure needs of industry throughout the City.
8. Feature the industrial park opportunities identified in the land use plan in citywide programs to attract, expand and retain industry. Identify land in industrial corridors for industrial park development and create programs to assist the private sector in the development of these sites.
9. Identify Rail Access Development Areas and foster a closer relationship between the railroads and the City to enhance the development and marketing of rail properties and services.

The 43rd and Damen Redevelopment Plan and Project will enhance the City's ability to achieve its goals. The Proposed Redevelopment Plan and Project is consistent with adopted industrial development policies because it maintains the industrial integrity of the corridor and will facilitate industrial expansion elsewhere in the City.

Redevelopment Plan Goals and Objectives

The overall goal of the 43rd and Damen Redevelopment Plan is to stimulate private industrial investment in the area in order to enhance property values and attract and retain industrial users who will provide jobs and enhance Chicago's industrial property tax base. The City's goals and objectives of encouraging development and private investment will be realized by:

- Achieving significant new industrial growth in a declining area.
- Undertaking necessary site development to meet the needs of identified new industrial users.
- Implementing a plan that addresses the redevelopment costs of land acquisition, site improvements, and other activities that may be necessary to encourage industrial growth of the Redevelopment Project Area.
- Improving public facilities that may include, but are not limited to, roadway improvements.
- Entering into redevelopment agreements and by exercising other powers set forth in the Act as the City of Chicago deems necessary in order to implement the 43rd and Damen Redevelopment Plan and Project.

5.
REDEVELOPMENT PLAN

The City proposes to achieve its redevelopment goals and objectives for the Redevelopment Project Area through the use of public financing techniques, including tax increment financing, and by undertaking some or all of the following actions:

1. Assembling sites for redevelopment through appropriate land assembly techniques. The City may determine that it is necessary to participate in property acquisition or may use other means to induce transfer of such property to a private developer. Land acquisition activities are intended to facilitate private investment and upgrading of existing buildings within the Redevelopment Project Area.
2. Providing public improvements and facilities which may include, but are not limited to surface right-of-way improvements.
3. Entering into redevelopment agreements for the rehabilitation or construction of private improvements in accordance with the Redevelopment Plan.

6.
REDEVELOPMENT PROJECT DESCRIPTION

The 43rd and Damen Redevelopment Project is intended to facilitate the expansion of the Farley Foods, USA warehouse facilities within the City of Chicago. This expansion will allow Farley to increase production at its Chicago plant, and thus employment. The project involves the acquisition and improvement of several large warehouse facilities within the Redevelopment Project Area.

In order to carry out the public improvements needed to stimulate private investment in the redevelopment project area and industrial expansion in other areas of Chicago, some or all of the following activities and actions may be undertaken.

Development Strategies/Redevelopment Activities

Site Assembly

To achieve the renewal of the 43rd and Damen Redevelopment Project Area, property identified in Figure 1, may be acquired by purchase or long term lease and either sold or leased for private redevelopment or sold, leased or dedicated for construction of public improvements. The City may determine that to meet the objectives of this Redevelopment Plan, properties scheduled for acquisition in the plan may be exempted from acquisition without amendment of this Redevelopment Plan.

Provision of Public Improvements and Facilities

Adequate public improvements and facilities may be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to roadway improvements such as viaduct pavement replacement. In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

Redevelopment Agreements

Terms of conveyance for land acquired as part of this redevelopment project shall be incorporated in appropriate disposition agreements. Such agreements may contain more specific controls than those stated in this Redevelopment Plan.

7.
GENERAL LAND USE PLAN AND MAP

This Redevelopment Plan and the proposed Redevelopment Project conform to the City of Chicago's adopted industrial land use policy.

The General Land Use Plan, Figure 4, identifies land uses expected to result from implementation of this plan. The major land use category included within the Redevelopment Project Area is industrial warehouse and distribution. The land use plan is intended to provide a guide for future land use improvements and developments within the Project Area.

The proposed 43rd and Damen Redevelopment Project envisions the consolidation and resubdivision of the property within the redevelopment project area as needed to facilitate industrial use of the site.

It is anticipated that City expenditures for redevelopment project costs will be carefully staged in a reasonable and proportional basis to coincide with expenditures for redevelopment by private developers.

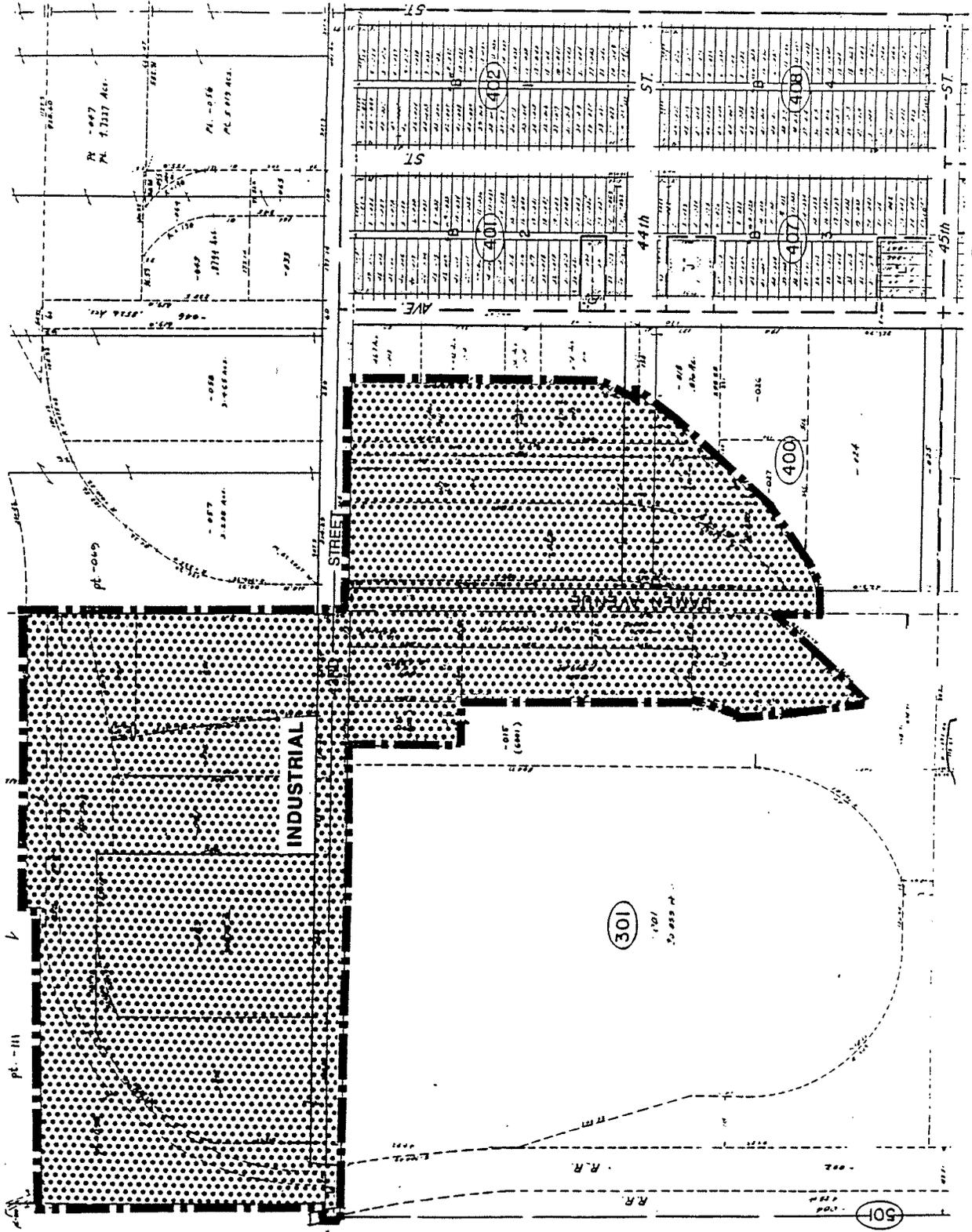


Figure 2
Existing Land Use



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8. DESIGN CONTROLS AND CRITERIA

It is the intent of this redevelopment plan that the project area be used as a conveniently located warehouse and distribution district. The following design and development objectives should be used to guide new development and improvements within the Redevelopment Project Area, and apply equally to all areas included in the land use plan. These design objectives are consistent with the recommendations contained in the City of Chicago's CORRIDORS OF INDUSTRIAL OPPORTUNITY: A Plan for Industry on Chicago's West Side.

- Provide an adequate supply of appropriately located employee parking within the Redevelopment Project Area.
- Facilitate the provision of off-street loading facilities that meet the needs of modern industrial users.
- Ensure that new development complies with the Zoning Ordinance regulations within the Redevelopment Project Area.
- Undertake roadway and traffic improvements as needed so that the property functions as a modern, well-integrated industrial area for industrial users who rely on modern distribution techniques.

9.

REDEVELOPMENT PLAN AND PROJECT FINANCING

Tax increment financing can only be used when desired private investment would not reasonably be expected to occur without public assistance. The enabling legislation allowing the use of tax increment financing in Illinois sets forth the range of public assistance that may be provided.

Eligible Project Costs

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

1. Costs of studies and surveys, development plans and specifications, implementation and administration of the redevelopment including but not limited to staff and professional service costs including but not limited to architectural, engineering, legal, marketing, financial, planning or other special services;
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
7. All or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the Redevelopment Plan and Project, to the extent the municipality, by written agreement, accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or that the City is required to make payment of relocation costs by State or Federal law;
9. Payment in lieu of taxes;
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts as provided in the Act;

11. Interest costs incurred by a developer related to the construction, renovation or rehabilitation as provided in the Act.

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 will be required to implement this tax increment financing project. The proposed eligible activities and their costs are briefly described below and shown in Table 1.

Acquisition of property for sale or lease for private redevelopment including appropriate relocation costs.

Estimated cost: \$3,000,000

Construction of public improvements and facilities which may include, but are not limited to viaduct pavement replacement or other roadway improvements. These improvements are intended to improve access to the Redevelopment Project Area and stimulate private investment.

Estimated cost: \$40,000

Planning, legal, surveys, 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, financial and special service costs.

Estimated cost: \$60,000

Contingencies pursuant to provisions of the Act

Estimated cost: \$100,000

The estimated gross eligible project cost is \$3,200,000. The total project cost including public and private components is estimated at \$11,000,000.

All project cost estimates are in 1994 dollars. Any bonds issued to finance portions of the 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. Adjustments to estimated line items are expected and may be made without amendment to the Redevelopment Plan as long as the total project expenditures remain unchanged.

Table 1
ELIGIBLE REDEVELOPMENT PROJECT COSTS

Land Assembly	\$3,000,000
Public Improvements and Facilities	40,000
Planning, Legal, Surveys and Related Development Costs	60,000
Contingencies	100,000
TOTAL	\$3,200,000

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 revenue source tax increment revenue.

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 Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate.

The City may issue general obligation bonds secured by the full faith and credit of the City for the purpose of financing redevelopment project costs. Such bonds may be payable from ad valorem taxes levied against all taxable property in the City of Chicago.

Development of the 43rd and Damen Redevelopment 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 and not the full range of development costs associated with the proposed Redevelopment Project. The majority of development costs will be privately financed. 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 of Chicago may issue obligations secured by the tax increment special tax allocation fund established for the project area pursuant to the Act or such other funds or security as are available to the City by virtue of its powers pursuant to the Illinois State Constitution.

All tax increment financing obligations issued by the City of Chicago in order to implement this Redevelopment Plan and Project shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Redevelopment Project Area. The final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. We anticipate that the amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Redevelopment Plan and Act shall not exceed the amounts projected to be available from the tax increment revenues and from such bond sinking funds or other sources of funds as may be provided by ordinance.

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 Redevelopment Project Area in the manner provided by the Act.

Most Recent Equalized Assessed Valuation

As of the 1992 tax year, the total equalized assessed valuation for the Redevelopment Project Area is \$5,450,274. The equalized assessed valuation for each of the parcels contained within the 43rd and Damen Redevelopment Project Area is presented in Table 2.

The initial equalized assessed valuation is subject to final determination and verification by the Cook County Assessor. After verification, the correct figure shall be certified by the County Clerk of Cook County, Illinois.

Table 2
INITIAL EQUALIZED ASSESSED VALUE OF REDEVELOPMENT PROJECT AREA

<u>Parcel</u>	<u>1992 Equalized Assessed Value</u>
20-06-100-038	Railroad
20-06-100-081	\$753,715
20-06-100-083	1,126,923
20-06-100-090	29,766
20-06-100-091	263,628
20-06-100-092	32,825
20-06-100-097	918,057
20-06-100-098	Railroad
20-06-301-004	33,272
20-06-301-005	114,846
20-06-301-007	98,391
20-06-301-009	338,011
20-06-301-010	577,869
20-06-301-014	75,869
20-06-301-015-6002	36,827
20-06-400-003	35,326
20-06-400-005	129,436
20-06-400-006	68,831
20-06-400-009	315,854
20-06-400-010	24,209
20-06-400-011	280,114
20-06-400-017	Railroad
20-06-400-022	196,505
20-06-400-023	Railroad
Total	\$5,450,274

Anticipated Equalized Assessed Valuation

Once the project has been completed and the property is fully assessed, the equalized assessed valuation of real property within the Redevelopment Project Area is estimated at \$7,978,654. This estimate has been calculated assuming that the Redevelopment Project Area will be developed in accordance with the general land use plan described in Chapter 7 of this document.

The estimated equalized assessed valuation assumes that the assessed value of property within the study area will increase substantially as a result of planned acquisition and improvements involving several large warehouse buildings within the Redevelopment Project Area.

Calculation of the projected equalized assessed valuation is based on several other key assumptions, including: 1) redevelopment of the 43rd and Damen Redevelopment Area will occur in a timely manner; and 2) the application of a State Multiplier of 1.9953 to the projected assessed value of property within the study area. The projected State Multiplier was calculated by averaging the State Multipliers for Cook County for the most recent five year period (1988 through 1992).

Financial Impact on Taxing Districts

Because the proposed Redevelopment Plan and Project involves acquisition and improvement of existing buildings, and not new construction, the financial impact of the redevelopment project is expected to be negligible. No increased demands for services from any taxing district affected by the Redevelopment Plan and Project are anticipated.

Although no short-term financial or service demand impacts are expected to result from adoption of this Redevelopment Plan and Project, it is hoped that additional private investment will be attracted to the area over the life of the Redevelopment Project. Since the specific nature of such investments cannot be determined at this time, the financial impacts on the various taxing jurisdictions or increased service demands resulting from such new development cannot be quantified. However, because of current zoning, the existing land use pattern, and the City's adopted industrial land use policy, any new development is likely to be industrial in nature. As a result, increased service demands are likely to be limited to utilities either provided by the City of Chicago or the Metropolitan Water Reclamation District of Greater Chicago. The City will monitor and assess the financial impact or increased service demands on affected taxing jurisdictions and develop specific plans to address any such impacts that may occur over the life of the Redevelopment Project.

Real estate tax revenues resulting from increases in the equalized assessed value over and above the certified initial equalized assessed value established with the adoption of this Redevelopment Plan and Project will be used to pay eligible redevelopment costs in the area. At the end of such period, the real estate tax revenues attributable to the increase in the equalized assessed value over the certified initial equalized assessed value will be distributed to all taxing districts levying property taxes against property located in the Redevelopment Project Area. Successful implementation of this Redevelopment Plan and Project 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 area.

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

This Redevelopment Project will be completed on or before a date twenty-three (23) years from the adoption of the ordinance designating the Redevelopment Project Area. The City of Chicago expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act.

10.

PROVISIONS FOR AMENDING THE PLAN

This 43rd and Damen Tax Increment Redevelopment Project and Plan may be amended pursuant to the provisions of the Tax Increment Allocation Redevelopment Act.

11.

CITY OF CHICAGO COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

As part of any Redevelopment Agreement entered into by the City and the private developer, both will agree to establish and implement an affirmative action program that serves appropriate sectors of the City of Chicago.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including hiring, upgrading and promotions, termination's, compensation, benefit programs and educational opportunities.

Anyone involved with employment or contracting activities for this Redevelopment Project will be responsible for conformance with this policy and the compliance requirements of applicable state and federal regulations.

The City and the private developers involved in the implementation of this Redevelopment Project will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level for the Project being undertaken in the Redevelopment Project Area. Any public/private partnership established for the development project in the Redevelopment Project Area will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals. The partnership will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner.

Underlying this policy is the recognition that successful affirmative action programs are important to the continued growth and vitality of the City of Chicago.

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**APPENDIX A
LEGAL DESCRIPTION OF THE 43RD AND DAMEN REDEVELOPMENT
PROJECT AREA**

That part of Section 6, Township 38 north, Range 14, east of the third principal meridian, described as follows: beginning at a point on the east line of the northwest 1/4 of said Section 6, said point being the northeasterly corner of the parcel of land identified by permanent index number 20-06-100-098 on the Official Cook County Tax Map; thence southerly along said east line of the northwest 1/4 and along the east line of the southwest 1/4 of said Section 6 to the south line of west 43rd Street; thence easterly along said south line of west 43rd Street to the westerly line of the stockyards industrial-commercial redevelopment project area pursuant to the ordinance passed by the City Council of the City of Chicago on March 8, 1989, said point being 130 feet, more or less, west of the west line of south Wolcott Avenue; thence southerly and southwesterly along the westerly line of said stockyards industrial-commercial redevelopment project area, being also the track right-of-way line, to an intersection with the center line of vacated west 44th Street, said point being 176.27 feet west of the west line of south Wolcott Avenue; thence easterly along said center line of vacated west 44th Street, 26.27 feet to the westerly line of said stockyards industrial-commercial redevelopment project area; thence southwesterly along the westerly line of said stockyards industrial-commercial redevelopment project area, being also the track right-of-way line, to the east line of south Damen Avenue; thence due west to the east line of the southwest 1/4 of said Section 6, thence northerly along the east line of said southwest 1/4 to the southeasterly line of the parcel of land identified by permanent index number 20-06-301-014 on the Official Cook County Tax Map, thence southwesterly along the southeasterly line of the parcel of land identified by permanent index number 20-06-301-014, being also the track right-of-way line, to the most southerly corner of said parcel of land; thence northerly along the westerly line of said parcel of land identified by permanent index number 20-06-301-014, being also the track right-of-way line, to the south line of the parcel of land identified by permanent index number 20-06-301-010 on the Official Cook County Tax map; thence westerly along said last described south line to the west line of said parcel of land identified by permanent index number 20-06-301-010; thence northerly along said last described west line, being also the track right-of-way line, to the northwest corner of said parcel of land identified by permanent index number 20-06-301-010; thence westerly parallel with the south line of west 43rd Street, 100 feet; thence northerly parallel with the west line of the parcel of land identified by permanent index number 20-06-301-009 on the Official Cook County Tax Map, 250 feet to the south line of west 43rd Street; thence westerly along said south line of west 43rd Street to a point 120 feet west of the intersection of said south line of west 43rd Street with the easterly right-of-way line of the Chicago River and Industrial Railroad Company mainline; thence due north to the north line of west 43rd Street; thence easterly along said north line of west 43rd Street to the west line of the east 1/2 of the northwest 1/4 of said Section 6, thence northerly along said last described west line to the northwesterly corner of the parcel of land identified by permanent index number 20-06-100-098 on the Official Cook County Tax Map; thence easterly along the north line of said parcel of land identified by permanent index number 20-06-100-098, 660 feet, more or less, to an angle point in said line; thence northerly along the line of said parcel of land identified by permanent index number 20-06-100-098, 28 feet, more or less, to an angle point in said line; thence easterly along the north line of said parcel of land identified by permanent index number 20-06-100-098, 655 feet, more or less, to the point of beginning, all in the City of Chicago, Cook County, Illinois.