CITY OF CHICAGO

NORTH/CICERO

TAX INCREMENT FINANCE PROGRAM

REDEVELOPMENT PLAN AND PROJECT

CITY OF CHICAGO
RICHARD M. DALEY
MAYOR

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Prepared by
LOUIK/SCHNEIDER & ASSOCIATES, INC.
# Redevelopment Plan and Project for North/Cicero Redevelopment Project Area

## Tax Increment Financing Program

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I. INTRODUCTION

The North/Cicero Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area") is located on the west/northwest side of the City of Chicago, Illinois (the "City") approximately five (5) miles west/northwest of the City's Central Business District. The Redevelopment Project Area contains 46.81 acres and consists of nine (full and partial) city blocks. The Redevelopment Project Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west. The boundaries of the Redevelopment Project Area are shown on Map 1, Project Boundary Map, and the existing land uses are shown on Map 2.

The Redevelopment Project Area is located in a community that is primarily comprised of various commercial uses interspersed with industrial uses along major thoroughfares. Residential uses are generally present along non-arterial streets surrounding the commercial/industrial uses. Vacant parcels, including industrial, commercial and institutional uses, are also present in the Redevelopment Project Area. The largest vacant parcel in the Redevelopment Project Area (approximately 15 acres) contained a CTA garage that was originally constructed in 1910 and was demolished prior to 1991.

The Redevelopment Project Area is located in the northeast corner of the Austin Community of the City of Chicago. Access to the Redevelopment Project Area is primarily provided by Cicero Avenue and North Avenue. The Eisenhower Expressway, located directly to the south of the Redevelopment Project Area, may be accessed at Cicero Avenue. Additionally, the Redevelopment Project Area is well served by public transportation making the site easily accessible to the local work force.

Much of the Redevelopment Project Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

- incompatible land uses (i.e., commercial and industrial uses adjacent to residential uses);
- vacant land;
- underutilized and vacant buildings;
- current and past obsolescence;
- inadequate infrastructure; and
- other blighting characteristics.

Redevelopment of the largest three (3) parcels within the Redevelopment Project Area, vacant industrial/institutional property on a block of 16.9 acres, would require extraordinary expenditures for demolition, environmental remediation and site preparation; these development costs would result in a higher development cost per square foot and decrease the potential
return required to encourage a developer to move ahead with a proposed redevelopment project.

A. AREA HISTORY AND PROFILE

The Redevelopment Project Area is located in the northeast corner of the Austin Community which is located on the western edge of the city limits. The Austin Community is bordered by the suburbs of Oak Park on the west and Cicero on the south.

The land comprising the Austin Community was purchased by various individuals from the federal government in the 1830s. It was developed as a community in the 1860s by Henry W. Austin who donated part of his land holdings to entice a New England clock factory to relocate there, bringing its employees. During these early years, Austin, along with Oak Park, was originally part of the Town of Cicero. In 1889, however, Austin and Oak Park split over the extension of the Chicago and North Western's Lake Street line to Austin Avenue, which Austin favored. The residents of Oak Park and Cicero, with their numerical advantage, united against the Austin residents and voted for an election proposal which detached Austin from Cicero and led to its annexation to Chicago in 1889.

Today, the Austin community is bounded by the Chicago, Milwaukee and St. Paul Railroad right-of-way on the north, Roosevelt Road on the south, the Chicago and North Western Railroad right-of-way on the east, and Austin and Harlem Avenues on the west. The total population of Austin is estimated at 114,079 people based on the 1990 Census, a net loss of 24,000 inhabitants and a 17.3% decrease from 1980. Additionally, within the four (4) census tracts represented in the Redevelopment Project Area, the percentage of families with income below the poverty level ranges from 18 to 46 percent. According to the Local Community Fact Book, Chicago Metropolitan Area - 1990, "...much of Austin is still plagued by problems of high crime rates, unemployment, poverty and decayed or abandoned buildings. The commercial corridors...are scenes of urban blight with ever fewer retailers willing to invest money in the area."

LAND USE AND ZONING CHARACTERISTICS

The permitted uses within the Redevelopment Project Area include M1-1, C2-1, R4 and B5-1. The majority of the Redevelopment Project Area is zoned M1-1, restricted manufacturing district. The parcels north of North Avenue are zoned C2-1, restricted commercial uses, along with a small section south of Lemoyne and west of Cicero Avenue. A small area along the western boundary is zoned R4, general residential use and is currently occupied by a vacant school building. There is one block between Lemoyne Avenue, Cicero and Lamon Avenues that is zoned B5-1, general services districts.
Currently, the largest block within the Redevelopment Project Area, containing three (3) parcels with total acreage of 16.9, is vacant. Two of the three parcels are currently zoned M1-1 and the third is zoned R4. Additional uses in the Redevelopment Project Area include scattered industrial and commercial activities with second-floor residential, vacant institutional uses and other vacant and/or underutilized parcels (see Map 2, Existing Land Uses).

The purpose of the North/Cicero Tax Increment Finance Program Redevelopment Plan and Project (the "Redevelopment Plan") is to create a mechanism to encourage the development of new commercial facilities on vacant and underutilized land, the redevelopment, rehabilitation and/or expansion of existing businesses, and the improvement of the physical environment and infrastructure. The redevelopment of the Redevelopment Project Area is expected to encourage economic revitalization within the community and surrounding area.

This Redevelopment Plan summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc. The City of Chicago is entitled to rely on the findings and conclusions of the Redevelopment Plan (including the related eligibility study) in designating the Redevelopment Project Area as a redevelopment project area under the Act (defined below). Louik/Schneider and Associates, Inc. has prepared this Redevelopment Plan and the related eligibility study with the understanding that the City would rely (i) on the findings and conclusions of the Redevelopment Plan and the related eligibility study in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Redevelopment Plan, and (ii) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information so that the Redevelopment Plan and the related eligibility study will comply with the Act.

B. TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

An analysis of conditions within this area indicates that it is appropriate for designation as a Redevelopment Project Area under the State of Illinois tax increment financing legislation. The Redevelopment Project Area is characterized by conditions which warrant its designation as a vacant "Blighted Area" and a "Conservation Area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (hereafter referred to as the "Act"). The Act is found in 65 ILCS 5/11-74.4-1 et seq., as amended.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project," to redevelop blighted and conservation areas by pledging the increase in tax revenues generated by public and private redevelopment. This increase in tax revenues is used to pay for up-front costs which are required to stimulate private investment in new redevelopment and rehabilitation, or to reimburse private developers for eligible costs incurred in connection with
the redevelopment. Municipalities may issue obligations to be repaid from the stream of real property tax increments that are generated within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (EAV) or the Certified EAV Base for all real estate located within the district and the current year EAV. The EAV is the assessed value of the property multiplied by the state multiplier. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

The North/Cicero Redevelopment Plan has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the Redevelopment Plan and Project.

This Redevelopment Plan also specifically describes the Redevelopment Project Area. This area meets the eligibility requirements of the Act (see North/Cicero Tax Increment Finance Program - Eligibility Study attached as Exhibit 3). The Redevelopment Project Area boundaries are described in Introduction of the Redevelopment Plan and shown in Map 1, Boundary Map.

After approval of the Redevelopment Plan, the City Council of the City may then formally designate the Redevelopment Project Area.

The purpose of this Redevelopment Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards;

2. On a reasonable, comprehensive and integrated basis to ensure that blighted area and conservation area factors are eliminated; and

3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government.

Regardless of when the Redevelopment Plan and Project was adopted, the Redevelopment Plan and Project includes land uses that have been approved by the planning commission of the municipality.
City of Chicago
North/Cicero - Redevelopment Plan

There has been no major investment in the Redevelopment Project Area for at least the last five years. The adoption of the Redevelopment Plan will make possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area, an area which cannot reasonably be anticipated to be developed without the adoption of this Redevelopment Plan. Public investments will create the appropriate environment to attract the investment required for the rebuilding of the area.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take advantage of the real estate tax increment attributed to the Redevelopment Project Area as provided in accordance with the Act.
II. REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Redevelopment Project Area is located on the west/northwest side of the City of Chicago, Illinois located approximately five (5) miles west/northwest of the City's Central Business District. The Redevelopment Project Area contains 46.81 acres and consists of nine (full and partial) large city blocks. The Redevelopment Project Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west. The boundaries of the Redevelopment Project Area are shown on Map 1, Boundary Map, and the existing land uses are shown on Map 2. The Redevelopment Project Area includes only those contiguous parcels of real property that are expected to be substantially benefited by the Redevelopment Plan.

The legal description of the Redevelopment Project Area is attached to this plan as Exhibit 1.
III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

OVERALL GOALS AND OBJECTIVES

Comprehensive goals and objectives are included in this Redevelopment Plan to guide the decisions and activities that will be undertaken to facilitate the redevelopment of the Redevelopment Project Area. Many of them can be achieved through the effective use of local, state and federal mechanisms.

GENERAL GOALS

In order to redevelop the Redevelopment Project Area in an expeditious and planned manner, the establishment of goals is necessary. The following goals are meant to guide the development and/or the review of all future projects that will be undertaken in the Redevelopment Project Area.

- Improve the quality of life in Chicago by enhancing the local tax base through the improvement of the Redevelopment Project Area’s economic vitality.

- Encourage sound economic development in the Redevelopment Project Area.

- Revitalize the Redevelopment Project Area to enhance its importance a commercial center contributing to the improved vitality of the City.

- Create an environment within the Redevelopment Project Area that will contribute to the health, safety and general welfare of the City, and preserve or enhance the value of properties in the area.

- Create a suitable location and environment for modern commercial activities.

- Achieve desirable changes of land use through a coordinated public/private effort.

- Promote harmonious and compatible land uses that are primarily commercial in nature.
• Consider compatible mixed uses in limited instances such as where the existing adjacent land uses are already residential or industrial.

• Promote large-scale development opportunities where feasible and applicable.

• Develop vacant and underutilized land.

• Create and preserve job opportunities.

• Encourage a diversified economy which provides an array of employment opportunities.

• Encourage the participation of minorities and women in the redevelopment of the Redevelopment Project Area.

• Create a secure, functional, and attractive environment for businesses and employees.

• Enhance the commercial marketability of the Redevelopment Project Area.

• Provide an accessible and attractive environment that is conducive to modern commercial development in an urban setting.

REDEVELOPMENT OBJECTIVES

To achieve the general goals of this Redevelopment Plan, the following redevelopment objectives have been established.

• Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area and as a Conservation Area.

• Encourage private investment in new commercial development.

• Facilitate the development of vacant land and the redevelopment of underutilized properties for commercial uses.
• Eliminate unnecessary streets and alleys to increase the amount of land available for private investment and redevelopment for commercial activities.

• Strengthen the economic well being of the Redevelopment Project Area by encouraging increased commercial activity resulting in enhanced taxable values and job opportunities.

• Provide public and private infrastructure improvements and other relevant and available assistance necessary to the successful operation of modern commercial development in order to promote commercial and related activity in the Redevelopment Project Area.

• Provide needed incentives to encourage a broad range of improvements for both new development and the rehabilitation of existing buildings.

• Minimize conflicts between commercial and other land uses within and adjacent to the Redevelopment Project Area.

• Use City and other public programs to enhance the marketability of the Redevelopment Project Area.

• Assist in the elimination of existing environmental contamination through the remediation of affected sites in order to promote new commercial development.

• Enhance the skills of the labor force to meet the job opportunities available within the Redevelopment Project Area.

DESIGN OBJECTIVES

Although overall goals and redevelopment objectives are important in the process of redeveloping an important commercial area, the inclusion of design guidelines is necessary to ensure that redevelopment activities result in the development of an attractive and functional environment. The following design objectives give a generalized and directive approach to the development of specific redevelopment projects.

• Establish a pattern of land use activities arranged according to modern standards which can include groupings by use to increase
efficiency of operation and economic relationships of commercial with other uses in a compact area.

- Encourage coordinated development of parcels and structures in order to achieve attractive and efficient building design, unified off-street parking, adequate truck and service facilities, and appropriate access to nearby arterial streets.

- Achieve development which is integrated both functionally and aesthetically with adjacent and nearby existing development.

- Ensure a safe and functional circulation pattern, adequate ingress and egress, and capacity in the Redevelopment Project Area.

- Encourage high standards of building and streetscape design to ensure the high quality appearance of buildings, rights-of-way and open spaces.

- Ensure that necessary security, screening, and buffering devices are attractively designed and are compatible with the overall design of the Redevelopment Project Area.

- Use signage and other devices to create a unified commercial identity for the Redevelopment Project Area to facilitate the marketability of property.
IV. BLIGHTED AREA AND CONSERVATION AREA CONDITIONS
EXISTING IN THE REDEVELOPMENT PROJECT AREA

The Act states that a "Blighted Area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if vacant, the sound growth of the taxing districts is impaired by (1) a combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused rail yards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least five years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which was removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) above, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The Act also states that a "Conservation Area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures are 35 years of age or older and the area exhibits the presence of three (3) or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning. A Conservation Area is not yet blighted, but, because of its age and the combination of three (3) or more of the above-stated factors, is detrimental to public safety, health, morals or welfare and may become a blighted area. All factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City.

Based upon surveys, site inspections, research and analysis by Louik/Schneider & Associates, Inc., the Redevelopment Project Area qualifies as a vacant Blighted Area and a Conservation Area as defined by the Act. A separate report, entitled "City of Chicago North/Cicero Tax Increment Finance Program Eligibility Study" and dated March 10, 1997, is attached as Exhibit
3 to this Redevelopment Plan and describes in detail the surveys and analyses undertaken and
the basis for the finding that the Redevelopment Project Area qualifies as a vacant Blighted Area
and a Conservation Area as defined by the Act.

The improved portion of the Redevelopment Project Area is characterized by the presence of
structures more than 35 years of age and the presence of seven (7) eligibility factors as listed
in the Act for a Conservation Area. The vacant portion of the Redevelopment Project Area was
found to contain sufficient eligibility factors to qualify as an improved Blighted Area immediately
prior to becoming vacant. Summarized below are the findings of the Eligibility Report.

**SUMMARY OF ELIGIBILITY FACTORS**
The Redevelopment Project Area consists of nine (9) blocks with 67 parcels of property. Of the
67 parcels, 43 contain buildings, 20 contain improved lots with no buildings (parking, outside
storage and school yard), two (2) are streets and two (2) are vacant, grassy lots. There are 27
buildings in the Redevelopment Project Area; one (1) is a vacant institution (school), eight (8)
are industrial buildings, three (3) are residential buildings, four (4) are commercial with upper-
floor residential and 11 are strictly commercial. The largest parcel in the Redevelopment Project
Area is a vacant, grassy parcel of approximately 15 acres that formerly contained a CTA facility.

It was determined that the Redevelopment Project Area would be qualified in two (2) ways. The
largest vacant parcel, 16-04-212-005, is referred to as the vacant portion of the Redevelopment
Project Area and will be qualified as a vacant Blighted Area. The remaining 66 parcels in the
Redevelopment Project Area will be referred to as the improved portion of the Redevelopment
Project Area and will be qualified as a Conservation Area.

The vacant portion of the Redevelopment Project Area exhibits one of the criteria which would
allow for a finding of a vacant Blighted Area as defined in the Act. Specifically, the area,
immediately prior to becoming vacant, qualified as a blighted improved area by exhibiting six (6)
eligibility factors for an improved Blighted Area when only five (5) are required for a
determination of blight. Immediately prior to becoming vacant, the vacant portion of the
Redevelopment Project Area was found to exhibit the following eligibility factors:

- Age
- Obsolescence
- Deterioration
- Lack of Light, Ventilation and Sanitary Facilities
- Deleterious Land Use or Layout
- Depreciation of Physical Maintenance
Throughout the improved portion of the Redevelopment Project Area, seven (7) conservation area eligibility criteria are present in varying degrees in addition to the age requirement. Four (4) factors are present to a major extent and three (3) are present to a minor extent. The seven (7) factors that have been identified in the Redevelopment Project Area are as follows:

**Major extent**
- deterioration
- excessive land coverage
- deleterious land use or lay out
- depreciation of physical maintenance

**Minor extent**
- dilapidation
- obsolescence
- excessive vacancies

The conclusions of each of the factors that are present within the Redevelopment Project Area are summarized below.

**AGE**
Age is a factor for a Conservation Area and presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. In the Redevelopment Project Area, 25 of 27 buildings (93%) are at least 35 years or older.

1. **DILAPIDATION**
Dilapidation refers to an advanced state of disrepair of buildings and improvements. In the Redevelopment Project Area, dilapidation is **present to a minor extent** and was found in 3 of 9 blocks and in 3 of 27 (11%) buildings which are severely damaged and/or neglected, are structurally substandard and may require removal.

2. **OBsolescence**
Obsolescence, both functional and economic, is **present to a minor extent** in 7 of the 27 (26%) buildings, 4 of the 9 blocks and 15 of the 66 (23%) parcels in the Redevelopment Project Area including vacant and dilapidated structures and industrial buildings difficult to reuse by today’s standards.

3. **DETERIORATION**
Deterioration is present in structures with physical deficiencies or site improvements requiring major treatment or repair. Deterioration is **present to a major extent** in 9 of the 9 blocks, 21 of the 27 (78%) buildings and 54 of the 66 (82%) parcels.
4. EXCESSIVE VACANCIES
Excessive vacancies are present to a minor extent in the Redevelopment Project Area. Excessive vacancies can be found in 8 of the 27 (30%) buildings, 23 of the 63 (35%) parcels and in 6 of the 9 blocks.

5. EXCESSIVE LAND COVERAGE
Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Excessive land coverage is present to a major extent in the Redevelopment Project Area. Excessive land coverage is present in 22 of the 43 (51%) parcels with structures in the Redevelopment Project Area.

6. DELETERIOUS LAND USE OR LAYOUT
Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable. Deleterious land use and layout is present to a major extent in the Redevelopment Project Area. This factor is present in 39 of the 66 (59%) total parcels, 18 of the 27 (67%) buildings and 5 of the 9 blocks.

7. DEPRECIATION OF PHYSICAL MAINTENANCE
Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures. Depreciation of physical maintenance is present to a major extent in 58 of the 66 (88%) parcels, 23 of the 27 (85%) buildings and in all of the 9 blocks of the Redevelopment Project Area.

CONCLUSION
The conclusion of the consultant team engaged to conduct the study is that the number, degree and distribution of factors as documented in this report warrant the designation of the Redevelopment Project Area as a vacant Blighted Area and a Conservation Area as set forth in the Act.

The vacant portion of the Redevelopment Project Area is found to be eligible to be designated as a Blighted Area within the definition set forth in the legislation. Specifically:

- Of the seven (7) blighting factors set forth in the law for vacant land of which one (1) is required for a finding of blight, one (1) is present in the vacant portion of the Redevelopment Project Area.

- The blighting eligibility factors which are present are reasonably distributed throughout the vacant portion of the Redevelopment Project Area.
• All areas within the vacant portion of Redevelopment Project Area show the presence of blighting eligibility factors.

The improved portion of the Redevelopment Project Area is found to be eligible to be designated as a Conservation Area within the definition set forth in the legislation. Specifically:

• The buildings in the improved portion of the Redevelopment Project Area meet the statutory criteria that requires 50 percent or more of the structures to be 35 years of age or older.

• Of the 14 eligibility factors for a Conservation Area set forth in the law, four (4) are present to a major extent and three (3) are present to a minor extent in the improved portion of the Redevelopment Project Area and only three (3) are necessary for designation as a Conservation Area.

• The Conservation Area eligibility factors which are present are reasonably distributed throughout the improved portion of the Redevelopment Project Area.

• All areas within the improved portion of the Redevelopment Project Area show the presence of Conservation Area eligibility factors.

• The Redevelopment Project Area is not yet blighted, but because of the factors described in this report, the Redevelopment Project Area may become a blighted area.

All blocks in the improved portion of the Redevelopment Project Area evidence the presence of some conservation area eligibility factors. The eligibility findings indicate that the improved portion of the Redevelopment Project Area contains factors which qualify it as a Conservation Area in need of revitalization and that designation as a redevelopment project area will contribute to the long-term well being of the City.

Additional research indicates that the Redevelopment Project Area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City. Specifically:

• A summary of the building permit requests for new construction and renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from 1992 - 1996 totaled $567,600. On an annual
basis (approximately $113,540), this represents only 4.1% of assessed value in the Redevelopment Project Area.

- The Redevelopment Project Area is primarily comprised of commercial and industrial uses with some residential and vacant land. The equalized assessed value (EAV) for all property in the City of Chicago increased from $16,356,481 in 1985 to $32,126,652 in 1995, a total of 96.42% or 9.64% per year. Over the same period, the Redevelopment Project Area has only experienced an overall EAV increase of 40.71%, from $4,147,267 in 1985 to $5,835,409 in 1995, an average of 4.07% per year. Additionally, for the period from 1994 to 1995, the EAV of 59 of the 67 parcels either decreased (3 parcels) or increased less than 1% (56 parcels).

The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. The surveys, research and analysis conducted include:

1. Exterior surveys of the condition and use of the Redevelopment Project Area;
2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Comparison of current land use to current zoning ordinance and the current zoning maps;
4. Historical analysis of site uses and users;
5. Analysis of original and current platting and building size layout;
6. Review of previously prepared plans, studies and data;
7. Analysis of building permits requested from the Department of Buildings for all structures in the Redevelopment Project Area from 1992 to 1996; and

Based upon the findings of the Eligibility Study for the North/Cicero Redevelopment Project Area, the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this Redevelopment Plan.
V. NORTH/CICERO REDEVELOPMENT PLAN AND PROJECT

A. GENERAL LAND USE PLAN

The Proposed Land Use Plan, Map 3, identifies the proposed land uses that will be in effect upon adoption of this Redevelopment Plan. The major land use categories for the Redevelopment Project Area are commercial with surrounding mixed-use. The location of all major thoroughfares and major street rights-of-way are subject to change and modification as specific redevelopment projects are undertaken.

This Redevelopment Plan and the proposed land uses described herein will be approved by the Chicago Plan Commission prior to its adoption by the City Council. The proposed land uses are as follows:

COMMERCIAL

The Redevelopment Plan proposes that the major vacant block within the Redevelopment Project Area is appropriate for commercial/retail use. The block, containing three (3) parcels with total combined land area of 16.9 acres, is largely vacant with one unoccupied institutional structure. The site is well-situated on the southwest corner of the intersection of North and Cicero Avenues and would be appropriate for commercial/retail use. Additionally, the block immediately to the south of the major vacant block and west of Lamon Avenue is also appropriate for commercial/retail use. That block contains two industrial structures, the largest of which is mostly vacant, adjacent to residential uses. Finally, the northern parcel of the block south of the major vacant block and east of Lamon Avenue contains an existing commercial use which is appropriate to maintain.

MIXED USE

In addition to commercial land use, the Redevelopment Plan supports a mixture of commercial, industrial and residential land uses within the Redevelopment Project Area in the blocks across North and Cicero Avenues to the north and east respectively from the proposed commercial area. Additionally, the parcel on the southern half of the block to the south of the major vacant block and east of Lamon Avenue is appropriate for mixed use activities.

B. REDEVELOPMENT PLAN AND PROJECT

The purpose of this Redevelopment Plan is to create a planning and programming mechanism that also provides the financial vehicle to allow for the redevelopment of properties within the Redevelopment Project Area. The Redevelopment Plan contains specific redevelopment objectives addressing private actions and public improvements which are to assist in the overall
redevelopment of the Redevelopment Project Area. Implementation of the Redevelopment Plan will be undertaken on a phased basis and will help to eliminate those existing conditions which make the Redevelopment Project Area susceptible to blight.

The North/Cicero Redevelopment Project Area is well-suited to commercial development on the vacant and largely vacant parcels to the southwest of the intersection of North and Cicero Avenues. This property, which contains a vacant school, a mostly-vacant industrial building and a very large, publicly-owned vacant lot, totals approximately 22 acres in size. The surrounding land use patterns, the area's proximity to surface transportation, and the availability of vacant and underutilized property make this property appropriate for the development of new commercial/retail activities.

The Redevelopment Plan proposes the redevelopment of this vacant and underutilized property into modern commercial/retail establishments. With its proximity to other retail destinations (Goldblatts) directly to the south and east, and particularly to the surrounding suburban communities of Oak Park and Cicero with access on major arterials, this location is very appropriate for this type of use. An appropriate proposed development for the Redevelopment Project Area might allow for the development of approximately 200,000 square feet of retail/commercial facilities with the potential to create up to 200 permanent, full-time equivalent jobs and in excess of 500 temporary construction jobs. Additionally, the size of the site might allow for approximately 1250 parking spaces to accommodate patrons from the community and surrounding neighborhoods and municipalities. In general, any proposed commercial/retail development with appropriate site coverage ratios, sufficient parking, and residential buffering would be appropriate for this site.

Some mixed use development is also proposed as part of this Redevelopment Plan in limited locations across North and Cicero Avenues. This portion of the Redevelopment Project Area is currently mixed use and contains commercial/retail and industrial facilities as well as residential uses and several vacant and underutilized parcels. It is anticipated that the proposed adjacent commercial/retail development will spur future private investment in and redevelopment of new and existing properties in this area.

The Redevelopment Plan for the North/Cicero Redevelopment Project Area incorporates the use of tax increment funds to stimulate or stabilize not only the Redevelopment Project Area but also the properties within the surrounding area through the planning and programming of public and private improvements. The City may enter into redevelopment agreements with developers which will generally provide for the City to provide funding for activities permitted by the Act. The funds for these improvements will come directly from the incremental increase in tax revenues generated from the Redevelopment Project Area or the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the Redevelopment Project Area. A developer or user will undertake the responsibility for the required site improvements,
a portion of which may be paid for from the issuance of bonds, and will further be required to build any agreed to ancillary improvements required for the project. Under a redevelopment agreement, the developer may also be reimbursed (to the extent permitted by the Act) for all or a portion of the costs of required site improvements or ancillary improvements from incremental tax revenues.

C. ESTIMATED REDEVELOPMENT PROJECT ACTIVITIES AND COSTS

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking certain activities and incurring certain costs. Such activities may include some or all of the following:

1. ASSEMBLAGE OF SITES. To achieve the renewal of the Redevelopment Project Area, the City of Chicago is authorized to acquire property, clear the property of any and all improvements, if any, engage in other site preparation activities and either (a) sell, lease or convey such property for private redevelopment, or (b) sell, lease or dedicate such property for construction of public improvements or facilities. Land assemblage by the City may be by purchase, exchange, donation, lease or eminent domain. The City may pay for a private developer's cost of acquisition land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land. The City may determine that to meet the renewal objectives of this Redevelopment Plan, properties in the Redevelopment Project Area not scheduled for acquisition should be acquired. Acquisition of land for public rights-of-way may also be necessary for the portions of said rights-of-way that the City does not own.

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

2. 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:

   a. Provision for streets, public rights-of-ways and public transit facilities
   b. Provision of utilities necessary to serve the redevelopment
   c. Public landscaping
   d. Public landscape/buffer improvements, street lighting and general beautification improvements in connection with public improvements
   e. Public open space
3. **Provision for Soil and Site Improvements.** Funds may be used by the City or made available for improvements to properties for the purpose of making land suitable for development. These improvements may include, but are not limited to:

   a. Environmental remediation necessary for redevelopment of the Redevelopment Project Area
   b. Site Preparation - Utilities
   c. Demolition
   d. Investigations of site and soil conditions prior to remediation, demolition and site preparation

4. **Job Training and Related Educational Programs.** Funds may be used by the City or made available for programs to be created for individuals so that they may take advantage of the employment opportunities in the Redevelopment Project Area.

5. **Analysis, Administration, Studies, Legal, et al.** Funds may be used by the City or provided for activities including the long-term management of the Redevelopment Plan and Project as well as the costs of establishing the program and designing its components. Funds may be used by the City or provided for costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan, including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, environmental or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.

6. **Interest Subsidies.** Funds may be provided to redevelopers for a portion of interest costs incurred in the construction of a redevelopment project. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project may be funded provided that:

   a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
   b. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
   c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (6) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
   d. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total of (i) costs paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any
property assembly costs and any relocation costs incurred by a municipality pursuant to the Act.

7. **REHABILITATION COSTS.** The costs for rehabilitation, reconstruction or repair or remodeling of existing public or private buildings or fixtures including, but not limited to, provision of facade improvements for the purpose of improving the facades of privately held properties may be funded.

8. **PROVISION FOR RELOCATION COSTS.** Funds may be used by the City or made available for the relocation expenses of public facilities and for private property owners and tenants of properties relocated or acquired by the City (or a developer) for redevelopment purposes.

9. **FINANCING COSTS.** 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, may be funded.

10. **CAPITAL COSTS.** All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the municipality by written agreement accepts and approves such costs may be funded.

11. **PAYMENT IN LIEU OF TAXES.**

12. **COSTS OF JOB TRAINING.** Funds may be provided for 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, provided that such costs (I) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act (as defined
City of Chicago
North/Cicero - Redevelopment Plan

in the Act) and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.

13. **REDEVELOPMENT AGREEMENTS.** The City may enter into redevelopment agreements with private developers which may include, but not be limited to, terms of sale, lease or conveyance of land, requirements for site improvements, public improvements, job training and interest subsidies. 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.

To undertake these activities, redevelopment project costs will be incurred. "Redevelopment Project Costs" mean the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan pursuant to the Act.

The estimated Redevelopment Project Costs are shown in Table 1. The total Redevelopment Project Costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan. The costs represent estimated amounts and do not represent actual City commitments or expenditures. Additional funding in the form of State and Federal grants, and private developer contributions may be pursued by the City as a means of financing improvements and facilities which are of a general community benefit.

Table 1 (Estimated Redevelopment Project Costs) represents those eligible project costs in the Act. These upper limit expenditures are potential costs to be expended over the maximum 23-year life of the Redevelopment Project Area. These funds are subject to the amount of projects and incremental taxes generated and the City's willingness to fund proposed projects on a project by project basis.
### TABLE 1
ESTIMATED REDEVELOPMENT PROJECT COSTS

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<thead>
<tr>
<th>Program Action/Improvements</th>
<th>Costs</th>
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<td>Site Assemblage</td>
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<td><strong>TOTAL REDEVELOPMENT PROJECT COSTS</strong></td>
<td><strong>$8,000,000 (1)(2)</strong></td>
</tr>
</tbody>
</table>

*Exclusive of capitalized interest, issuance costs and other financing costs

(1). All costs are 1997 dollars. In addition to the above stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs. All capitalized interest estimates are in 1997 dollars and include current market rates.

(2). Total Redevelopment Project Costs are inclusive of redevelopment project costs in contiguous redevelopment project areas that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area.
D. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Redevelopment Project Costs are to be derived principally from tax increment revenues, proceeds of municipal obligations which are secured principally by tax increment revenues, and/or possible tax increment revenues from adjacent redevelopment projects areas created under the Act. There may be other sources of funds which the City may elect to use to pay for Redevelopment Project Costs or obligations issued, the proceeds of which will be used to pay for such costs, including but not limited to state and federal grants and land disposition proceeds generated from the Redevelopment Project Area.

The tax increment revenue which may be used to secure municipal obligations or pay for eligible Redevelopment Project Costs shall be the incremental real property tax revenue. 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. Without the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be anticipated to be developed.

The North/Cicero Redevelopment Project Area and other potential redevelopment project areas created under the Act may be or may become contiguous to one another, and, if the City finds that the goals, objectives and financial success of such redevelopment project areas are interdependent, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Act that net revenues from each such redevelopment project area be made available to support the other. The City therefore proposes to utilize net incremental revenues received from the Redevelopment Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in another contiguous redevelopment project area, and vice versa. The amount of revenue from the North/Cicero Redevelopment Project Area made available to support such contiguous redevelopment project areas, when added to all amounts used to pay eligible Redevelopment Project Costs within the North/Cicero Redevelopment Project Area, shall not at any time exceed the total Redevelopment Project Costs described in Table 1 of this Redevelopment Plan.

ISSUANCE OF OBLIGATIONS

To finance Redevelopment Project costs the City may issue general obligation bonds or obligations secured by the anticipated tax increment revenue generated within the Redevelopment Project Area or the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers to secure such obligations. In addition, a municipality may pledge toward payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit
of the municipality; (d) a mortgage on part or all of the Redevelopment Project Area; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within 23 years (by the year 2020) from the adoption of the ordinance approving the Redevelopment Project Area. Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds (including ad valorem taxes) as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued maybe serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Tax increment revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and Redevelopment Project Costs, and, to the extent that real property tax increment is not used for such purposes, 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.

E. MOST RECENT EQUALIZED ASSESSED VALUATION OF PROPERTIES IN THE REDEVELOPMENT PROJECT AREA

The total 1995 equalized assessed valuation for the entire Redevelopment Project Area is $5,835,409. After verification by the County Clerk of Cook County, this amount will serve as the "Initial Equalized Assessed Valuation" from which all incremental property taxes in the Redevelopment Project Area will be calculated by the County. The 1995 EAV of the Redevelopment Project Area is summarized by permanent index number in Table 2 of this Redevelopment Plan.

F. ANTICIPATED EQUALIZED ASSESSED VALUATION

By the year 2000 when it is estimated that the commercial development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between $8,500,000 and $11,000,000. These estimates are based on several key assumptions, including: 1) all commercial redevelopment will be completed in 2000; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Plan and
Project; 3) the most recent State Multiplier of 2.1243 as applied to 1995 assessed values will remain unchanged; 4) for the duration of the project, the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1995 level; and 5) growth from reassessments of existing properties will be at a rate of 2.0% per year with a reassessment every three years.

G. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in the Blighted Area and Conservation Area Conditions Section of this Redevelopment Plan, the Redevelopment Project Area as a whole is adversely impacted by the presence of numerous factors, and these factors are reasonably distributed throughout the Redevelopment Project Area. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. The lack of private investment is evidenced by continued existence of the factors referenced above and the lack of new development projects initiated or completed within the Redevelopment Project Area. There have been no new buildings constructed in the Redevelopment Project Area for many years except for one fast-food outlet on the northwest corner of the intersection of North and Cicero Avenues.

The lack of growth and investment by the private sector is supported by the trend in the equalized assessed valuation ("EAV") of all the property in the Redevelopment Project Area. The equalized assessed value for all property in the City of Chicago increased from $16,356,481 in 1985 to $32,126,652 in 1995, a total of 96.42% or 9.64% per year. Over the same period, the Redevelopment Project Area has experienced an overall EAV increase of 40.71%, from $4,147,267 in 1985 to $5,835,409 in 1995, an average of 4.07% per year. Additionally, for the period from 1994 to 1995, the EAV of 59 of the 67 parcels either decreased (3 parcels) or increased less than 1% (56 parcels).

A summary of the building permit requests for new construction and major renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and major renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from 1992 - 1996 totaled $567,600. On an annual basis (approximately $113,540), this represents only 4.1% of assessed value in the Redevelopment Project Area.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the Blighted Area and Conservation Area conditions that currently exist. The Redevelopment Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Plan.
H. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT

Without the adoption of this Redevelopment Plan, and tax increment financing, the Redevelopment Project Area is not reasonably expected to be redeveloped by private enterprise. There is a real prospect that the Blighted Area and Conservation Area conditions will continue and are likely to spread, and the surrounding area will become less attractive for the maintenance and improvement of existing buildings and sites. The possible erosion of the assessed value of property, which would result from the lack of a concerted effort by the City to stimulate revitalization and redevelopment, could lead to a reduction of real estate tax revenue to all taxing districts. If successful, the implementation of the Redevelopment Plan may enhance the values of properties within and adjacent to the Redevelopment Project Area.

Sections A, B, & C of this Redevelopment Plan describe the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged with various developments taking place over a period of years. If the Redevelopment Project is successful, various new private projects will be undertaken that will assist in alleviating the Conservation Area conditions which caused the Redevelopment Project Area to qualify as a Conservation Area under the Act, creating new jobs and promoting development in the Redevelopment Project Area.

The Redevelopment Project is expected to have short and long term financial impacts on the taxing districts affected by the Redevelopment Plan. During the period when tax increment financing is utilized, real estate tax increment revenues (from the increases in Equal Assessed Valuation [EAV] over and above the certified initial EAV established at the time of adoption of this Plan and Project) will be used to pay eligible redevelopment project costs for the Tax Increment Financing District. Incremental revenues will not be available to these taxing districts during this period. When the Redevelopment Project Area is no longer in place, the real estate tax revenues will be distributed to all taxing districts levying taxes against property located in the Redevelopment Project Area.

I. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes on properties located within the Redevelopment Project Area: City of Chicago; Chicago Board of Education District 299; Chicago School Finance Authority; Chicago Park District; Chicago Community College District 508; Metropolitan Water Reclamation District of Greater Chicago; County of Cook; and Cook County Forest Preserve District.

The proposed Redevelopment Project involves the acquisition of vacant and underutilized land, and new construction and rehabilitation of industrial and commercial buildings. Therefore, as
discussed below, the financial burden of the Redevelopment Project on taxing districts is expected to be negligible.

Non-residential development, such as the proposed commercial uses and any expanded industrial development in the proposed mixed use area, should not cause increased demand for services or capital improvements on any of the taxing districts named above except for the Metropolitan Water Reclamation District and the City of Chicago. Replacement of vacant and underutilized land with active and more intensive uses will result in additional demands on services and facilities provided by the Metropolitan Water Reclamation District. However, it is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District. Additionally, any additional cost to the City of Chicago for police, fire protection and sanitation services will be minimal since commercial and other mixed-use developments will privately pay for the majority of the costs of these services (i.e., sanitation services).

J. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS

As described in detail in prior sections of this report, the complete scale and amount of development in the Redevelopment Project Area cannot be predicted with complete certainty at this time and the demand for services provided by those taxing districts cannot be quantified at this time. As a result, the City has not developed, at present, a specific plan to address the impact of the Redevelopment Project on taxing districts.

As indicated in Section C & Table 1, Estimated Redevelopment Project Costs of the Redevelopment Plan and Project, the City may provide public improvements and facilities to service the Redevelopment Project Area. Potential public improvements and facilities provided by the City may mitigate some of the additional service and capital demands placed on taxing districts as a result of the implementation of this Redevelopment Plan and Project.

K. PROVISION FOR AMENDING ACTION PLAN

The North/Cicero Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

L. AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Project Area.
A. The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Plan and Project, including but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.

B. Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprise and Woman Business Enterprises as required in Redevelopment Agreements.

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

M. PHASING AND SCHEDULING OF REDEVELOPMENT

A phased implementation strategy will be utilized to achieve a timely and orderly redevelopment of the Redevelopment Project Area. It is expected that over the 23 years that this plan for the Redevelopment Project Area is in effect, numerous public/private improvements and developments can be expected to take place. The specific time frame and financial investment will be staged in a timely manner. Development within the Redevelopment Project Area intended to be used for commercial purposes will be staged consistently with the funding and construction of infrastructure improvements, and private sector interest in new commercial facilities. City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with expenditures in redevelopment by private developers. The estimated date for completion of the Redevelopment Project shall be no later than 23 years from the adoption of the ordinance of the City Council of the City approving the Redevelopment Project Area.


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(1). All costs are 1997 dollars. In addition to the above stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs. All capitalized interest estimates are in 1997 dollars and include current market rates.

(2). Total Redevelopment Project Costs are inclusive of redevelopment project costs in contiguous redevelopment project areas that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area.
### TABLE 2

1995 EQUALIZED ASSESSED VALUATION

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**Total:** $5,835,409
EXHIBIT 1
LEGAL DESCRIPTION


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TOTAL $567,600
City of Chicago
North/Cicero - Redevelopment Plan

MAP LEGEND

MAP 1  REDEVELOPMENT PROJECT BOUNDARY
MAP 2  EXISTING LAND USE
MAP 3  PROPOSED LAND USE
EXHIBIT 3
ELIGIBILITY STUDY
CITY OF CHICAGO

NORTH/CICERO

TAX INCREMENT FINANCE PROGRAM

ELIGIBILITY STUDY

CITY OF CHICAGO
RICHARD M. DALEY
MAYOR

MARCH 10, 1997

PREPARED BY
LOUIK/SCHNEIDER & ASSOCIATES, INC.
# ELIGIBILITY STUDY

## NORTH/CICERO

**TAX INCREMENT FINANCE PROGRAM**

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I. INTRODUCTION

Louik/Schneider and Associates, Inc. has been retained by the Harlem Irving Companies to conduct an independent initial study and survey of the proposed redevelopment area known as the North/Cicero Area, Chicago, Illinois (see Exhibit 1 - Legal Description). The purpose of the study is to determine whether the North/Cicero Area (the "Study Area") qualifies for designation as a vacant "Blighted Area" and a "Conservation Area" for the purpose of establishing a tax increment financing district, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, as amended (the "Act"). This report summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc. The City of Chicago is entitled to rely on the findings and conclusions of this report is designating the Study Area as a redevelopment project area under the Act. Louik/Schneider and Associates, Inc. has prepared this report with the understanding that the City would rely (i) on the findings and conclusions of this report in proceeding with the designation of the Study Area as a redevelopment project area under the Act, and (ii) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information to conclude that the Study Area can be designated as a redevelopment project area in compliance with the Act.

Following this introduction, Section II presents background information of the Study Area including the area location, description of current conditions and site history. Section III explains the Building Condition Assessment and documents the qualifications of the Study Area as a vacant Blighted Area and a Conservation Area under the Act. Section IV, Summary and Conclusions, presents the findings related to the designation of the Study Area as a vacant Blighted Area and a Conservation Area.

This report was jointly prepared by Myron D. Louik, John P. Schneider, Lori T. Healey and Tricia Marino Ruffolo of Louik/Schneider and Associates, Inc.
II. BACKGROUND INFORMATION

A. LOCATION

The North/Cicero Study Area is located on the west/northwest side of the City of Chicago, Illinois approximately five (5) miles west/northwest of the City's Central Business District. The Study Area contains 46.81 acres and consists of nine (full and partial) city blocks. The Study Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west. The boundaries of the Study Area are shown on Map 1, Project Boundary Map, and the existing land uses are identified on Map 2.

The Study Area is located in the northeast corner of the Austin Community of the City of Chicago. Access to the Study Area is primarily provided by Cicero Avenue and North Avenue. The Eisenhower Expressway, located directly to the south of the Study Area, may be accessed at Cicero Avenue. Additionally, the Study Area is well served by public transportation making the site easily accessible to the local work force.

The Study Area is located in a community that is primarily comprised of various commercial uses interspersed with industrial uses along major thoroughfares. Residential uses are generally present along non-arterial streets surrounding the commercial/industrial uses. Vacant parcels, including industrial, commercial and institutional uses, are also present in the Study Area. The largest vacant parcel in the Study Area (approximately 15 acres) contained a CTA garage that was originally constructed in 1910 and was demolished prior to 1991.

B. DESCRIPTION OF CURRENT CONDITIONS

The Study Area consists of nine (9) blocks with 67 parcels of property. Of the 67 parcels, 43 contain buildings, 20 contain improved lots with no buildings (parking, outside storage and school yard), two (2) are streets and two (2) are vacant, grassy lots. There are 27 buildings in the Study Area; one (1) is a vacant institution (school), eight (8) are industrial buildings, three (3) are residential buildings, four (4) are commercial with upper-floor residential and 11 are strictly commercial. The largest parcel in the Study Area is a vacant, grassy parcel of approximately 15 acres that formerly contained a CTA facility.

Much of the Study Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

- incompatible land uses (i.e., commercial and industrial uses adjacent to residential uses);
- vacant land;
- underutilized and vacant buildings;
- current and past obsolescence;
- inadequate infrastructure; and
• other blighting characteristics.

Additionally, a lack of growth and investment by the private sector is evidenced by 1) the trend in the number/value of building permit requests for the Study Area, and 2) the growth of equalized assessed valuation ("EAV") of all the property in the Study Area during the period from 1985 to 1995. Specifically:

• a summary of the building permit requests for new construction and major renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Study Area from 1992 - 1996 totaled $567,600. On an annual basis (approximately $113,540), this represents only 4.1% of assessed value in the Study Area.

• The Study Area is primarily comprised of commercial and industrial uses with some residential and vacant land. The equalized assessed value (EAV) for all property in the City of Chicago increased from $16,356,481 in 1985 to $32,126,652 in 1995, a total of 96.42% or 9.64% per year. Over the same period, from 1985 to 1995, the Study Area has experienced an overall EAV increase of 40.71%, from $4,147,267 in 1985 to $5,835,409 in 1995, an average of 4.07% per year. Additionally, for the period from 1994 to 1995, the EAV of 59 of the 65 parcels either decreased (3 parcels) or increased less than 1% (56 parcels).

C. AREA HISTORY AND PROFILE

The Study Area is located in the northeast corner of the Austin Community which is located on the western edge of the city limits. The Austin Community is bordered by the suburbs of Oak Park on the west and Cicero on the south.

The land comprising the Austin Community was purchased by various individuals from the federal government in the 1830s. It was developed as a community in the 1860s by Henry W. Austin who donated part of his land holdings to entice a New England clock factory to relocate there, bringing its employees. During these early years, Austin, along with Oak Park, was originally part of the Town of Cicero. In 1889, however, Austin and Oak Park split over the extension of the Chicago and North Western's Lake Street line to Austin Avenue, which Austin favored. The residents of Oak Park and Cicero, with their numerical advantage, united against the Austin residents and voted for an election proposal which detached Austin from Cicero and led to its annexation to Chicago in 1889.

Today, the Austin community is bounded by the Chicago, Milwaukee and St. Paul Railroad right-of-way on the north, Roosevelt Road on the south, the Chicago and North Western Railroad right-of-way on the east, and Austin and Harlem Avenues on the west. The total population of Austin is estimated at 114,079 people based on the 1990 Census, a net loss of 24,000 inhabitants and a 17.3% decrease from 1980. Additionally, within the four (4) census tracts
represented in the Redevelopment Project Area, the percentage of families with income below
the poverty level ranges from 18 to 46 percent. According the Local Community Fact Book,
Chicago Metropolitan Area - 1990, "...much of Austin is still plagued by problems of high crime
rates, unemployment, poverty and decayed or abandoned buildings. The commercial
corridors...are scenes of urban blight with ever fewer retailers willing to invest money in the
area."

LAND USE AND ZONING CHARACTERISTICS
The permitted uses within the Study Area include M1-1, C2-1, R4 and B5-1. The majority of the
Study Area is zoned M1-1, restricted manufacturing district. The parcels north of North Avenue
are zoned C2-1, restricted commercial uses, along with a small section south of Lemoyn ce and
west of Cicero Avenue. a small area along the western boundary is zoned R4, general
residential use and is currently occupied by a vacant school building. There is one block
between Lemoyn ce Avenue, Cicero and Lamon Avenues that is zoned B5-1, general services
districts.

Currently, the largest block within the Study Area, containing three (3) parcels with total acreage
of 16.9, is vacant. Two of the three parcels are currently zoned M1-1 and the third is zoned R4.
Additional uses in the Redevelopment Project Area include scattered industrial and commercial
activities with second-floor residential, vacant institutional uses and other vacant and/or
underutilized parcels (see Map 2, Existing Land Uses).
III. QUALIFICATION AS A BLIGHTED AREA AND CONSERVATION AREA

a. ILLINOIS TAX INCREMENT ACT

The Act authorizes Illinois municipalities to redevelop locally designated deteriorated areas through tax increment financing. In order for an area to qualify as a tax increment financing district, it must first be designated as a Blighted Area, a Conservation Area (or a combination of the two) or an Industrial Park.

The Act states that a Blighted Area means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if vacant, the sound growth of the taxing districts is impaired by (1) a combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused rail yards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least five years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which was removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) above, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The Act also states that a Conservation Area means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures are 35 years of age or older and the area exhibits the presence of three (3) or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning. A Conservation Area is not yet blighted, but because of its age and the combination of three (3) or more of the above-stated factors, is detrimental to public safety, health, morals or welfare and may become a blighted area. All factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City.
B. SURVEY, ANALYSIS AND DISTRIBUTION OF ELIGIBILITY FACTORS

Exterior surveys were conducted of all of the 67 parcels located within the Study Area. An analysis was made of each of the blighted area and conservation area eligibility factors contained in the Act to determine their presence in the Study Area. This exterior survey examined not only the condition and use of buildings but also included conditions of streets, sidewalks, curbs, gutters, lighting, vacant land underutilized land, parking facilities, landscaping, fences and walls, and general maintenance. In addition, an analysis was conducted of existing site coverage and parking, land uses, zoning and their relationship to the surrounding area.

It was determined that the Study Area would be qualified in two (2) ways. The largest vacant parcel, 16-04-212-005, which formerly contained a CTA facility demolished prior to 1991, is referred to as the vacant portion of the Study Area and will be qualified as a vacant Blighted Area. The remaining 66 parcels in the Study Area will be referred to as the improved portion of the Study Area and will be qualified as a Conservation Area.

A block by block analysis was conducted of the blighted area and conservation area eligibility factors (see Exhibit 3-Criteria of Eligibility Factors Matrix). Each of the factors are present to varying degree. The following three levels are identified:

- **Not Present** - indicates that either the condition did not exist or that no evidence could be found or documented during the survey or analyses.

- **Present to a minor extent** - indicates that the condition did exist, but its distribution or impact was limited.

- **Present to a major extent** - indicates that the condition did exist and was present throughout the area (block by block basis) and was at a level to influence the Study Area and adjacent and nearby parcels of property.

C. VACANT BLIGHTED AREA ELIGIBILITY FACTORS

The large, single tract of vacant land is located between North Avenue on the north, Lemoyne Avenue on the south, Cicero Avenue and the east and Lavergne on the west. This area is referred to a the vacant portion of the Study Area.

The vacant portion of the Study Area contains one parcel, 16-04-212-005, of approximately 15.45 acres of vacant land. This Chicago Transit Authority-owned site formerly contained three buildings (totaling 283,265 square feet) and two covered areas utilized for bus maintenance, inspection and light repair. These buildings and all related structures were demolished for replacement at a new location at Chicago and Pulaski Avenues prior to 1991.
In order for this part of the Study Area to qualify as a vacant Blighted Area, it must be demonstrated that the sound growth of the taxing districts is impaired one or more of the factors in the Act described above in Paragraph a, Illinois Tax Increment Act.

The following factor is present within this portion of the Study Area:

1. **The area immediately prior to becoming vacant qualified as a blighted improved area.** Specifically, a portion of a report by DeLeuw, Cather & Company, dated October 1977 and entitled "Bus Garage Standardization and Rehabilitation Study for the Chicago Transit Authority" (UMTA Project No. IT-09-0052 and IT-09-0072), and CTA Job Order #0838, dated February 8, 1991 and entitled "Replace Garage - North Avenue", (both of which are attached as Exhibit 5 - CTA Reports) stated the following:

   a) **Age** - The original bus facility was constructed in 1910 as a streetcar barn. The other two buildings were constructed shortly thereafter.

   b) **Obsolescence** - The 1977 DeLeuw, Cather and Company report states that "Present site and physical plant do not compare favorably with criteria contiguity aspects, space and site requirements. Servicing, inspection and repair are performed in several buildings scattered throughout the large site. Supervision of personnel is extremely difficult. Bus traffic flow is very circuitous, causing high on-site dead head mileage...This situation and the deteriorated condition of the physical plant make renovation economically and functionally unadvisable." CTA Job Order #0838 also states that, "...bus storage was located in an open area divided by freestanding masonry walls which impeded bus movement, resulted in the need to continuously run buses, and ultimately necessitated replacement of the facility." It is clear that the facility exhibited both functional and economic obsolescence which contributed to its disuse and demolition.

   c) **Deterioration** - CTA Job Order #0838 states in its justification for expenditure of funds for a replacement facility that "The original bus facility...was demolished due to the extreme age of the building complex and general deterioration of the structural and mechanical systems." The 1977 report by DeLeuw, Cather and Company also states that "The present physical plant of the North Avenue Operating Bus Garage is in a generally deteriorated condition." Table II-7 of that report shows "poor" ratings for specific structural and system components such as electrical systems, ventilation and fire protection, roof, walls, flashing and windows.

   d) **Lack of Light, Ventilation and Sanitary Facilities** - CTA Job Order #0838 goes on to state that, "Specifically, the heating system was in poor condition; the ventilation system was inadequate concentrating fumes in the maintenance area; and lighting was poor throughout the facility, creating problems in the bus repair areas."
e) Deleterious Land Use or Layout - As noted above, both reports document the poor layout of structures on the site; buses were run inefficiently around three free-standing buildings and supervision of personnel was difficult given the site configuration. Additionally, the site was adjacent to residential uses and a parochial school.

f) Depreciation of Physical Maintenance - As described above, a structure that is deteriorated also exhibits depreciation of physical maintenance in its interior and exterior components.

CONCLUSION
The vacant portion of the Study Area exhibits one of the criteria which would allow for a finding of a vacant Blighted Area as defined in the Act. Specifically, the area, immediately prior to becoming vacant, qualified as a blighted improved area by exhibiting six (6) eligibility factors for an improved Blighted Area when only five (5) are required for a determination of blight. See Map 11 - Blighted Area Prior to Vacancy.

The following two sections address the improved portion of the Study Area. The first section describes the evaluation procedure used for classifying buildings. The second section examines the eligibility factors for the improved section of the Study Area.

D. BUILDING EVALUATION PROCEDURE

This section will identify how the buildings within the Study Area are evaluated.

HOW BUILDING COMPONENTS AND IMPROVEMENTS ARE EVALUATED
During the field survey, all components of and improvements to the subject buildings were examined to determine whether they were in sound condition or had minor, major or critical defects. These examinations were completed to determine whether conditions existed to evidence the presence of any of the following related factors: dilapidation, deterioration or depreciation of physical maintenance.

Building components and improvements examined were of two types:

PRIMARY STRUCTURAL COMPONENTS
These include the basic elements of any building or improvement including foundation walls, load bearing walls and columns, roof and roof structure.

SECONDARY COMPONENTS
These are components generally added to the primary structural components and are necessary parts of the building and improvements, including porches and steps, windows and window units, doors and door units, facade, chimneys, and gutters and downspouts.
Each primary and secondary component and improvement was evaluated separately as a basis for determining the overall condition of the building and surrounding area. This evaluation considered the relative importance of specific components within the building and the effect that deficiencies in components and improvements have on the remainder of the building.

Once the buildings are evaluated, they are classified as identified in the following section.

**BUILDING COMPONENT AND IMPROVEMENT CLASSIFICATIONS**

The four categories used in classifying building components and improvements and the criteria used in evaluating structural deficiencies are described as follows.

1. **SOUND**
   Building components and improvements which contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

2. **REQUIRING MINOR REPAIR — DEPRECIATION OF PHYSICAL MAINTENANCE**
   Building components and improvements which contain defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and improvements and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components and improvements. Minor defects are not considered in rating a building as structurally substandard.

3. **REQUIRING MAJOR REPAIR — DETERIORATION**
   Building components and improvements which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings and improvements in this category would require replacement or rebuilding of components and improvements by people skilled in the building trades.

4. **CRITICAL — DILAPIDATED**
   Building components and improvements which contain major defects (bowing, sagging, or settling to any or all exterior components, for example) causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area so extensive that the cost of repair would be excessive.

**E. CONSERVATION AREA ELIGIBILITY FACTORS**

A finding may be made that the improved portion of the Study Area is a Conservation Area based on the fact that 50 percent or more of the structures are 35 years of age or more, and the
area exhibits the presence of three (3) or more of the conservation area eligibility factors described above in Paragraph A, and that the area may become a blighted area because of these factors. This section examines each of the conservation area eligibility factors.

AGE
Age is a factor for a Conservation Area and presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems are a function of time, temperature and moisture, structures which are 35 years or older typically exhibit more problems than more recently constructed buildings.

There are 25 of the 27 (93%) buildings in the Study Area that are at least 35 years or older. Age is present in 8 out of the 9 blocks in the Study Area.

CONCLUSION
Age is present to a major extent in the Study Area. Twenty-five (25) of the 27 buildings (93%) are at least 35 years or older. The results of the analysis of age are shown in Map 3.

1. DILAPIDATION
Dilapidation refers to an advanced state of disrepair of buildings and improvements. In November of 1996, Louik/Schneider & Associates, Inc. conducted an exterior survey of all the structures and the condition of each of the buildings in the Study Area. The analysis of building dilapidation is based on the survey methodology and criteria described in the preceding section on “How Building Components and Improvements are Evaluated.”

Based on exterior building surveys, it was determined that three (3) buildings were dilapidated and exhibited major structural problems making them structurally substandard. One (1) vacant, multi-story residential building had no windows, was boarded-up, and had severely cracked and sagging foundations and walls. Two (2) commercial structures had walls and roofs caving in, as well as severe problems with secondary structures such as cracked or missing windows, broken doors, missing parapets and gutters, etc. These buildings were all in an advanced state of disrepair.

Dilapidation is present in 3 of the 27 (11%) buildings and in 4 of the 43 (9%) parcels with buildings. Dilapidated buildings are found in 3 of the 9 blocks.

CONCLUSION
Dilapidation is present to a minor extent in the Study Area. Dilapidation is present in 3 of the 27 (11%) buildings and 3 of the 9 blocks. The results of the dilapidation analysis are presented in Map 4.
2. OBSOLETE
Webster's New Collegiate Dictionary defines "obsolescence" as "being out of use; obsolete." "Obsolete" is further defined as "no longer in use; disused" or "of a type or fashion no longer current." These definitions are helpful in describing the general obsolescence of buildings or site improvements in the proposed Study Area. In making findings with respect to buildings and improvements, it is important to distinguish between functional obsolescence which relates to the physical utility of a structure, and economic obsolescence which relates to a property's ability to compete in the marketplace.

- FUNCTIONAL OBSOLETE
Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupancy at a given time. Buildings and improvements become obsolete when they contain characteristics or deficiencies which limit the use and marketability of such buildings and improvements for that use after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper orientation of the building on its site, etc., which detracts from the overall usefulness or desirability of a property.

- ECONOMIC OBSOLETE
Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings which contain vacant space are characterized by problem conditions which may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities, outdated designs, etc.

Obsolescence, as a factor, should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence.

OBsolete BUILDING TYPES
Obsolete buildings contain characteristics or deficiencies which limit their long-term sound use or reuse for the purpose for which they were built. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.
These structures are characterized by conditions indicating that they are incapable of efficient or economic use according to contemporary standards. These conditions include:

- An inefficient exterior configuration of the structures, including insufficient width, ceiling heights and small size;
- Large floor plates and antiquated building systems;
- Inadequate access for contemporary systems of delivery and service, including both exterior building access and interior vertical systems; or
- Single-purpose industrial use.

Obsolete buildings in the Study Area include the vacant school building and the vacant, multi-story apartment building. These structures have been vacant for some time and exhibit severe deterioration and dilapidation, respectively. Additionally, the other two dilapidated commercial structures have depreciated in market value and can be classified as economically obsolete. Two (2) of the industrial buildings in the Study Area and an adjacent garage, located on the major thoroughfares and surrounded by commercial and residential uses, can be classified as functionally obsolete; not only are they surrounded by incompatible uses, but they are severely limited in their ceiling height, parking for employees and customers and their ability to accommodate trucks for loading/unloading. These facilities would be extremely difficult to reuse by most modern manufacturing firms. All of these conditions decrease the marketability of this area, resulting in its economic obsolescence.

**Obsolete Platting**
Obsolete platting includes parcels of irregular shape, narrow or small size, and parcels improperly platted within the Study Area blocks.

**Obsolete Site Improvements**
Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities, outdated designs, etc. Throughout the Study Area, there are obsolete site improvements. There are streets that are of an inadequate size with no curbs/gutters were not constructed to accommodate local traffic and the interstate trucks that serve the industrial and commercial businesses of the Study Area. Additionally, sidewalks are in extremely poor shape or are non-existent.

Obsolescence is present in 7 of the 27 (26%) buildings, 15 of the 66 (23%) parcels and 4 of the 9 blocks in the Study Area.
CONCLUSION
Obsolescence is present to a minor extent in the Study Area. Obsolescence is present in 7 of the 27 (26%) buildings, 15 of the 66 (23%) parcels and 4 of the 9 blocks. The results of the obsolescence analysis are presented in Map 5.

3. DETERIORATION
Deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring major treatment or repair.

- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may be evident in buildings. Such buildings and improvements may be classified as requiring major or many minor repairs, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.

- All buildings and site improvements classified as dilapidated are also deteriorated.

DETERIORATION OF BUILDINGS
The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "How Building Components and Improvements Are Evaluated." There are 21 of the 27 (78%) buildings in the Study Area that are deteriorated.

The deteriorated buildings in the Study Area exhibit defects in both their primary and secondary components. For example, the primary components exhibiting defects include walls, roofs and foundations with loose or missing materials (mortar, shingles), holes and/or cracks in these components. The defects of secondary components include damage to windows, doors, stairs and/or porches; missing or cracked tuckpointing and/or masonry on the facade, chimneys, etc.; missing parapets, gutters and/or downspouts; foundation cracks or settling; and other missing structural components.

Deteriorated structures exist throughout the Study Area due to the combination of the age and advanced state of disrepair. The entire Study Area contains deteriorated buildings and most of the parcels with buildings are impacted by such deterioration.

DETERIORATION OF PARKING AND SURFACE AREAS
Field surveys were also conducted to identify the condition of the parcels without structures, of which 20 contain improved lots with no buildings (parking, outside storage and school yard), two (2) are streets and one (1) is a vacant, grassy lot. Of these 23 parcels, the 20 (87%) parking/storage/school yard parcels are classified as deteriorated. These parcels are characterized by uneven surfaces with insufficient gravel, vegetation growing through the
parking surface, depressions and standing water, absence of curbs or guardrails, falling or broken fences and extensive debris.

Deterioration can be found in 54 of the 66 (82%) parcels and in 9 of the 9 blocks of the Study Area.

CONCLUSION
Deterioration is present to a major extent in the Study Area. Deterioration is present in 21 of the 27 (78%) buildings, 54 of the 66 (82%) parcels and 9 of the 9 blocks. The results of the deterioration analysis are presented in Map 6.

4. ILLEGAL USE OF INDIVIDUAL STRUCTURES
Illegal use of individual structures refers to the presence of uses or activities which are not permitted by law.

CONCLUSION
A review of the Chicago Zoning Ordinance indicates that there are no illegal use of the structures or improvements in the Study Area.

5. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS
Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property. The principal purposes of such codes are (i) to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy, (ii) to be safe for occupancy against fire and similar hazards, (iii) and to establish minimum standards essential for safe and sanitary habitation.

CONCLUSION
Structures below minimum code standards is not found to be present as a factor as part of the exterior surveys and analyses undertaken in the Study Area.

6. ABANDONMENT
Abandoned buildings and improvements are usually dilapidated and show visible signs of long-term vacancy and non-use. Abandonment is distinguished from vacancy, however, in that the owner/occupant usually relinquishes all right, title, claim and possession with the intention of not reclaiming the property or resuming its ownership or possession. Additional supporting evidence to document abandonment includes nonpayment of property taxes and unsuccessful attempts to locate owners of vacant properties.

CONCLUSION
No evidence of abandonment of structures has been documented as part of the exterior surveys and analyses undertaken within the Study Area.
7. **Excessive Vacancies**

Excessive vacancy refers to buildings or sites, a large portion of which are unoccupied or underutilized and which exert an adverse influence on the area because of the frequency, duration or extent of vacancy. Excessive vacancies include properties which evidence no apparent effort directed toward their occupancy or underutilization.

Excessive vacancies occur in varying degrees throughout the Study Area. A building is considered to have excessive vacancies if at least 50% of the building is vacant or underutilized. There are vacancies in the following building types:

- Institutional (school)
- Commercial buildings
- Heavy, single/purpose industrial buildings
- Residential buildings
- Commercial/Residential (mixed use) buildings

Excessive vacancies exist throughout the Study Area primarily in the industrial, residential and mixed-use parcels. There are 8 totally vacant or partially vacant (over 50%) buildings on nine (9) parcels. In addition to the vacant buildings, there is one very small, vacant (unimproved) parcel and 13 parcels with parking/outside storage that are underutilized.

Excessive vacancies can be found in 8 of the 27 (30%) buildings, 23 of the 66 (35%) parcels and in 6 of the 9 blocks of the Study Area.

**Conclusion**

Excessive vacancies are *present to a minor extent* in the Study Area. Excessive vacancies can be found in 8 of the 27 (30%) buildings, 23 of the 66 (35%) parcels and 6 of the 9 blocks. The results of the excessive vacancy analysis are presented in Map 7.

8. **Overcrowding of Structures and Community Facilities**

Overcrowding of structures and community facilities refers to utilization of public or private buildings, facilities, or properties beyond their reasonable or legally permitted capacity. Overcrowding is frequently found in buildings and improvements originally designed for a specific use and later converted to accommodate a more intensive use of activities without adequate provision for minimum floor area requirements, privacy, ingress and egress, loading and services, capacity of building systems, etc.

**Conclusion**

Overcrowding of structures and community facilities is not found to be present as a factor as part of the exterior surveys and analyses undertaken in the Study Area.
9. **Lack of Ventilation, Light or Sanitary Facilities**

Lack of ventilation, light or sanitary facilities refers to substandard conditions which adversely affect the health and welfare of building occupants, e.g., residents, employees or visitors. Typical requirements for ventilation, light and sanitary facilities include:

- Adequate mechanical ventilation for air circulation in spaces/rooms without windows, i.e., bathrooms, and dust, odor or smoke producing activity areas;
- Adequate natural light and ventilation by means of skylights or windows or interior rooms/spaces, and proper window sizes and amounts by room area to window area ratios; and
- Adequate sanitary facilities, i.e., garbage storage/enclosure, bathroom facilities, hot water, and kitchens.

**Conclusion**

Lack of ventilation, light or sanitary facilities is not found to be present as a factor as part of the exterior surveys and analyses undertaken within the Study Area.

10. **Inadequate Utilities**

Inadequate utilities refer to deficiencies in the capacity or condition of the infrastructure which services a property or area, including, but not limited to, storm drainage, water supply, electrical power, streets, sanitary sewers, gas and electricity.

**Conclusion**

There is no evidence of inadequate utilities documented as part of the exterior surveys and analyses undertaken within the Study Area.

11. **Excessive Land Coverage**

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety. The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage conditions have an adverse or blighting effect on nearby development.

Excessive land coverage occurs in 22 of the 43 (51%) parcels with structures/buildings in the Study Area. Throughout the Study Area, there are commercial, residential, mixed-use and industrial buildings that are constructed lot-line to lot-line. Because these buildings cover
virtually the entire parcel, there is not an adequate amount space for off-street loading or for parking for residents/employees/customers. Additionally, these parcels do not have access to adjacent vacant/improved parcels for parking or loading. Excessive land coverage can be found in 4 of the 9 blocks of the Study Area.

CONCLUSION
Excessive land coverage is present to a major extent in the Study Area. Excessive land coverage is present in 22 of the 43 (51%) parcels with structures and in 4 of the 9 blocks. The results of the excessive land coverage analysis are presented in Map 8.

12. DELETERIOUS LAND USE OR LAYOUT
Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable. It also includes residential uses which front on or are located near heavily traveled streets, thus causing susceptibility to noise, fumes and glare. Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of poor layout of buildings on parcels and in relation to other buildings.

In the Study Area, deleterious land use or layout is identified in 39 of the 66 (59%) parcels, including the 22 parcels exhibiting excessive land coverage with insufficient room for parking and/or loading. Eleven (11) parcels exhibit an inappropriate use such as residential next to industrial, inappropriate residential on heavily-traveled streets, and outside storage/junkyard on a major thoroughfare.

Deleterious land use and layout can be found in 5 of the 9 blocks and 18 of the 27 (67%) buildings in the Study Area.

CONCLUSION
Deleterious land use and layout is present to a major extent in the Study Area. Deleterious land use and layout is present in 39 of the 66 (59%) parcels, 18 of the 27 (67%) buildings and 5 of the 9 blocks. The results of the deleterious land use and layout analysis are presented in Map 9.

13. DEPRECIATION OF PHYSICAL MAINTENANCE
Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures. The analysis of depreciation of physical maintenance is based on survey methodology and criteria described in the preceding section “How Building Components and Improvements Are Evaluated.”
The entire Study Area is affected by lack of physical maintenance. This factor is present in all of the 9 blocks in the Study Area. There are 58 of the 66 (88%) parcels, representing buildings, parking/storage areas and vacant land, that lack physical maintenance.

All of the buildings (commercial, industrial, residential and mixed use) that evidence depreciation of physical maintenance include items such as unpainted or unfinished surfaces, peeling paint, loose or missing materials, broken windows, loose or missing gutters or downspouts, loose or missing shingles, overgrown vegetation and general lack of maintenance, etc. Twenty-three (23) of the 27 buildings in the Study Area are affected by depreciation of physical maintenance.

The parking/storage areas and the one small vacant parcel in the Study Area also exhibit depreciation of physical maintenance as a factor. There are parking lots that are not routinely used and are neglected. The parking/storage lots have a variety of broken pavement, pot holes, standing water, deteriorated curbs, broken or rotted bumper guards, grass growing in pavement, crumbling asphalt and accumulation of trash or debris. The vacant lot also exhibits an accumulation of trash and debris, standing water and overgrown vegetation.

Depreciation of physical maintenance can be found in all of the 9 blocks of the Study Area.

**CONCLUSION**

Depreciation of physical maintenance is *present to a major extent* in the Study Area. Depreciation of physical maintenance is present in 58 of the 66 (88%) parcels, 23 of the 27 (85%) buildings and in 9 of the 9 blocks. The results of the depreciation of physical maintenance analysis are presented in Map 10.

**14. LACK OF COMMUNITY PLANNING**

Lack of community planning may be a factor if the proposed redevelopment area was developed prior to or without the benefit of a community plan. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, and parcels of inadequate size or shape to meet contemporary development standards.

**Conclusion**

Lack of community planning was not found in Study Area.

**SUMMARY**

In addition to the age requirement, seven (7) conservation area eligibility criteria are present in varying degrees throughout the Study Area. Four (4) factors are present to a major extent and three (3) are present to a minor extent. The seven (7) conservation area eligibility factors that have been identified in the Study Area are as follows:

- deterioration
- excessive land coverage

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- deleterious land use or lay out
- depreciation of physical maintenance

Minor extent
- dilapidation
- obsolescence
- excessive vacancies
IV. SUMMARY AND CONCLUSION

The conclusion of the consultant team engaged to conduct the Eligibility Study is that the number, degree and distribution of Blighted Area and Conservation Area eligibility factors as documented in this report warrant the designation of the Study Area as a vacant Blighted Area and an improved Conservation Area as set forth in the Act.

The vacant portion of the Study Area is found to be eligible to be designated as a Blighted Area within the definition set forth in the legislation. Specifically:

- Of the seven (7) blighting factors set forth in the law for vacant land of which one (1) is required for a finding of blight, one (1) is present in the vacant portion of the Study Area.

- The blighting eligibility factors which are present are reasonably distributed throughout the vacant portion of the Study Area.

- All areas within the vacant portion of Study Area show the presence of blighting eligibility factors.

While it may be concluded that the mere presence of one or more of the stated factors may be sufficient to make a finding of blight, this evaluation was made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of blighting factors throughout the vacant portion of the Study Area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted. On the basis of this approach, the above referenced vacant parcel of land in the Study Area is found to be eligible within the definition set forth in the legislation.

The improved portion of the Study Area is found to be eligible to be designated as a Conservation Area within the definition set forth in the legislation. Specifically:

- The buildings in the improved portion of the Study Area meet the statutory criteria that requires 50 percent or more of the structures to be 35 years of age or older.

- Of the 14 eligibility factors for a Conservation Area set forth in the law, four (4) are present to a major extent and three (3) are present to a minor extent in the improved portion of the Study Area and only three (3) are necessary for designation as a Conservation Area.

- The Conservation Area eligibility factors which are present are reasonably distributed throughout the improved portion of the Study Area.
All areas within the improved portion of the Study Area show the presence of Conservation Area eligibility factors.

The Study Area is not yet blighted, but because of the factors described in this report, the Study Area may become a blighted area.

While it may be concluded that the mere presence of age and three (3) or more of the stated conservation area eligibility factors in Section III may be sufficient to make a finding of qualification as a Conservation Area, this evaluation was made on the basis that the factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of conservation area eligibility factors throughout the Study Area must be reasonable so that a basically good area is not arbitrarily found to be a Conservation Area simply because of proximity to an area. All blocks in the Study Area evidence the presence of some of the eligibility factors.

Additional research indicates that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City. Specifically:

A summary of the building permit requests for new construction and major renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Study Area from 1992 - 1996 totaled $567,700. On an annual basis (approximately $113,540), this represents only 4.1% of assessed value in the Study Area.

The Study Area is primarily comprised of commercial and industrial uses with some residential and vacant land. The equalized assessed value (EAV) for all property in the City of Chicago increased from $16,356,481 in 1985 to $32,126,652 in 1995, a total of 96.42% or 9.64% per year. Over the same period, from 1985 to 1995, the Study Area has experienced an overall EAV increase of 40.71%, an average of 4.07% per year. Additionally, for the period from 1994 to 1995, the EAV of 59 of the 67 parcels either decreased (three parcels) or increased less than 1% (56 parcels).

The conclusions presented in this report are those of the consulting team engaged to analyze the area and to examine whether conditions exist to permit the designation of a vacant Blighted Area and a Conservation Area. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution making a finding of a vacant Blighted Area and a Conservation Area and making this report a part of the public record. The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. The surveys, research and analysis conducted include:

1. Exterior surveys of the condition and use of the Study Area;
2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;

3. Comparison of current land use to current zoning ordinance and the current zoning maps;

4. Historical analysis of site uses and users;

5. Analysis of original and current platting and building size layout;

6. Review of previously prepared plans, studies and data;

7. Analysis of building permits requested from the Department of Buildings for all structures in the Study Area from 1992-1996 years; and


The study and survey of the Study Area indicate that requirements necessary for designation as a vacant Blighted Area and a Conservation Area are present. In order to qualify as a vacant Blighted Area, the vacant portion of the Study Area must exhibit one or more of the factors set forth in the Act. The vacant portion of the Study Area was found to qualify as an improved Blighted Area immediately prior to becoming vacant by exhibiting six (6) of the eligibility factors for an improved Blighted Area when only five (5) are required for a determination of blight.

In order to qualify as a Conservation Area, 50% or more of the structures in the improved portion of the Study Area must be 35 years of age or older and the improved portion of the Study Area must exhibit three or more of the eligibility factors for a Conservation Area set forth in the Act. In the improved portion of the Study Area, 93% of the buildings are 35 years of age or older. The improved portion of the Study Area exhibits seven (7) of the criteria necessary for designation, of which four (4) are present to a major extent and three (3) are present to a minor extent, and also exhibits a lack of growth and investment.

Therefore, the Study Area is qualified as a vacant Blighted Area and an improved Conservation Area to be designated as a redevelopment project area and eligible for Tax Increment Financing under the Act. See Distribution of Distribution of Criteria Matrix - Exhibit 3.
EXHIBIT 1
LEGAL DESCRIPTION


BEGINNING AT A POINT OF INTERSECTION OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 33 WITH THE WEST LINE OF LAVERNE AVENUE AS EXTENDED FROM THE SOUTH; THENCE NORTHERLY, ON SAID LINE EXTENDED, 50.0 FEET TO THE NORTH LINE OF NORTH AVENUE; THENCE EASTERLY ALONG SAID NORTH LINE TO THE WEST LINE OF LAMON AVENUE AS DEDICATED IN WEST NORTH AVENUE SUBDIVISION; THENCE NORTHERLY ALONG SAID LINE OF LAMON AVENUE, 124.25 FEET, MORE OR LESS, TO THE SOUTH LINE OF LOT 1 IN BLOCK 6 IN THE SUBDIVISION OF THAT PART OF THE SOUTHEAST QUARTER OF SECTION 33 LYING EAST OF THE WEST 26.60 CHAINS AS EXTENDED WEST; THENCE EASTERLY, ALONG SAID EXTENDED LINE AND ALONG THE SOUTH LINES OF LOTS 1 THROUGH 30 IN SAID SUBDIVISION, TO THE WEST LINE OF CICERO AVENUE AS PRESENTLY DEDICATED; THENCE EASTERLY TO THE SOUTHWEST CORNER OF LOT 28 IN SPRAGUE AND WILSON'S SUBDIVISION OF BLOCK 18 IN W & R O'BRIEN'S SUBDIVISION; THENCE EASTERLY 315.0 FEET, MORE OR LESS, TO THE EAST LINE OF KEATING AVENUE; THENCE SOUTHERLY ALONG SAID EAST LINE, 241.0 FEET TO A POINT ON THE SOUTHERLY LINE OF NORTH AVENUE; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID NORTH AVENUE TO THE EAST LINE OF KEATING AVENUE; THENCE SOUTHERLY ALONG THE EAST LINE OF KEATING AVENUE 138.0 FEET TO THE NORTH LINE OF LOT 47 IN JOHN F. THOMPSON'S NORTH AVENUE SUBDIVISION AS EXTENDED EASTERLY; THENCE WESTERLY ALONG SAID LINE EXTENDED AND ALONG THE NORTH LINE OF SAID LOT 47 191.0 FEET TO THE NORTHWEST CORNER OF SAID LOT 47; THENCE SOUTHERLY 747.72 FEET, MORE OR LESS, ALONG THE EAST LINE OF A PUBLIC ALLEY, TO THE SOUTH LINE OF A 16.0 FEET WIDE PUBLIC ALLEY IN PETTIBONE MULLIKEN COMPANY'S CONSOLIDATION PLAT RECORDED PER DOCUMENT 8212506; THENCE WESTERLY; ALONG THE SOUTH LINE OF SAID ALLEY 190.88 FEET TO THE EASTERLY LINE OF CICERO AVENUE; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF CICERO AVENUE TO A POINT ON THE SOUTHERLY LINE OF HIRSCH STREET AS EXTENDED WEST; THENCE WESTERLY, ALONG SAID SOUTHERLY LINE OF HIRSCH STREET, 174.0 FEET TO A POINT ON THE EAST LINE OF LOT 1 IN THEODORE J. SCHORSCH'S RESUBDIVISION, AS RECORDED BY DOCUMENT 15699705, AS EXTENDED SOUTHERLY; THENCE NORTHERLY ALONG SAID EAST LINE, 185.66 FEET TO AN ANGLE IN SAID LOT 1; THENCE NORTHWESTERLY, ALONG A LINE OF SAID LOT 1, 7.07 FEET, TO AN ANGLE OF SAID LOT 1; THENCE WESTERLY, ALONG THE NORTH LINE OF LOTS 1 THROUGH 26 IN SAID THEODORE J. SCHORSCH'S RESUBDIVISION, 999.24 FEET, MORE OR LESS, TO THE EAST LINE OF LOT 11 IN THEODORE J. SCHORSCH'S...
RESUBDIVISION, AS RECORDED BY DOCUMENT 15618701, AS EXTENDED SOUTH; THENCE NORTHERLY, ALONG SAID EAST LINE AND THE EAST LINE OF LOTS 11 THROUGH 1 IN SAID RESUBDIVISION, 471.42 FEET, MORE OR LESS, TO THE NORTHEAST CORNER OF LOT 1 IN SAID RESUBDIVISION, BEING A POINT ON THE SOUTH LINE OF LEMOYNE AVENUE; THENCE WESTERLY, ALONG SAID SOUTH LINE OF LEMOYNE AVENUE AND ITS EXTENSION WEST, 191.15 FEET TO THE WEST LINE OF LAVERGNE AVENUE, SAID POINT BEING 33.0 FEET WEST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 4; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LAVERGNE AVENUE, 694.75 FEET, MORE OR LESS, TO A POINT ON THE NORTH LINE OF THE WEST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 4 BEING THE PLACE OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.
EXHIBIT 2
BUILDING PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

<table>
<thead>
<tr>
<th>PERMIT #</th>
<th>ADDRESS</th>
<th>DATE</th>
<th>INVESTMENT</th>
</tr>
</thead>
<tbody>
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<td>751612</td>
<td>4737 W. North Avenue</td>
<td>3/30/92</td>
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<td>752495</td>
<td>1535 N. Cicero</td>
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<td>787466</td>
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<td>803344</td>
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<td>814256</td>
<td>1601 N. Cicero</td>
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<td>96000651</td>
<td>1420 N. Lamon</td>
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TOTAL $567,600
EXHIBIT 3
DISTRIBUTION OF CRITERIA MATRIX

VACANT AREA

<table>
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<tr>
<th>BLOCK #</th>
<th>1</th>
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<tbody>
<tr>
<td>212</td>
<td>X</td>
<td></td>
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<td></td>
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</tbody>
</table>

Key  
X Present to a Major Extent  
P Present  
Not Present

Criteria

1) A combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land,

2) The area immediately prior to becoming vacant qualified as a blighted improved area,

3) The area consists of an unused quarry or unused quarries,

4) The area consists of unused rail yards, rail tracks or railroad rights-of-way,

5) The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is in) proximity to any improvement on real property which has been in existence for at least five years and which substantially contributes to such flooding,

6) The area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites.

7) The area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
## IMPROVED AREA

<table>
<thead>
<tr>
<th>BLOCK</th>
<th>Age 1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
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<td>13 33 423</td>
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<td>P</td>
<td>X</td>
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</tr>
<tr>
<td>13 34 315</td>
<td>X</td>
<td>P</td>
<td>P</td>
<td>X</td>
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<td></td>
<td>P</td>
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<td>P</td>
<td>X</td>
<td>X</td>
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<td></td>
<td>P</td>
<td>X</td>
<td>X</td>
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<td>16 03 102</td>
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<td>X</td>
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<td>16 04 204</td>
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<td></td>
<td>P</td>
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<tr>
<td>16 04 226</td>
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<td></td>
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<td></td>
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<td></td>
<td>X</td>
</tr>
</tbody>
</table>

### Key
- X: Present to a Major Extent
- P: Present
-  Not Present

### Criteria
1. DILAPIDATION
2. OBSOLESCENCE
3. DETERIORATION
4. ILLEGAL USE OF INDIVIDUAL STRUCTURES
5. PRESENCE OF STRUCTURES BELOW MINIMUM CODE
6. ABANDONMENT
7. EXCESSIVE VACANCIES
8. OVERCROWDING
9. LACK OF VENTILATION, LIGHT OR SANITARY FACILITIES
10. INADEQUATE UTILITIES
11. EXCESSIVE LAND COVERAGE
12. DELETERIOUS LAND USE OR LAYOUT
13. DEPRECIATION OF PHYSICAL MAINTENANCE
14. LACK OF COMMUNITY PLANNING
## EXHIBIT 4

### MATRIX OF CONSERVATION FACTORS

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<th>100</th>
<th>102</th>
<th>204</th>
<th>210</th>
<th>212</th>
<th>226</th>
<th>227</th>
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<tbody>
<tr>
<td>B. Number of Buildings</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>1</td>
<td>1</td>
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<td>1</td>
</tr>
<tr>
<td>C. Number of Parcels</td>
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<td>7</td>
<td>20</td>
<td>8</td>
<td>1</td>
<td>3</td>
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<td>1</td>
<td>1</td>
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<tr>
<td>1. Number of buildings 35 years or older</td>
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<td>5</td>
<td>9</td>
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<td>3</td>
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<td>1</td>
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<tr>
<td>2. A. Number of buildings showing decline of physical maintenance</td>
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<td>3</td>
<td>10</td>
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<td>3</td>
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<td>1</td>
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<tr>
<td>3. A. Number of deteriorated buildings</td>
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<td>9</td>
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<td>3. B. Number of parcels with site improvement that are deteriorated</td>
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<td>1</td>
<td>5</td>
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<td>0</td>
<td>1</td>
<td>0</td>
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<tr>
<td>4. A. Number of dilapidated buildings</td>
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<td>4. B. Number of parcels with site improvements that are dilapidated</td>
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<td>0</td>
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<tr>
<td>5. A. Number of obsolete buildings</td>
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<td>1</td>
<td>1</td>
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<tr>
<td>5. B. Number of parcels with site improvements that are obsolete</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>6. Number of buildings below minimum code</td>
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<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>7. Number of buildings lacking ventilation, light, or sanitation facilities</td>
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<td>0</td>
<td>0</td>
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<td>0</td>
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<td>8. Number of building with illegal uses</td>
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<td>0</td>
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<tr>
<td>9. Number of buildings with excessive vacancies</td>
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<td>2</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
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<tr>
<td>9A. Number of parcels with excessive vacancies</td>
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<td>3</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>10. Number of buildings that are abandoned</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>11. Total number of eligibility factors represented in block</td>
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<td>7</td>
<td>7</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td>3</td>
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</tbody>
</table>
EXHIBIT 5
CTA REPORTS
Final Report

UPTA Project Nos. 1T-06-0020 and 1T-06-0072

Chicago Transit Authority

Bus Garage Standardization and Rehabilitation Study

CATHER

DLEWY
CHICAGO TRANSIT AUTHORITY

PROJECT DESCRIPTION

PROJECT TITLE: REPLACE GARAGE - NORTH AVENUE

LOCATION: CHICAGO AVENUE AND PULASKI ROAD

A. SCOPE

The total scope of this project will provide for the design and construction of a 250-bus storage and maintenance facility. This facility will have provisions for bus washing, fueling, vaulting, inspection, repair, staging, and will also include employee parking, utility vehicle storage, and salt storage. Included in the project scope are the following: design engineering, land acquisition, site preparation, construction, construction inspection, project management and administration, and provisions for equipment and furnishings.

Previous funding of $26,587,804 JO 7730 (IL-03-0109), $1,972,143 JO 7444 (IL-05-0017) and $3,500,000 JO 7094 (FY 87 CTA Fund Balance) provided for the following: demolition of the existing garage and ancillary facility; design engineering and preparation of contract documents; and estimated construction funding at time of application including, construction inspection and project management.

This FY 1991 funding of $15,000,000, based on actual construction bids, will provide additional required funding to complete construction of the facility including construction inspection, contract purchase and engineering, project management, and provisions for the purchase and installation of bus washers, maintenance equipment, and furnishings. No future funding is anticipated.

B. BUDGET

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<thead>
<tr>
<th>B.L.J. No.</th>
<th>CTA Series Code and Description</th>
<th>Budget</th>
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<tr>
<td>01</td>
<td>CTA Engineering</td>
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<td>11</td>
<td>Direct Services 01</td>
<td>375,000</td>
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<tr>
<td>02</td>
<td>CTA Forces</td>
<td>250,000</td>
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<tr>
<td>12</td>
<td>Direct Services 02</td>
<td>62,500</td>
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<td>03</td>
<td>Contract Purchase</td>
<td>459,678</td>
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<tr>
<td>04</td>
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<tr>
<td>05</td>
<td>Contract Construction</td>
<td>10,727,822</td>
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TOTAL: $15,000,000
CHICAGO TRANSIT AUTHORITY

PROJECT DESCRIPTION

PROJECT TITLE: REPLACE GARAGE - NORTH AVENUE
LOCATION: CHICAGO AVENUE AND PULASKI ROAD

C. ESTIMATED QUARTERLY EXPENDITURES AND OBLIGATIONS

<table>
<thead>
<tr>
<th>Calendar Quarter</th>
<th>Expenditures</th>
<th>Obligations</th>
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<td>Qtr 11</td>
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<td><strong>TOTAL:</strong></td>
<td><strong>$15,000,000</strong></td>
<td><strong>$15,000,000</strong></td>
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</tbody>
</table>

* Determined by Authorization to Proceed

D. JUSTIFICATION

The original bus facility, located at North and Cicero Avenues, constructed in 1910 as a streetcar barn, was demolished due to the extreme age of the building complex and the general deterioration of the structural and mechanical systems. Specifically, the heating system was in poor condition; the ventilation system was inadequate concentrating fumes in the maintenance area; and lighting was poor throughout the facility, creating problems in the bus repair areas. Finally, bus storage was located in an open area divided by freestanding masonry walls which impeded bus movement, resulted in the need to continuously run buses, and ultimately necessitated replacement of the facility. The replacement facility, to be located at Chicago and Pulaski Avenues, will have adequate space to provide for all bus storage and maintenance functions including employee parking and utility vehicle storage.
PROJECT DESCRIPTION

PROJECT TITLE: REPLACE GARAGE - NORTH AVENUE
LOCATION: CHICAGO AVENUE AND PULASKI ROAD

E. MILESTONES

<table>
<thead>
<tr>
<th>Task</th>
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<tbody>
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<tr>
<td>Design Start</td>
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<tr>
<td>Complete Plans &amp; Specs.</td>
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<tr>
<td>Construction Start</td>
<td>06/01/91</td>
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<td>Funded Completion</td>
<td>12/01/93</td>
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<tr>
<td>Job Order Completion</td>
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Page 2
MAP LEGEND

MAP 1 PROJECT BOUNDARY
MAP 2 EXISTING LAND USE
MAP 3 AGE
MAP 4 DILAPIDATION
MAP 5 OBSOLESCENCE
MAP 6 DETERIORATION
MAP 7 EXCESSIVE VACANCIES
MAP 8 EXCESSIVE LAND COVERAGE
MAP 9 DELETERIOUS LAND USE/LAYOUT
MAP 10 DEPRECIATION OF PHYSICAL MAINTENANCE
MAP 11 BLIGHTED AREA PRIOR TO VACANCY