

CITY OF CHICAGO

35TH & WALLACE REDEVELOPMENT PROJECT AREA

TAX INCREMENT FINANCE PROGRAM

REDEVELOPMENT PLAN AND PROJECT

**CITY OF CHICAGO
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**REDEVELOPMENT PLAN AND PROJECT FOR
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I. INTRODUCTION

Louik/Schneider and Associates, Inc. has been retained by the City of Chicago (the "City") to develop a Redevelopment Plan and Project of the proposed redevelopment area known as 35th & Wallace, Chicago, Illinois Area (the "Redevelopment Project Area"). The Redevelopment Project Area is located on the south side of the City, approximately two miles from the central business district. The Redevelopment Project Area is comprised of approximately 114.2 acres and includes 22 (full and partial) blocks. The boundaries of the Redevelopment Project Area are west 33rd Street on the north, west Pershing Road (39th Street) on the south, south Wentworth Avenue on the east, and the alley east of south Halsted Street on the west. The boundaries are shown on Redevelopment Plan Map 1, Project Boundary.

The Redevelopment Project Area is well-suited primarily to residential with mixed commercial and residential development along 35th Street and Pershing Road, and its close proximity to an excellent local and regional transportation network makes the area accessible to shoppers and residents. The Redevelopment Project Area lies next to the Dan Ryan Expressway (I-94) which accesses Lake Shore Drive, the Kennedy Expressway (I-94), the Stevenson Expressway (I-55) and the Eisenhower Expressway (I-290).

The Redevelopment Project Area is also well served by public transportation. The Chicago Transit Authority ("CTA") bus lines that service the Redevelopment Project Area directly are the #24 Wentworth, #44 Wallace-Racine and #35 35th. The CTA Red Line runs adjacent to the eastern boundary of the Redevelopment Project Area along the Dan Ryan Expressway with stations at 35th Street and Pershing Road.

The purpose of the 35th & Wallace Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project ("the Plan") is to create a mechanism to allow for the planning and financing of a mixed-use development primarily containing residential with mixed commercial and residential uses along 35th Street and Pershing Road.

This Plan summarizes the analyses and findings of the consultants' work, which, unless otherwise noted, is the responsibility of Louik/Schneider & Associates, Inc., Ernest R. Sawyer Enterprises, Inc., Noitam Inc. and Macondo Corp. The City of Chicago is entitled to rely on the findings and conclusions of this Plan in designating the Redevelopment Project Area as a redevelopment project area under the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (1996 State Bar Edition), as amended (the "Act"). Louik/Schneider & Associates, Inc. has prepared this Plan and the related eligibility study with the understanding that the City would rely: 1) on the findings and conclusions of the Plan and the related eligibility study in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Plan, and 2) on the fact that Louik/Schneider & Associates, Inc. has obtained the necessary information so that the Plan and the related Eligibility Study will comply with the Act.

The industrial businesses in the Redevelopment Project Area are concentrated in the following two areas: 1) from 38th to 39th Streets between Princeton and Stewart Avenues; and 2) from 35th to 39th Streets between the railroad viaduct and Parnell Avenue. The current industrial businesses in the Redevelopment Project Area are faced with obsolete conditions. At one time the adjacent railroad served as the main method of transportation for the industrial businesses. Today's industrial users transport goods and products via trucks instead of relying on rail as their primary transportation. The industrial businesses have limited expansion opportunities needed for growth and development because of building construction and parcel sizes. Older industrial buildings and mechanical systems cannot accommodate the existing needs of businesses and the rehabilitation costs are not cost effective for businesses. The Redevelopment Project Area also lacks adequate access and parking to support a higher level of industrial business activity.

All of the blocks with existing industrial uses also have residential uses. The adjacent community has replaced industrial businesses with single-family residential homes or townhouses. Due to the limitations faced by the industrial uses, the Redevelopment Project Area is generally no longer an appropriate place for industrial users.

B. AREA HISTORY

According to the *1980 Local Community Fact Book*, the Bridgeport/Armour Square Area originated more than 160 years ago when immigrants were hoping to recreate the communities they had left behind in European countries. Many of these immigrants found jobs building the Illinois & Michigan Canal to link Lake Michigan and the Illinois River. Bridgeport acquired its name from a low bridge that spanned the South Branch of the Chicago River near Ashland Avenue. This bridge area soon became a port for heavy barges traveling up and down the Chicago River. Upon completion of the Canal in 1848, Bridgeport became a boomtown catering to canal related industries. The communities developed primarily as a place for low cost frame housing to serve the developing nearby neighborhoods.

In 1865, the Union Stockyards opened in the Bridgeport Area. This helped bolster growth for both Bridgeport and Armour Square. While Armour Square primarily developed around the railroads, Bridgeport would further transform as both the stockyard industry expanded and new industry was introduced.

After the Chicago Fire in 1871, various industries relocated to the Bridgeport area. Breweries, foundries, steel mills and brickyards began to appear throughout the community. During the 1880's and 1890's, horse car lines began to run down 26th Street to Halsted Street and on 35th Street to the South Branch of the Chicago River.

Towards the end of the 19th Century, when the electric trolley system was introduced in the area, streets were paved and other public improvements were made. Utilizing these improvements, in 1908 the Central Manufacturing District was opened between 35th Street and Pershing Road, Morgan Street and Ashland Avenue.

Stockyards Annex TIF District – Eligibility Factors

| Major Extent | Minor Extent |
|---|----------------------------|
| 1. Age | 1. Excessive Land Coverage |
| 2. Dilapidation | |
| 3. Obsolescence | |
| 4. Deterioration | |
| 5. Excessive Vacancies | |
| 6. Deleterious Land Use or Layout | |
| 7. Depreciation of Physical Maintenance | |

The Bronzeville TIF district is located to the east and northeast of the proposed area and consists of 647 buildings, 1,459 parcels, 103 blocks and 491 acres. The Bronzeville TIF is generally bounded by 25th Street on the north, 40th Street on the south, Dr. Martin Luther King Jr. Drive and Lake Park Avenue on the east and the Calumet/Indiana/Wentworth Avenues and State Street on the west. The area is in need of revitalization and is characterized by the following vacant parcels and vacant buildings, deteriorated buildings, inadequate infrastructures and other deteriorating characteristics.

Nine of the 14 blighted area eligibility criteria are present in varying degrees throughout the Bronzeville TIF District including:

Bronzeville TIF District – Eligibility Factors

| Major Extent | Minor Extent |
|---|---|
| 1. Age | 1. Structure Below Minimum Code Standards |
| 2. Dilapidation | 2. Excessive Vacancies |
| 3. Obsolescence | 3. Excessive Land Coverage |
| 4. Deterioration | 4. Deleterious Land Use |
| 5. Depreciation of Physical Maintenance | |

The lack of growth and investment by the private sector in both designated TIF districts is shown in the equalized assessed values (“EAV”) of both properties. During a five year span (1991 and 1995) reviewed during the designation process of this TIF, the average growth rate in the Stockyards Annex was 3.75%, while the city maintained an average of 10.47% (at the time of the study). Bronzeville reported a 3.21% increase during the five year period (1992-1997) reviewed during the designation process of this TIF, which is also well below the City average of 6.57% (at the time of the study).

D. ZONING CHARACTERISTICS

The land uses in this area vary between residential, business and manufacturing. Permitted zoning uses for the Redevelopment Project Area include the following: residential districts zoned R3, R4 and R5; business district zoned B4-2; and manufacturing district zoned M1-2.

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 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 Plan is adopted, it will include land uses that have already been approved by the Chicago Plan Commission.

There has been no major private investment in the Redevelopment Project Area for at least the last five years. The adoption of the 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 Plan. Public investments will create the appropriate environment to attract the level of private investment required for rebuilding the Redevelopment Project Area.

Successful implementation of the Plan requires that the City take advantage of the real estate tax increment revenues attributed to the Redevelopment Project Area as provided in accordance with the Act.

OBJECTIVES Facilitate the development of vacant land and the redevelopment of underutilized properties for residential and commercial uses.

Promote the desirability of the commercial areas of the Redevelopment Project Area as an excellent location for restaurant/entertainment venues.

GOAL 4 Encourage the participation of minorities and women in the redevelopment process of the Redevelopment Project Area.

OBJECTIVE Educate companies on City and private firms' affirmative action policies for development and construction.

GOAL 5 Create construction job opportunities in the Redevelopment Project Area.

OBJECTIVES Establish job-training and job-readiness programs to provide area residents within and surrounding the Redevelopment Project Area with the skills necessary to secure jobs.

Encourage the use of the Mayor's Office of Workforce Development programs to assist existing companies and firms in the area.

GOAL 6 Create an environment for educational and other institutional facilities to serve the surrounding communities.

OBJECTIVES Provide expansion opportunities for existing institutions in or around the Redevelopment Project Area.

Develop open space appropriately within the Redevelopment Project Area.

GOAL 7 Continue the residential character of the adjacent residential community.

OBJECTIVE Continue the existing streetscaping, sidewalk and street improvements that surround the Redevelopment Project Area to the west and north.

IV. CONSERVATION AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

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.

As set forth in the Act, 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 standard; 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 age and the combination of three 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., Ernest R. Sawyer Enterprises, Inc., Noitam, Inc. and Macondo Corp., the Redevelopment Project Area qualifies as a Conservation Area as defined by the Act. A separate report, entitled City of Chicago 35th and Wallace Tax Increment Finance Program Eligibility Study dated August 1999 ("Eligibility Study"), is attached as Exhibit 5 to this Plan and describes in detail the surveys and analyses undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a Conservation Area.

The Redevelopment Project Area is characterized by the presence of eleven Conservation Area eligibility factors in addition to age as listed in the Act. Summarized below are the findings of the Eligibility Report.

A. SUMMARY OF ELIGIBILITY FACTORS

The Redevelopment Project Area (also referred to as the "Study Area" in the Eligibility Study) consists of 22 (full and partial) blocks and 175 parcels. There are 110 buildings in the Redevelopment Project Area.

Throughout the Redevelopment Project Area eleven of the 14 conservation area eligibility criteria are present in addition to the finding of age, 6 to a major extent and 5 to a minor extent. The Conservation Factors identified in the Redevelopment Project Area are as follows:

present to a major extent in 102 of the 110 (92.7%) buildings, 155 (88.6%) of the 175 parcels, and in all of the 22 blocks.

6. LACK OF COMMUNITY PLANNING

Lack of community planning may be a factor if the proposed Study Area was developed prior to or without the benefit of a community plan. In the Redevelopment Project Area, lack of community planning is **present to a major extent** in all of the 22 blocks.

MINOR EXTENT

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** in 32 of the 110 (29.1%) buildings and in 15 of the 22 blocks.

2. PRESENCE OF STRUCTURES BELOW MINIMUM CODE

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. In the Redevelopment Project Area, structures below minimum code standards are **present to a minor extent** in 35 of the 110 (31.8%) buildings and in 14 blocks in the Study Area over the last five years.

3. EXCESSIVE VACANCIES

Excessive vacancy refers to buildings which are unoccupied or underutilized and exert an adverse influence on the area because of the frequency, duration, or extent of vacancy. In the Redevelopment Project Area, excessive vacancies are **present to a minor extent** and can be found in 10 of the 110 (9.1%) buildings and in 8 of the 22 blocks.

4. 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. In the Redevelopment Project Area, overcrowding of structures and community facilities is **present to a minor extent** and can be found in 25 of the 110 (22.7%) buildings and in 10 of the 22 blocks.

5. LACK OF LIGHT, VENTILATION OR SANITARY CONDITIONS

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. In the Redevelopment Project Area, lack of ventilation, light, or sanitary facilities was found **present to a minor extent** in 8 of the 110 (7.3%) buildings, 14 of the 175 (8%) parcels and in 1 of the 22 blocks.

parking lot for Comiskey Park and as a temporary truck storage facility during the off season.

The EAV analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. and Noitam Inc. from the Cook County Treasurers Office and the Cook County Clerk's Office tax data. Based upon the findings of the Eligibility Study for the 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 Plan.

MIXED-USE COMMERCIAL/INDUSTRIAL

Mixed-use commercial/industrial land use is proposed for two blocks from 38th to 39th Streets between Princeton to Stewart Avenues.

The proposed land uses are intended to direct any future development within the Redevelopment Project Area and to ensure that the goals and objectives of the Plan are followed. The Chicago Plan Commission prior to its adoption will approve this Plan and the proposed land uses described herein by the City Council.

B. REDEVELOPMENT PLAN

The proposed land uses are the key to the comprehensive and cohesive development of the Redevelopment Project Area as a residential community with commercial businesses along the main arterial streets (35th Street and Pershing Road). The success of this Plan includes the following: transition of existing industrial uses to residential use, reducing the over intensive and inappropriate uses along 35th Street, and development of Pershing Road as a gateway to the Stockyards Industrial Park. For the area east of the railroad viaduct, the Plan proposes that existing residential and commercial uses remain the same. This Plan is consistent with the residential communities directly north and west, where the base is residential with mixed commercial/residential development along the main arterial streets such as Halsted Street, Wallace Avenue, 31st and 35th Streets.

It is the City's primary goal to provide the current industrial users located in the Redevelopment Project Area with expansion opportunities in nearby and/or adjacent TIF Districts. As previously mentioned, the Stockyards Annex TIF District is adjacent to the Redevelopment Project Area and provides a variety of development opportunities ranging in size from 2.3 to 29.5 acres. Over time, the replacement of these industrial firms will create new and modern residential opportunities.

New development and rehabilitation in the Redevelopment Project Area is concentrated in the following categories:

- 1. Residential Areas** – The Plan proposes all new residential development located in the Redevelopment Project Area be either single-family homes and/or townhouses. The development of the residential property in this manner is compatible with the existing uses to the north and west of the Redevelopment Project Area. The vision for the new residential is to achieve development that is integrated functionally and aesthetically with adjacent residential development located to the west along Union and Emerald Avenues. The proposed residential use replaces the existing industrial land uses throughout the Redevelopment Project Area except for two blocks at the eastern boundary. Along 35th Street and Pershing Road, the Plan proposes that the residential land use be combined with commercial uses where appropriate.

RESIDENTIAL AREAS

- Achieve development that is integrated functionally and aesthetically with adjacent development located along Union and Emerald Avenues.
- Develop landscaping and infrastructure improvements to support single-family and townhouse development.
- Enhance the overall appearance and make the necessary structural improvements of the Chicago Public Housing Authority – Wentworth Gardens.
- Maintain scale of the buildings not only in height but also in density and design that are consistent with adjacent structures.
- Incorporate traditional Chicago Architecture styles into all new designs.
- Residential structures should front onto the streets.
- Facades must be varied to develop an attractive appearance.
- Maintain the City's existing street grid and alley system.

35TH STREET

- Encourage a variety of streetscape amenities that include such items as sidewalk planters, flower boxes, plazas, and wrought-iron fences where appropriate to compliment the existing lighting and trees.
- Ensure that new developments along 35th Street compliment the existing structures and the streetscape improvements.
- Create a pedestrian friendly streetscape along 35th Street.
- Improve landscaping, fencing and maintenance of existing public owned facilities in the Redevelopment Project Area.
- New residential development along 35th Street should be designed to blend with local residential areas.
- Maintain scale of the buildings not only in height but also in density and design that are consistent with adjacent structures.
- Prohibit the use of billboards and other inappropriate outdoor advertising.

improvements required for the project. Under a redevelopment agreement, the developer may also be reimbursed from incremental tax revenues (to the extent permitted by the Act) for all or a portion of the costs of required site improvements. Additionally, the implementation of the Plan will allow the City to attract a variety of uses.

E. 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 those listed below. Some of the costs listed below will become eligible costs under the Act pursuant to an amendment to the Act which will become effective November 1, 1999.

1. **ANALYSIS, ADMINISTRATION, STUDIES, LEGAL, ETC.** Funds may be used by the City to provide for activities including the long-term management of the Redevelopment Project as well as the costs of establishing the program and designing its components. Funds may be used by the City to provide for costs of studies, surveys, development of plans and specifications, marketing sites within the area to prospective businesses, developers, and investors, implementation and administration of the 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.
2. **ASSEMBLAGE OF SITES/SITE PREPARATION.** To meet the goals and objectives of this Plan, the City may acquire and assemble property throughout the Redevelopment Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Property assembly costs, includes but is not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, environmental remediation, and the clearing and grading of land. Site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers are also included.

In connection with the City exercising its power to acquire real property not currently identified on the Acquisition Map, including the exercise of the power of eminent

may also include reimbursement of capital costs of taxing districts impacted by the redevelopment of the Redevelopment Project Area, as permitted by the Act.

8. **PROVISION FOR RELOCATION COSTS.** Relocation assistance may be provided in order to facilitate redevelopment of portions of the Redevelopment Project Area, and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.

The costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.

9. **PAYMENT IN LIEU OF TAXES ACCORDING TO THE ACT.**
10. **COSTS OF JOB TRAINING.** Funds may be provided for costs of job training, advanced vocational education, "welfare to work" programs implemented by businesses located within the redevelopment project area, 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 a) 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 companies located in a redevelopment project area; and b) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City 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 in the Act) and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code (as defined in the Act).
11. **INTEREST COSTS.** Funds may be provided to developers or redevelopers for a portion of interest costs incurred in the construction of a redevelopment project. Interest costs incurred by a developer or 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 developer or the redeveloper with regard to the redevelopment project during that year;

16. **SCHOOLS.** An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act.
17. **LOW-INCOME HOUSING.** Up to 50% of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for this benefit under the Act.

To undertake these activities, redevelopment project costs will be incurred. "Redevelopment Project Costs" (hereafter defined as the "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 Plan pursuant to the Act.

The City may incur Redevelopment Project Costs which are paid for from the funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

In the event the Act is amended after the date of the approval of this Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs (such as, for example, to include the cost of construction or residential housing), or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interests costs that may be paid under 65 ILCS 5/1-74.4-3(q)(11)), this Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Plan. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 1 (which sets forth the TIF eligible costs for the Plan), or otherwise adjust the line items without amendment to this Plan. In no instance, however shall such additions or adjustments result in any increase in the total Redevelopment project Costs without a further amendment to this Plan.

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 Plan. The Redevelopment Project Costs represent estimated amounts and do not represent actual City commitments or expenditures.

Table 1 - (Estimated Redevelopment Project Costs) represents those eligible project costs pursuant to 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 tax revenues generated and the City's willingness to fund proposed projects on a project-by-project basis.

may elect to use to pay for Redevelopment Project Costs or other obligations issued to pay for such costs. These sources include, but are not limited to, state and federal grants, developer contributions and land disposition proceeds generated from the Redevelopment Project Area.

The tax increment revenue that 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 EAV of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the certified EAV base of each such property in the Redevelopment Project Area. Without the adoption of the Plan and the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be anticipated to be developed.

The Redevelopment Project Area may, in the future, be contiguous to, or be separated only by a public right of way from, other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Redevelopment Project Area to pay eligible Redevelopment Project Costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right of way, and vice versa. The amount of revenue from the Redevelopment Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right of way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Redevelopment Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Plan. The Redevelopment Project Area may become contiguous to, or be separated only by a public right of way from, redevelopment project areas created under the Industrial Jobs Recovery Law (the "Law"), 65 ILCS 5/11-74.6-1, et seq. If the City finds the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right of way are interdependent with those of the Redevelopment Project Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the Redevelopment Project Area be made available to support any such redevelopment project areas, and vice versa. The City therefore proposes to utilize net incremental revenues received from the Redevelopment Project Area to pay eligible redevelopment project costs (which are eligible under the industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the Redevelopment Project Area, and such areas. The amount of revenue from the Redevelopment Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Redevelopment Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in this Plan.

G. 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.

I. ANTICIPATED EQUALIZED ASSESSED VALUATION

By the year 2006, when it is estimated that the Redevelopment Project, based on currently known information, will be completed and fully assessed, the estimated EAV of real property within the Redevelopment Project Area is estimated at between \$25,000,000 and \$30,000,000. These estimates are based on several key assumptions, including: 1) all currently projected development will be completed by 2006, 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Plan; 3) the most recent State Multiplier of 2.1799 as applied to 1998 assessed values will remain unchanged; 4) for the duration of the Redevelopment Project Area, the tax rate for the entire area is assumed to be the same and will remain unchanged from the 1998 level; and 5) growth from reassessments of existing properties in the Redevelopment Project Area will be at a rate of 2.5% per year with a reassessment every three years. Although development in the Redevelopment Project Area may occur after 2010, it is not possible to estimate with accuracy the effect of such future development on the EAV for the Redevelopment Project Area. In addition, as described in Section P of the Plan, "Phasing and Scheduling of Redevelopment," public improvements and the expenditure of Redevelopment Project Costs may be necessary in furtherance of the Plan throughout the 23-year period that the Plan is in effect.

J. LACK OF GROWTH AND DEVELOPMENT

As described in Section IV - Conservation Area Conditions, 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. Continued existence of the factors referenced above and the lack of new development projects initiated or completed within the Redevelopment Project Area evidence the lack of private investment.

The lack of growth and investment by the private sector is supported by the trend in the EAV of all the property in the Redevelopment Project Area. The EAV for all property in the City increased from \$28,661,954,119 in 1993 to \$33,940,145,776 in 1998, a total of 18.42% or an average of 3.68% per year. Over the last five years, from 1993 to 1998, the Redevelopment Project Area has experienced an overall EAV increase of 17.15% from \$6,523,772 in 1993 to \$7,642,771 in 1998, an average increase of 3.43% per year, excluding four former tax exempt parcels. These four parcels which were tax exempt in 1997, currently have a total EAV of \$1,404,631 for 1998. Three of the four parcels are part of the railroad and one parcel is used as a parking lot for Comiskey Park and as a temporary truck storage facility during the off season.

A summary of the building permit requests for new construction and major renovation in the Redevelopment Project Area is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from January 1994 - August 1999 totaled \$359,950.

The proposed Redevelopment Plan and Project involves the rehabilitation and the construction of new residential and commercial developments. The residential development is not likely to cause increased demand for capital improvements to be provided by the taxing districts. It is anticipated that the amount of school age children the new residential development will bring to the area can be adequately accommodated in the existing schools. Currently, there is one school in the Redevelopment Project Area - McClellan Elementary. A coordinated planning effort will be developed with the Chicago Board of Education as development occurs within the area to accommodate any new residents (see Map 5). Therefore, as discussed below, the financial burden of the Redevelopment Plan and Project on taxing districts is expected to be moderate.

In addition to the major taxing districts summarized above, the City of Chicago Library Fund has taxing jurisdiction over part or all of the Redevelopment Project Area. The City of Chicago Library Fund (formerly a separate taxing district from the City) no longer extends taxing levies but continues to exist for the purpose of receiving delinquent taxes.

IMPACT OF THE REDEVELOPMENT PROJECT

The replacement of vacant and underutilized properties with residential and commercial development may increase the demand for services and/or capital improvements to be provided by the Chicago Board of Education, the Metropolitan Water Reclamation District, the Chicago Park District and the City. The estimated nature of these increased demands for services on these taxing districts is described below.

Chicago Board of Education. The replacement of vacant and underutilized properties with residential and commercial development may increase the demand for the educational services and the number of schools provided by the Chicago Board of Education. There is one school within the boundaries of the Redevelopment Project Area, McClellan Elementary. Based on attendance boundaries provided by the Chicago Board of Education, the new proposed residential areas are served by three schools – McClennan, Healy and James Ward Elementary, of which only one is in the Redevelopment Project Area (* denotes schools that will serve new residents). The following tables illustrates the current occupancy levels, the number of students enrolled, and the design capacity of the McClellan Elementary as well as six additional schools that are within a five block radius of the Redevelopment Project Area. The three schools that will serve the new residents of the Redevelopment Project Area are operating at occupancy levels between 48% - 66%. Combined, the three schools can potentially absorb approximately 1300 new students.

| School in the Redevelopment Project Area | Occupancy (%) | Students Enrolled | Design Capacity (# of students) |
|--|---------------|-------------------|---------------------------------|
| McClellan Elementary* | 63% | 371 | 585 |

* denotes school that will serve new residents

The City intends to monitor development in the Redevelopment Project Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

N. PROVISION FOR AMENDING ACTION PLAN

The 35th & Wallace Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

O. FAIR EMPLOYMENT PRACTICES, AFFIRMATIVE ACTION PLAN AND PREVAILING WAGE AGREEMENT

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Project Area.

1. The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment 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.
2. Redevelopers must meet City's standards for participation of 25% Minority Business Enterprises and 5% Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in Redevelopment Agreements.
3. This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
4. Redevelopers must meet City standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all protect employees.

P. PHASING AND SCHEDULING OF REDEVELOPMENT

A phased implementation strategy will be used to achieve a timely and orderly redevelopment of the Redevelopment Project Area. It is expected that over the 23 years that this Plan is in effect for the Redevelopment Project Area, 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 housing and commercial purposes will be staged consistently with the funding and construction of infrastructure improvements, and private sector interest in new industrial facilities. City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and

TABLE 1 - ESTIMATED REDEVELOPMENT PROJECT COSTS

| Program/ Action/Improvements | | Estimated Costs* |
|---|--|-------------------------|
| 1. | Assemblage of Sites | \$7,000,000 |
| 2. | Site Preparation | \$4,500,000 |
| 3. | Construction of Public Works or Improvements (1): | \$7,000,000 |
| 4. | Relocation | \$3,500,000 |
| 5. | Rehabilitation costs of public or private buildings and fixtures | \$3,000,000 |
| 6. | Job Training | \$2,000,000 |
| 7. | Interest Costs | \$1,000,000 |
| 8. | Daycare Services | \$1,000,000 |
| 9. | Professional Services: studies, surveys, plans & specifications, administrative costs relating to redevelopment plan, architectural, engineering, legal, marketing, financial, planning or other services | \$1,000,000 |
| TOTAL REDEVELOPMENT COSTS (2)(3) | | \$30,000,000 |

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

(1) This category may also include reimbursing capital costs of taxing districts impacted by the redevelopment of the Redevelopment Project Area, as permitted by the Act.

(3) All costs are in 1999 dollars. In addition to the above stated costs, each issue of any bonds issued to finance a phase of the Redevelopment 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 and may be made by the City without amendment to the Plan. 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.

(3) The estimated Total Redevelopment Project Costs amount does not include private redevelopment costs or costs financed from non-TIF public resources. Total Redevelopment Project Costs are inclusive of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated only by a public right of way, that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area, but do not include project costs incurred in the Redevelopment Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated only by a public right of way.

TABLE 2 - 1998 EQUALIZED ASSESSED VALUATION

| | | | | | |
|----|------------|-----------|----|------------|-----------|
| 1 | 1733118033 | \$92,212 | 48 | 1733123041 | \$30,172 |
| 2 | 1733118034 | \$45,448 | 49 | 1733123042 | \$17,583 |
| 3 | 1733118035 | \$282,238 | 50 | 1733123043 | \$51,242 |
| 4 | 1733119035 | \$29,156 | 51 | 1733123044 | \$39,659 |
| 5 | 1733119036 | \$14,577 | 52 | 1733123045 | \$61,412 |
| 6 | 1733119037 | \$34,599 | 53 | 1733123047 | \$7,056 |
| 7 | 1733119038 | \$63,309 | 54 | 1733123048 | \$6,385 |
| 8 | 1733119039 | \$63,309 | 55 | 1733123095 | \$72,712 |
| 9 | 1733119040 | \$22,513 | 56 | 1733123096 | \$64,638 |
| 10 | 1733119041 | \$34,244 | 57 | 1733124001 | \$691,242 |
| 11 | 1733119042 | \$27,539 | 58 | 1733124002 | Exempt |
| 12 | 1733119043 | \$71,649 | 59 | 1733300025 | \$252,003 |
| 13 | 1733120082 | \$28,301 | 60 | 1733301001 | \$119,411 |
| 14 | 1733120083 | \$25,079 | 61 | 1733301002 | \$6,862 |
| 15 | 1733120084 | \$5,642 | 62 | 1733301024 | \$37,752 |
| 16 | 1733120085 | \$25,058 | 63 | 1733302047 | \$64,937 |
| 17 | 1733120086 | \$48,703 | 64 | 1733302048 | \$17,343 |
| 18 | 1733120087 | \$18,010 | 65 | 1733302049 | \$10,956 |
| 19 | 1733120088 | \$24,759 | 66 | 1733303001 | Exempt |
| 20 | 1733120089 | \$16,589 | 67 | 1733303002 | Exempt |
| 21 | 1733120090 | \$5,022 | 68 | 1733303024 | Exempt |
| 22 | 1733120091 | \$28,798 | 69 | 1733303025 | Exempt |
| 23 | 1733121087 | \$7,176 | 70 | 1733303026 | Exempt |
| 24 | 1733121088 | Exempt | 71 | 1733303027 | Exempt |
| 25 | 1733121089 | Exempt | 72 | 1733304001 | Exempt |
| 26 | 1733121090 | \$27,731 | 73 | 1733304002 | Exempt |
| 27 | 1733121091 | \$41,595 | 74 | 1733304003 | Exempt |
| 28 | 1733121092 | \$41,595 | 75 | 1733304004 | Exempt |
| 29 | 1733121093 | \$27,731 | 76 | 1733304012 | Exempt |
| 30 | 1733121094 | \$58,844 | 77 | 1733305003 | \$500,638 |
| 31 | 1733121095 | \$63,538 | 78 | 1733305004 | \$7,577 |
| 32 | 1733121096 | \$70,289 | 79 | 1733305006 | Exempt |
| 33 | 1733122045 | \$7,279 | 80 | 1733305007 | \$324,548 |
| 34 | 1733122046 | \$159,041 | 81 | 1733306004 | \$172,646 |
| 35 | 1733122085 | \$7,279 | 82 | 1733306005 | \$283,383 |
| 36 | 1733122086 | \$7,279 | 83 | 1733306007 | Exempt |
| 37 | 1733122087 | \$7,279 | 84 | 1733306009 | \$196,409 |
| 38 | 1733122088 | \$7,279 | 85 | 1733306010 | \$284,477 |
| 39 | 1733122089 | \$125,752 | 86 | 1733306012 | \$17,276 |
| 40 | 1733122090 | \$10,184 | 87 | 1733306031 | \$979 |
| 41 | 1733123024 | \$15,190 | 88 | 1733319010 | \$7,492 |
| 42 | 1733123025 | \$15,190 | 89 | 1733319011 | \$7,492 |
| 43 | 1733123026 | \$27,809 | 90 | 1733319036 | \$9,365 |
| 44 | 1733123027 | \$9,180 | 91 | 1733319038 | \$109,126 |
| 45 | 1733123028 | \$27,809 | 92 | 1733320001 | \$67,060 |
| 46 | 1733123039 | \$109,632 | 93 | 1733320002 | \$95,700 |
| 47 | 1733123040 | \$117,287 | 94 | 1733320003 | \$3,706 |

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8/26/99

| | | |
|-----|------------|-----------|
| 95 | 1733320004 | \$3,706 |
| 96 | 1733320005 | \$3,795 |
| 97 | 1733320006 | \$20,461 |
| 98 | 1733320007 | \$3,793 |
| 99 | 1733320008 | \$3,793 |
| 100 | 1733320009 | \$3,793 |
| 101 | 1733320010 | \$3,793 |
| 102 | 1733320011 | \$307,789 |
| 103 | 1733320012 | \$4,031 |
| 104 | 1733320013 | \$3,911 |
| 105 | 1733320014 | \$36,801 |
| 106 | 1733320022 | \$85,153 |
| 107 | 1733326038 | \$4,874 |
| 108 | 1733326039 | \$4,634 |
| 109 | 1733326040 | \$4,630 |
| 110 | 1733326041 | \$4,634 |
| 111 | 1733326042 | \$27,203 |
| 112 | 1733326043 | \$153,280 |
| 113 | 1733326044 | \$1,798 |
| 114 | 1733326045 | \$1,798 |
| 115 | 1733326046 | \$5,347 |
| 116 | 1733326047 | \$4,582 |
| 117 | 1733327020 | \$19,776 |
| 118 | 1733327021 | \$1,452 |
| 119 | 1733327022 | \$1,018 |
| 120 | 1733327023 | \$994 |
| 121 | 1733327024 | \$3,117 |
| 122 | 1733327025 | \$7,050 |
| 123 | 1733327026 | \$4,674 |
| 124 | 1733327041 | \$147,503 |
| 125 | 1733327043 | \$165,032 |
| 126 | 1733328005 | \$16,661 |
| 127 | 1733328006 | \$16,559 |
| 128 | 1733328007 | \$16,559 |
| 129 | 1733328008 | \$16,559 |
| 130 | 1733328009 | \$5,101 |
| 131 | 1733328010 | \$1,873 |
| 132 | 1733328011 | \$5,057 |
| 133 | 1733328012 | \$4,242 |
| 134 | 1733328013 | \$1,873 |
| 135 | 1733328015 | \$27,342 |
| 136 | 1733328016 | \$27,342 |
| 137 | 1733328017 | \$44,708 |

| | | |
|-----|------------|-----------|
| 138 | 1733328018 | \$44,708 |
| 139 | 1733328019 | \$61,957 |
| 140 | 1733328020 | \$23,497 |
| 141 | 1733328022 | \$181,664 |
| 142 | 1733328023 | \$293,009 |
| 143 | 1733328024 | \$1,953 |
| 144 | 1733328025 | \$2,062 |
| 145 | 1733412003 | Exempt |
| 146 | 1733412004 | \$230,716 |
| 147 | 1733412008 | \$628,395 |
| 148 | 1733412009 | Exempt |
| 149 | 1733413047 | Exempt |
| 150 | 1733500009 | RR |
| 151 | 1733500013 | RR |
| 152 | 1733500014 | RR |
| 153 | 1733500016 | RR |
| 154 | 1733500017 | RR |
| 155 | 1733500026 | \$698,407 |
| 156 | 1733500027 | RR |
| 157 | 1733500028 | RR |
| 158 | 1733500029 | RR |
| 159 | 1733500030 | RR |
| 160 | 1733500031 | \$6,367 |
| 161 | 1733500032 | \$8,615 |
| 162 | 1733500033 | RR |
| 163 | 1733500034 | RR |
| 164 | 1733500035 | RR |
| 165 | 1733500036 | RR |
| 166 | 1733500037 | Exempt |
| 167 | 1733500038 | Exempt |
| 168 | 1733500039 | Exempt |
| 169 | 1733500040 | Exempt |
| 170 | 1733500041 | Exempt |
| 171 | 1733500042 | Exempt |
| 172 | 1733500043 | Exempt |
| 173 | 1733500044 | Exempt |
| 174 | 1733500045 | Exempt |
| 175 | 1733500046 | Exempt |

TOTAL:

\$9,047,402

SAID WEST LINE OF PARNELL AVENUE TO THE NORTH LINE OF LOT 6 IN BLOCK 2 OF B. SHURTLEFF'S SUBDIVISION OF THE NORTH HALF OF BLOCK 22 OF SAID CANAL TRUSTEE'S SUBDIVISION, SAID NORTH LINE ALSO BEING THE SOUTH LINE OF AN EAST-WEST ALLEY IN SAID BLOCK 2; THENCE WEST, ALONG SAID SOUTH LINE OF THE EAST-WEST ALLEY, TO THE WEST LINE OF SAID LOT 6, ALSO BEING THE EAST RIGHT-OF-WAY LINE OF A NORTH-SOUTH ALLEY IN SAID BLOCK 2; THENCE SOUTH ALONG SAID EAST LINE OF THE NORTH-SOUTH ALLEY, TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 34 IN SAID BLOCK 2 OF B. SHURTLEFF'S SUBDIVISION; THENCE WEST ALONG SAID EASTERLY EXTENSION AND SOUTH LINE OF SAID LOT 34 TO THE WEST RIGHT-OF-WAY LINE OF WALLACE STREET; THENCE NORTH ALONG SAID WEST LINE OF WALLACE STREET, TO THE SOUTH LINE OF LOT 8 IN BLOCK 1 OF HAMBURG, BEING SAMUEL GEHR'S SUBDIVISION OF BLOCKS 23 AND 24 OF SAID CANAL TRUSTEE'S SUBDIVISION; THENCE WEST ALONG SAID SOUTH LINE OF LOT 8 AND ITS WESTERLY EXTENSION TO THE SOUTH LINE OF LOT 7 IN SAID BLOCK 1 AND ALONG SAID SOUTH LINE OF LOT 7 AND ITS WESTERLY EXTENSION TO THE WEST RIGHT-OF-WAY LINE OF LOWE AVENUE; THENCE NORTH, ALONG SAID WEST LINE OF LOWE AVENUE TO A LINE THAT IS 30.00 FEET SOUTH OF AND PARALLEL TO THE SOUTH RIGHT-OF-WAY LINE OF 35TH STREET; THENCE WEST, ALONG SAID 30 FOOT PARALLEL LINE TO THE EAST LINE OF A NORTH-SOUTH ALLEY IN BLOCK 2 OF SAID HAMBURG SUBDIVISION; THENCE SOUTH ALONG SAID EAST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 2, TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 7 IN SAID BLOCK 2; THENCE WEST ALONG SAID EASTERLY EXTENSION, THE SOUTH LINE OF SAID LOT 7 AND ITS WESTERLY EXTENSION TO THE WEST RIGHT-OF-WAY LINE OF UNION AVENUE; THENCE NORTH, ALONG SAID WEST LINE OF UNION AVENUE, TO THE SOUTH LINE OF LOT 1 IN BLOCK 3 OF SAID HAMBURG SUBDIVISION; THENCE WEST ALONG SAID SOUTH LINE OF LOT 1 TO THE WEST LINE OF LOT 1, ALSO BEING THE EAST LINE OF A NORTH-SOUTH ALLEY IN SAID BLOCK 3; THENCE SOUTH ALONG SAID EAST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 3, TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 7, IN SAID BLOCK 3; THENCE WEST ALONG SAID EASTERLY EXTENSION, THE SOUTH LINE OF LOT 7 AND ITS WESTERLY EXTENSION, TO THE WEST RIGHT-OF-WAY LINE OF EMERALD AVENUE; THENCE NORTH ALONG SAID WEST LINE OF EMERALD AVENUE, TO THE SOUTH LINE OF LOT 1 IN BLOCK 4 OF SAID HAMBURG SUBDIVISION; THENCE WEST ALONG SAID SOUTH LINE OF LOT 1 IN BLOCK 4, AND ITS WESTERLY EXTENSION TO THE WEST LINE OF A NORTH-SOUTH ALLEY IN SAID BLOCK 4; THENCE NORTH ALONG SAID WEST LINE AND ITS NORTHERLY EXTENSION TO THE NORTHERLY RIGHT-OF-WAY LINE OF 35TH STREET; THENCE EAST ON SAID NORTHERLY RIGHT-OF-WAY LINE TO THE WEST RIGHT-OF-WAY LINE OF A NORTH-SOUTH ALLEY IN BLOCK 2 OF GALLAGHER'S SUBDIVISION OF THE SOUTH HALF OF BLOCK 9 OF SAID CANAL TRUSTEE'S SUBDIVISION; THENCE NORTH ALONG SAID WEST LINE TO THE WESTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF AN EAST-WEST ALLEY IN SAID BLOCK 2; THENCE EAST ALONG SAID WESTERLY EXTENSION OF THE NORTH LINE OF AN EAST-WEST ALLEY AND SAID NORTH LINE AND ITS EASTERLY EXTENSION TO THE NORTH LINE OF AN EAST-WEST ALLEY IN BLOCK 1 OF SAID GALLAGHER'S SUBDIVISION; THENCE EAST ALONG SAID NORTH LINE TO THE EAST RIGHT-OF-WAY LINE OF SAID UNION AVENUE; THENCE SOUTHERLY ON SAID EAST RIGHT-OF-WAY LINE TO THE NORTH RIGHT-OF-WAY LINE OF AN EAST-WEST ALLEY IN BLOCK 2 IN T.J. FOSTER'S SUBDIVISION OF BLOCK 10 IN CANAL TRUSTEE'S SUBDIVISION; THENCE EASTERLY ALONG SAID NORTH LINE OF AN EAST-WEST ALLEY IN SAID BLOCK 2 OF T.J. FOSTER'S SUBDIVISION, AND ITS EASTERLY EXTENSION TO THE NORTH LINE OF AN EAST-WEST ALLEY IN BLOCK 1 IN SAID T.J. FOSTER'S SUBDIVISION AND CONTINUING EASTERLY ALONG SAID NORTH LINE TO THE WEST LINE OF A NORTH-SOUTH ALLEY IN SAID BLOCK 1; THENCE NORTH ALONG SAID WEST LINE OF A NORTH-SOUTH ALLEY IN SAID BLOCK 1, TO THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 13 IN SAID BLOCK 1; THENCE EAST ALONG SAID WESTERLY EXTENSION OF THE NORTH LINE OF LOT 13 IN BLOCK 1, SAID NORTH LINE AND ITS EASTERLY EXTENSION TO THE EAST

EXHIBIT 2 - BUILDING PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

| | Permit # | Date | Address | Investment |
|----|-----------------|-------------|--------------------------------|-------------------|
| 1. | 816917 | 01/04/96 | 3414 S. Normal Avenue | \$15,000 |
| 2. | 803603 | 05/05/95 | 440 W. 38 TH Place | \$10,000 |
| 3. | 808282 | 07/24/95 | 640 W. 35 th Street | \$8,000 |
| 4. | 836114 | 11/19/96 | 442 W. 37 th Street | \$5,550 |
| 5. | 800361 | 03/01/95 | 3440 S. Normal Avenue | \$185,000 |
| 6. | 841410 | 02/25/97 | 3501 S. Normal Avenue | \$1,400 |
| 7. | 886791 | 11/12/98 | 380 W. Pershing Road | \$65,000 |
| 8. | 897758 | 5/10/99 | 3459 S. Emerald Ave. | \$60,000 |
| 9. | 903831 | 7/22/99 | 3459 S. Emerald Ave. | \$10,000 |
| | | | Total (9 permits) | \$359,950 |

DEMOLITION PERMITS

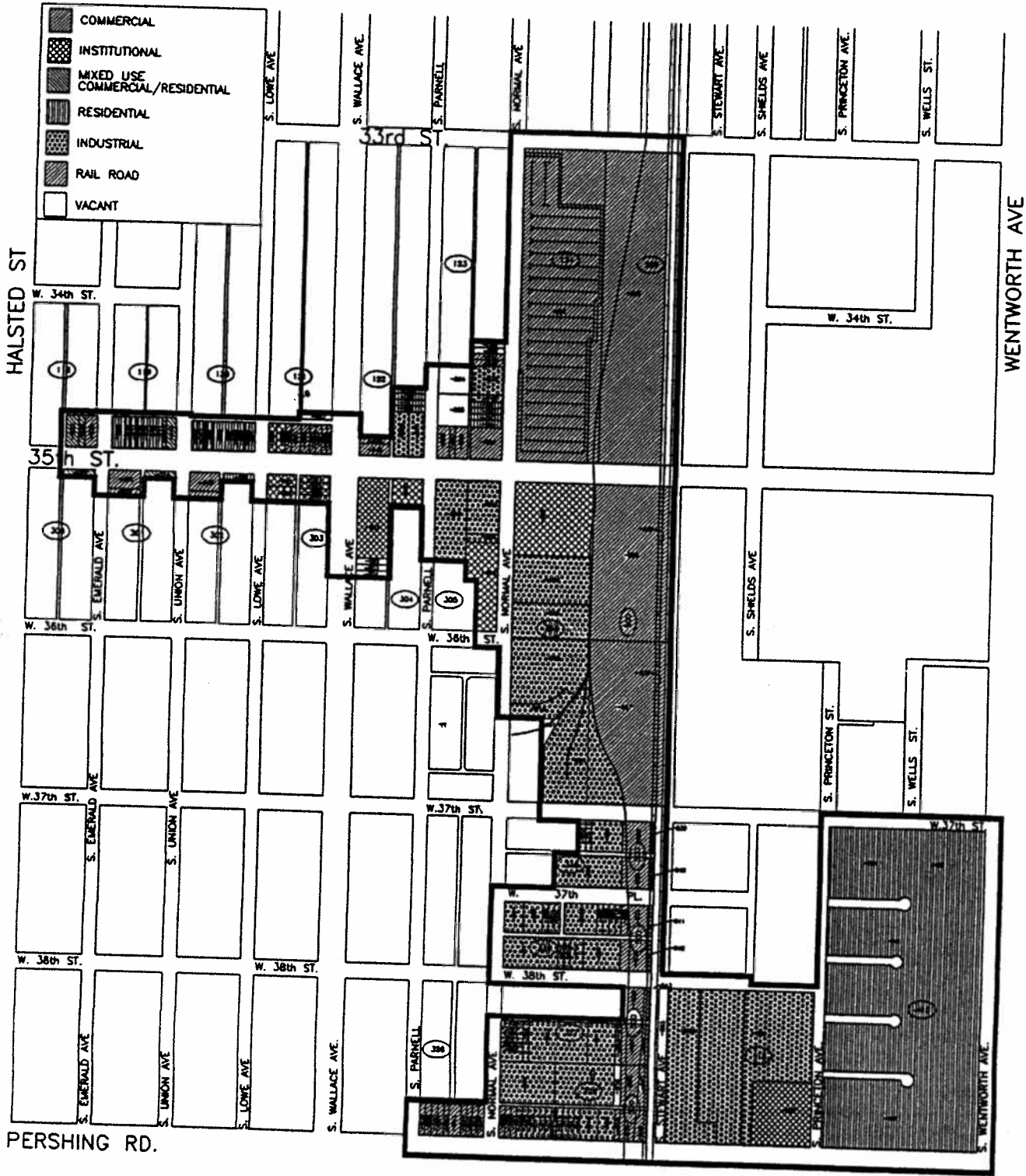
| | Permit # | Date | Address | Amount |
|----|-----------------|-------------|--------------------------------|---------------|
| 1. | 806177 | 06/16/95 | 500 W. 35 th Street | \$0 |
| | | | Total (1 permit) | \$0 |

EXHIBIT 4 -MAP LEGEND

- | | |
|-------|--|
| MAP 1 | REDEVELOPMENT PROJECT BOUNDARY |
| MAP 2 | EXISTING LAND USE |
| MAP 3 | PROPOSED LAND USE |
| MAP 4 | PROPERTIES THAT MAY BE ACQUIRED |
| MAP 5 | AREA MAP - SCHOOL, PARKS AND PUBLIC FACILITIES |

35TH & WALLACE TIF

EXISTING LAND USE MAP 2



MACONDO
CORP.

PLANNING ENGINEERING • PLANNING • URBAN DESIGN
CONSTRUCTION ADMINISTRATION

22 North Morgan Street, Suite 110 Chicago, Illinois 60607
Telephone: (312) 733-0888 Facsimile: (312) 733-0888

LOUIK / SCHNEIDER AND ASSOCIATES, INC.

54 W. Hubbard St. Suite 210, Chicago IL 60610

Telephone: 312 828 9222 Facsimile: 312 828 9347

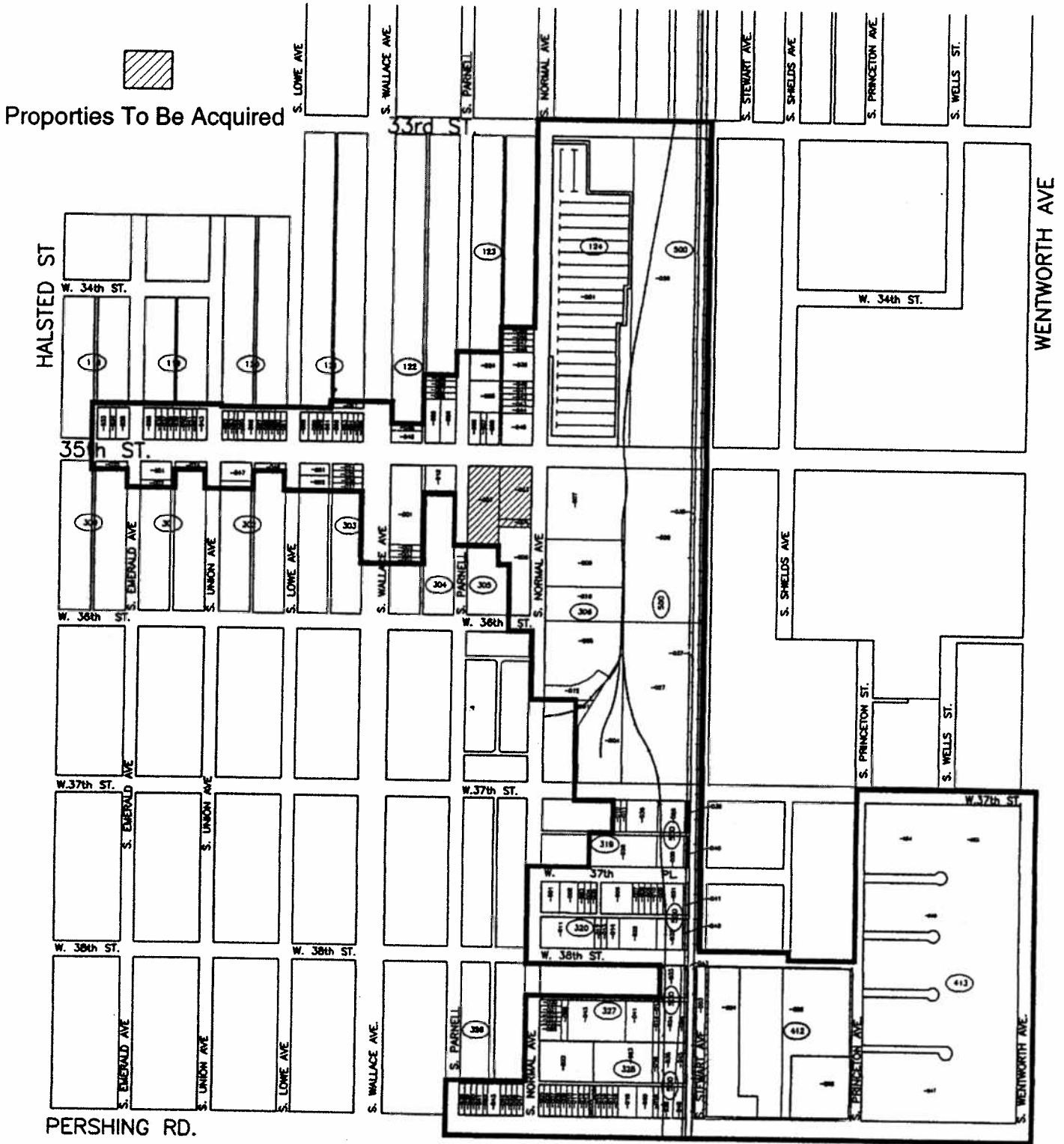
DATE:

08/17/99



NORTH

35TH & WALLACE TIF ACQUISITION MAP 4



Properties To Be Acquired

EXHIBIT 5 - ELIGIBILITY STUDY

35TH & WALLACE

TAX INCREMENT FINANCE PROGRAM

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II. BACKGROUND INFORMATION

A. LOCATION

The Study Area is located on the south side of the City, approximately two miles south of the central business district. The Study Area is approximately 114.2 acres and includes 22 (full and partial) blocks. The Study Area is bounded by 33rd Street on the north, 39th Street/Pershing Road on the south, Wentworth Avenue on the east, and the alley east of Halsted Street on the west (see Map 1, Project Boundary in Appendix).

B. DESCRIPTION OF CURRENT CONDITIONS

The Study Area consists of 22 (full and partial) blocks and 175 parcels. Much of the Study Area is in need of redevelopment, rehabilitation, and revitalization and is characterized by:

- underutilized buildings
- deteriorated buildings and site improvements
- inadequate infrastructure
- inconsistent land use patterns
- other deteriorating characteristics

Additionally, a lack of growth and investment by the private sector is evidenced by 1) the lack of building permit requests for the Study Area in terms of both number and dollar amounts, and 2) the overall increase of equalized assessed valuation (“EAV”) of the property in the Study Area from 1993 to 1998. Specifically:

- Exhibit 1 - Building Permit Requests contains a summary of the building permit requests for new construction and major renovation for new investment other than routine maintenance and repair. There were nine building permit requests totaling \$359,950 for new construction or renovation for the Redevelopment Project Area from January of 1994 to August 1999.
- The Redevelopment Project Area is primarily comprised of industrial and commercial uses. The EAV for all property in the City increased from \$28,661,954,119 in 1993 to \$33,940,145,776 in 1998, a total of 18.42% or an average of 3.68% per year. Over the last five years, from 1993 to 1998, the Redevelopment Project Area has experienced an overall EAV increase of 17.15% from \$6,523,772 in 1993 to \$7,642,771 in 1998, an average increase of 3.43% per year, excluding four former tax exempt parcels. These four parcels which were tax exempt in 1997, currently have a total EAV of \$1,404,631 for 1998. Three of the four parcels are part of the

III. QUALIFICATION AS 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.

As set forth in the Act, 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 standard; 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 age and the combination of three 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.

On the basis of this approach, the Study Area is eligible for designation as a Conservation Area within the requirements of the Act.

B. SURVEY, ANALYSIS, AND DISTRIBUTION OF ELIGIBILITY FACTORS

Exterior surveys of the 175 parcels of the Study Area were conducted by Ernest R. Sawyer Enterprises. An analysis was made of each of the Conservation Area eligibility factors contained in the Act to determine its 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.

A block-by-block analysis of the 22 blocks was conducted to identify the eligibility factors (see Exhibit 3 - Distribution of Criteria Matrix). Most of the factors are present to a varying degree. The following four levels are identified:

- **Not present** - indicates that either the condition does not exist or that no evidence could be found or documented during the survey or analysis.

BUILDING COMPONENT AND IMPROVEMENT CLASSIFICATIONS

The following describes the four categories used in classifying building components and improvements and the criteria used in evaluating structural deficiencies:

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 of 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.

D. CONSERVATION AREA ELIGIBILITY FACTORS

A finding may be made that the Study Area is a Conservation Area based on the fact that 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 Conservation Area eligibility factors described above in Section III, 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.

at a given time. Buildings and improvements become obsolete when they contain characteristics or deficiencies which limit their use and marketability after the original use ceases. The characteristics may include loss in value to a property resulting from poor design or layout, or the improper orientation of the building on its site, which detracts from the overall usefulness or desirability of a property.

• **ECONOMIC OBSOLESCENCE**

Economic obsolescence is normally a result of adverse conditions that may cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings that 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 be obsolete in relation to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities, or outdated designs.

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 developments and detract from the physical, functional, and economic vitality of the area.

These structures are characterized by conditions indicating the structure is incapable of efficient or economic use according to contemporary standards. They contain:

- Inadequate access for contemporary systems of delivery and service, including both exterior building access and interior vertical systems.
- Multi -story building industrial with large floor plan.

The majority of the industrial properties in the Study Area are found to be obsolete. There are vacant and dilapidated industrial buildings on 35th and 39th Streets.

OBSOLETE PLATTING

Obsolete platting includes parcels of irregular shape, narrow or small size, and parcels improperly platted within the Study Area blocks. Many of the blocks in the Study Area have smaller and/or irregularly sized parcels. These parcels are not suitable for development for modern commercial users.

entire Study Area contains deteriorated buildings and most of the parcels with buildings are affected by such deterioration.

DETERIORATION OF PARKING AND SURFACE AREAS

Field surveys were also conducted to identify the condition of parcels without structures but 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.

CONCLUSION

Deterioration is **present to a major extent** in the Study Area. Deterioration is present in 96 of the 110 (87.3%) buildings, in 91 of the 175 (52%) parcels, and to a major extent in 20 of the 22 blocks. The results of the deterioration analysis are presented in Map 5.

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 uses 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 to 1) require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy; 2) make buildings safe for occupancy against fire and similar hazards; and 3) establish minimum standards essential for safe and sanitary habitation.

From January 1993 through August 1999, 35 of the 110 (31.8%) buildings have been cited for building code violations by the City Department of Buildings (see Exhibit 2 - Building Code Violations).

CONCLUSION

Structures below minimum code standards are **present to a minor extent**. Structures below minimum code standards have been identified in 35 of the 110 (31.8%) buildings and in 14 blocks in the Study Area over the last five years. Structures below minimum code standards is present to a major extent in 14 blocks.

- Adequate mechanical ventilation for air circulation in spaces or rooms without windows, e.g., 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 adequate room-area to window-area ratios;
- Adequate sanitary facilities, e.g., garbage storage/enclosure, bathroom facilities, hot water, and kitchens.

CONCLUSION

Lack of Ventilation, Light, or Sanitary Facilities was found **present to a minor extent**. Lack of Ventilation, Light, or Sanitary Facilities in 8 of the 110 (7.3%) buildings and in 14 of the 175 (8%) parcels and in 1 of the 22 blocks.

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 sewer, streets, sanitary sewers, gas, and electricity.

CONCLUSION

Based on the exterior surveys and analyses undertaken, inadequate utilities were not found in 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 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.

CONCLUSION

Excessive land coverage is **present to a major extent** in the Study Area. Excessive land coverage is present in 51 of the 110 (46.4%) buildings and in 73 of the 175 (41.7%) parcels and in 15 of the 22 blocks. It can be found to a major extent in 14 blocks and to a minor extent in 1 block. The results of the excessive land coverage analysis are presented in Map 6.

14. LACK OF COMMUNITY PLANNING

Lack of community planning may be a factor if the proposed Study 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.

Lack of community planning was found to be present in the Study Area. There are currently no plans available that specifically address the Study Area.

CONCLUSION

Lack of community planning is **present to a major extent** in all of the 22 blocks in the Study Area.

E. CONSERVATION AREA ELIGIBILITY FACTORS SUMMARY

In addition to the findings of age (94.5%), 11 Conservation Area eligibility criteria are present in varying degrees throughout the Study Area. Six factors are present to a major extent and five are present to a minor extent. The Conservation Area eligibility factors that have been identified in the Study Area are as follows:

Major Extent

AGE

1. Obsolescence
2. Deterioration
3. Excessive land coverage
4. Deleterious land use and layout
5. Depreciation of physical maintenance
6. Lack of community planning

Minor Extent

1. Dilapidation
2. Structures below minimum code
3. Excessive vacancies
4. Overcrowding of structures and community facilities
5. Lack of light, ventilation and sanitary facilities

\$7,642,771 in 1998, an average increase of 3.43% per year, excluding four former tax exempt parcels. These four parcels which were tax exempt in 1997, currently have a total EAV of \$1,404,631 for 1998. Three of the four parcels are part of the railroad and one parcel is used as a parking lot for Comiskey Park and as a temporary truck storage facility during the off season.

The conclusions presented in this report are those of the consulting team. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution that the Study Area qualifies as a Conservation Area and make this report a part of the public record. The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc., Macondo Corp., Noitam Inc. and Ernest R. Sawyer Enterprises. The surveys, research, and analysis conducted include:

1. Exterior surveys of the conditions 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 uses 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 from 1993 - 1998 and building code violations from January 1993 - August 1999 requested from the Department of Buildings for all parcels in the Study Area; and
8. Evaluation of the EAV's in the Study Area from 1993 to 1998.

The Study Area qualifies as an improved Conservation Area and is therefore eligible for Tax Increment Financing under the Act (see Exhibit 3 - Matrix of Conservation Factors).

EXHIBIT 1 - BUILDING PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

| | Permit # | Date | Address | Investment |
|----|-----------------|-------------|--------------------------------|-------------------|
| 1. | 816917 | 01/04/96 | 3414 S. Normal Avenue | \$15,000 |
| 2. | 803603 | 05/05/95 | 440 W. 38 TH Place | \$10,000 |
| 3. | 808282 | 07/24/95 | 640 W. 35 th Street | \$8,000 |
| 4. | 836114 | 11/19/96 | 442 W. 37 th Street | \$5,550 |
| 5. | 800361 | 03/01/95 | 3440 S. Normal Avenue | \$185,000 |
| 6. | 841410 | 02/25/97 | 3501 S. Normal Avenue | \$1,400 |
| 7. | 886791 | 11/12/98 | 380 W. Pershing Road | \$65,000 |
| 8. | 897758 | 5/10/99 | 3459 S. Emerald Ave. | \$60,000 |
| 9. | 903831 | 7/22/99 | 3459 S. Emerald Ave. | \$10,000 |
| | | | Total (9 permits) | \$359,950 |

DEMOLITION PERMITS

| | Permit # | Date | Address | Amount |
|----|-----------------|-------------|--------------------------------|---------------|
| 1. | 806177 | 06/16/95 | 500 W. 35 th Street | \$0 |
| | | | Total (1 permit) | \$0 |

EXHIBIT 3 - DISTRIBUTION OF CRITERIA MATRIX

| | BLOCK | Age | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|-----|-----------|-----|---|---|---|---|---|---|---|---|---|----|----|----|----|----|
| 1. | 17 33 118 | X | | X | X | | | | | X | | | X | X | X | X |
| 2. | 17 33 119 | X | P | X | X | | X | | | X | | | X | | X | X |
| 3. | 17 33 120 | X | P | X | X | | X | | P | X | | | X | | X | X |
| 4. | 17 33 121 | X | X | X | X | | X | | | X | X | | X | X | X | X |
| 5. | 17 33 122 | X | X | X | X | | X | | X | | | | X | | X | X |
| 6. | 17 33 123 | X | X | X | X | | X | | | | | | | | X | X |
| 7. | 17 33 124 | | | | | | | | X | P | | | | | X | X |
| 8. | 17 33 300 | X | | X | X | | X | | X | | | | | | X | X |
| 9. | 17 33 301 | X | P | X | X | | | | X | X | | | X | X | X | X |
| 10. | 17 33 302 | X | | X | X | | | | | X | | | X | X | X | X |
| 11. | 17 33 303 | X | | X | X | | | | | P | | | X | X | X | X |
| 12. | 17 33 304 | X | X | X | X | | X | | | | | | | | X | X |
| 13. | 17 33 305 | X | X | X | X | | X | | X | | | | X | X | X | X |
| 14. | 17 33 306 | X | X | X | X | | X | | | | | | P | P | X | X |
| 15. | 17 33 319 | X | X | X | X | | | | | | | | X | X | X | X |
| 16. | 17 33 320 | X | X | X | X | | X | | | | | | X | X | X | X |
| 17. | 17 33 326 | X | X | X | X | | X | | | | | | | | X | X |
| 18. | 17 33 327 | X | X | X | X | | X | | | | | | X | X | X | X |
| 19. | 17 33 328 | X | X | X | X | | | | P | P | | | X | X | X | X |
| 20. | 17 33 412 | X | X | X | X | | X | | X | P | | | X | X | X | X |
| 21. | 17 33 413 | X | | X | X | | X | | | | | | | | X | X |
| 22. | 17 33 500 | | | | | | | | | | | | | | X | X |

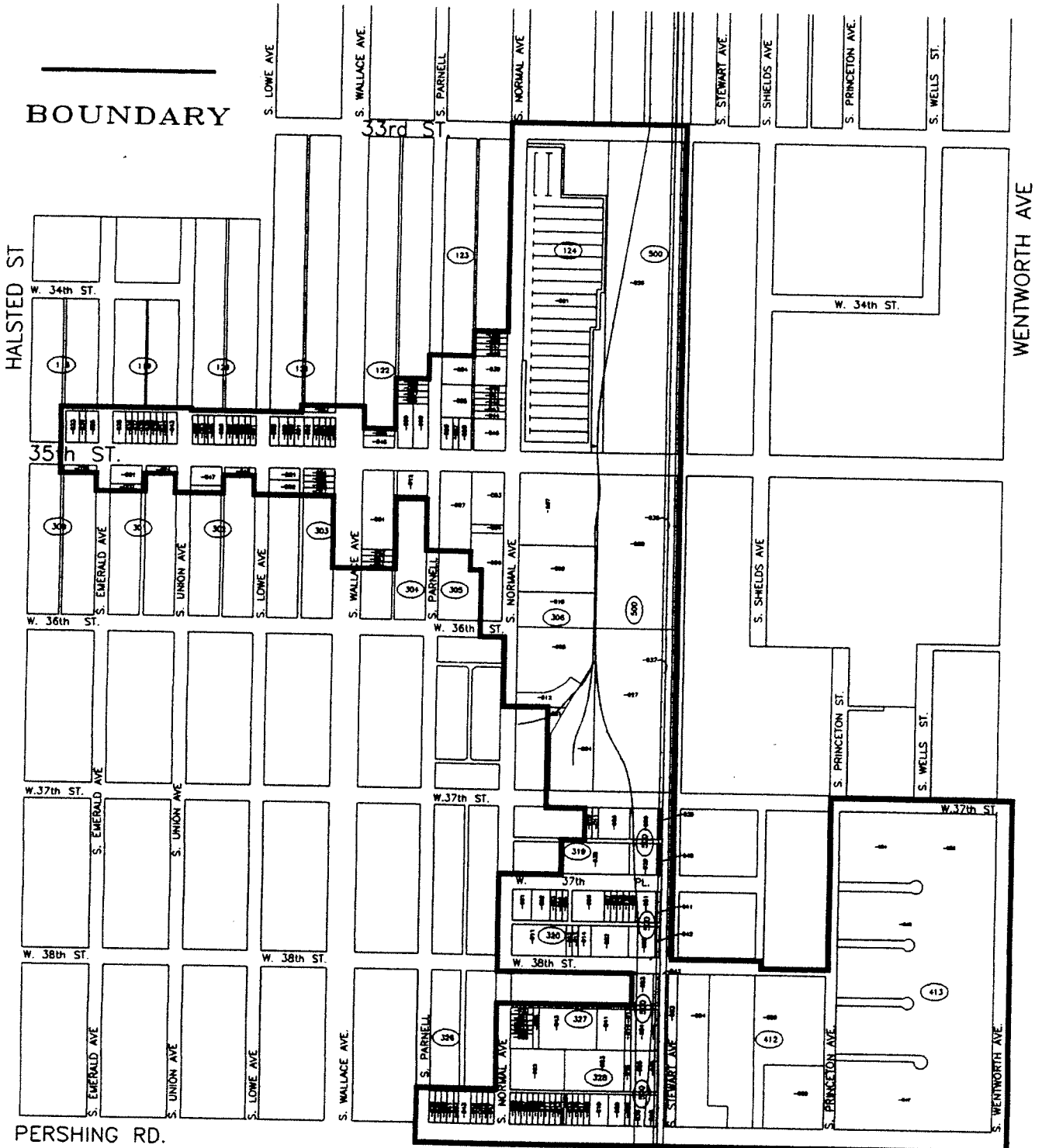
Key

- X Present to a Major Extent
- P Present
- Not Present

Criteria

- AGE
- 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

35TH & WALLACE TIF PROJECT BOUNDARY MAP 1



MACONDO
corp.

ARCHITECTURE ENGINEERING PLANNING URBAN DESIGN
 SHOW DEVELOPMENT CONSTRUCTION MANAGEMENT

22 North Morgan Street, Suite 110 Chicago, Illinois 60607
 Telephone: (312) 733-0288 Facsimile: (312) 733-0280

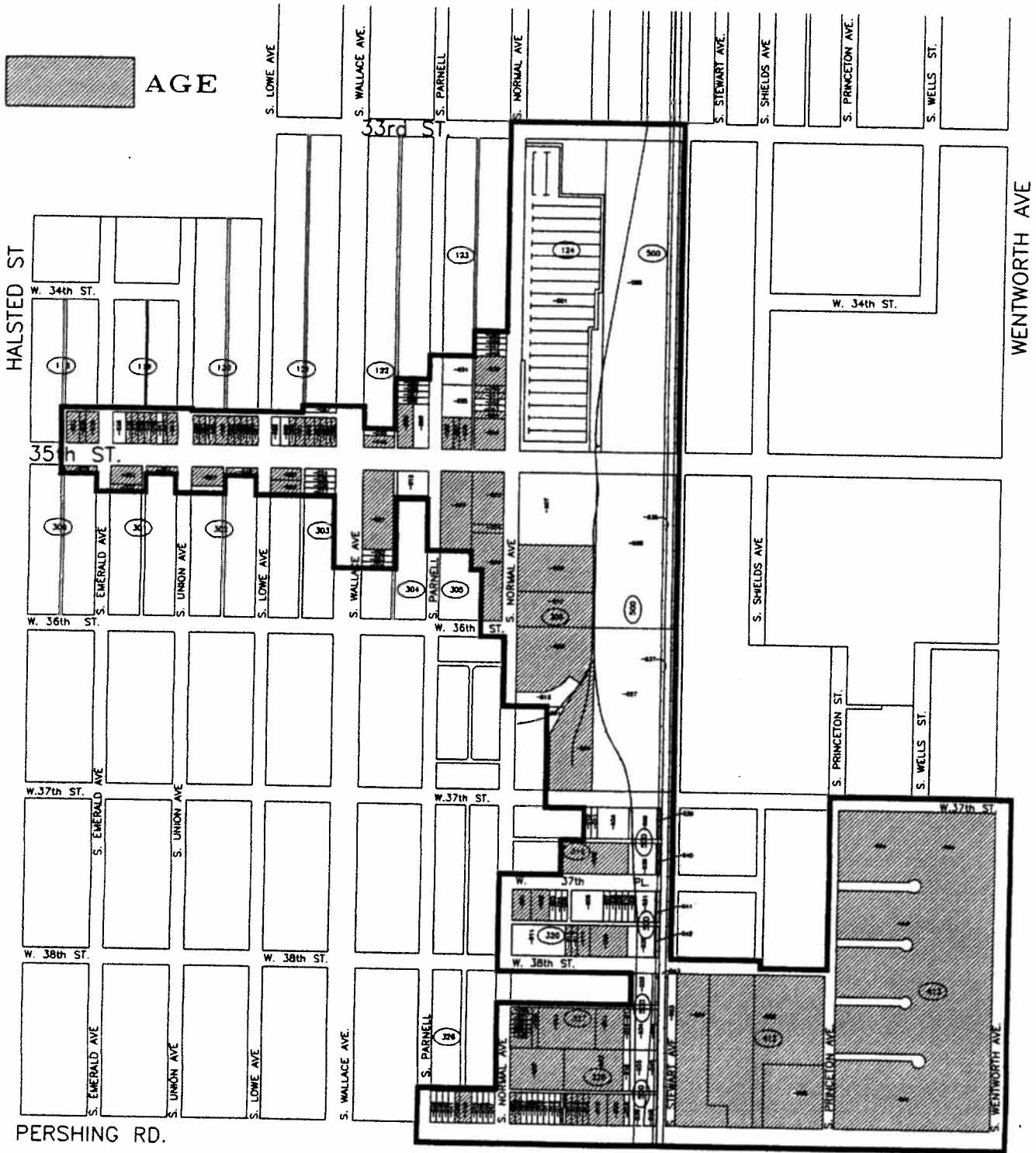
LOUIK / SCHNEIDER AND ASSOCIATES, INC.

54 W. Hubbard St. Suite 210, Chicago IL 60610
 Telephone: 312 828 9222 Facsimile: 312 828 9347

DATE:
08/17/99

NORTH

35TH & WALLACE TIF AGE MAP 3



MACONDO
corp.

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 ECONOMIC DEVELOPMENT CONSTRUCTION MANAGEMENT
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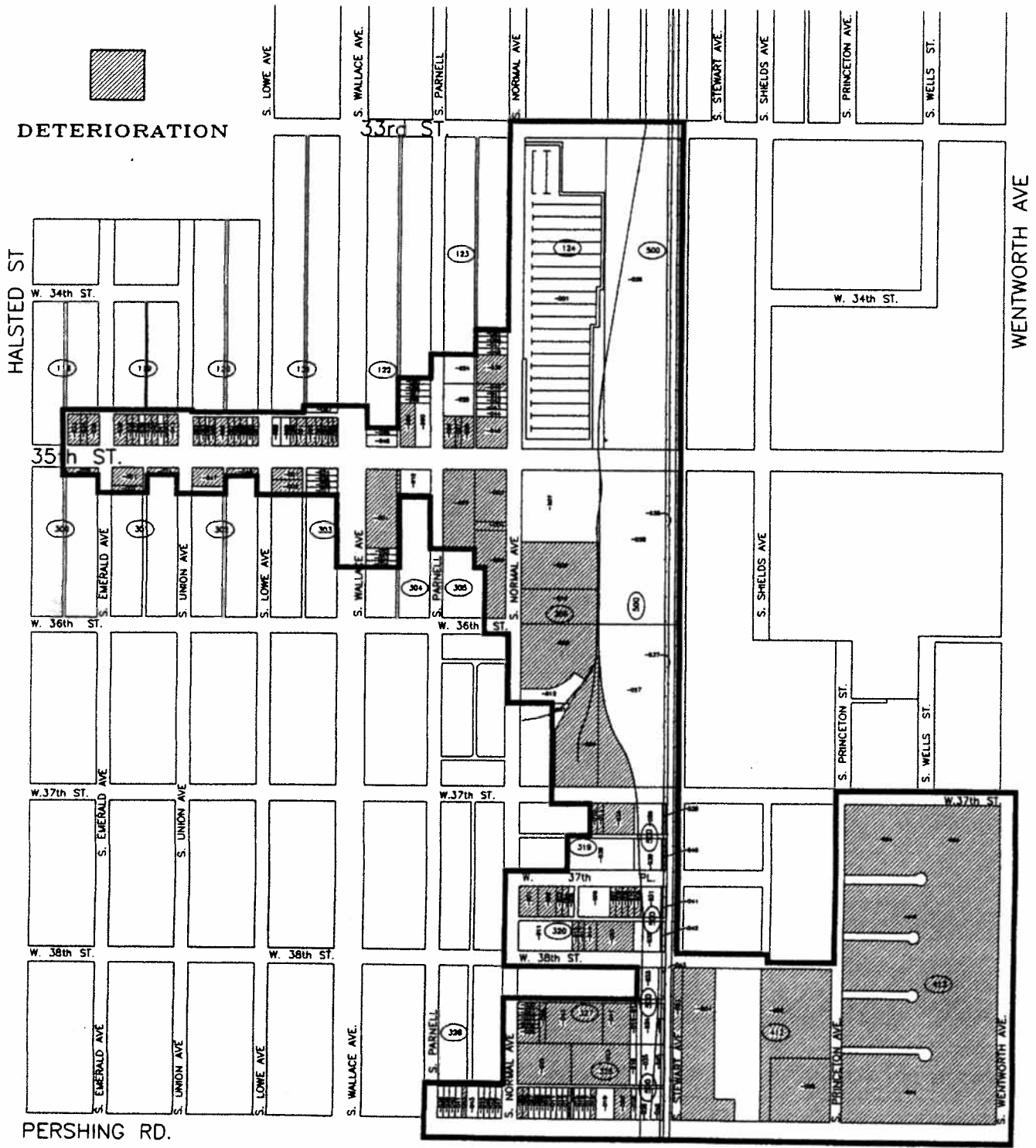
DATE:

08/17/99



NORTH

35TH & WALLACE TIF DETERIORATION MAP 5



MACONDO
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54 W. Hubbard St. Suite 210, Chicago IL 60610

Telephone: 312 828 9222

Facsimile: 312 828 9347

DATE:

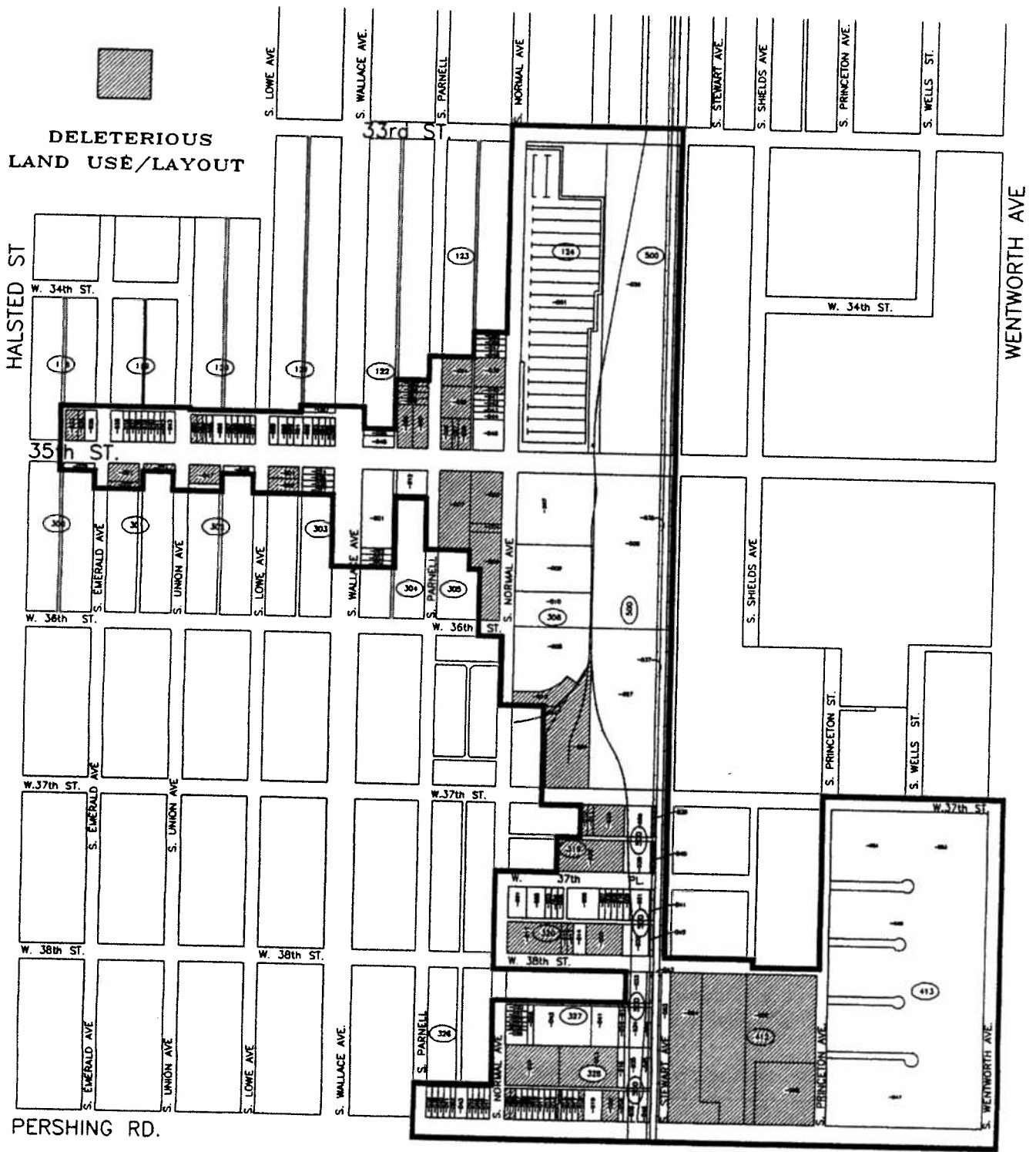
08/17/99



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35TH & WALLACE TIF

DELETERIOUS LAND USE / LAYOUT MAP 7



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SAC DEVELOPMENT • CONSTRUCTION MANAGEMENT

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54 W. Hubbard St. Suite 210, Chicago IL 60610

Telephone: 312 828 9222 Facsimile: 312 828 9347

DATE:

08/17/99



NORTH