69th and Ashland Redevelopment Project Area

Tax Increment Finance District
Eligibility Study, Redevelopment Plan and Project

City of Chicago
Richard M. Daley, Mayor

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1. Executive Summary

In February of 2004, S. B. Friedman & Company was engaged to conduct a Tax Increment Financing Eligibility Study and prepare a Redevelopment Plan and Project (the “Eligibility Study, Redevelopment Plan and Project” or the “Plan”) for the proposed 69th & Ashland Redevelopment Project Area. This report details the eligibility factors found within the proposed 69th & Ashland Redevelopment Project Area (the “RPA”) Tax Increment Financing (“TIF”) District in support of its designation as a “blighted area” within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”), and thus in support of its designation as the 69th & Ashland Redevelopment Project Area Tax Increment Financing District (the “69th & Ashland RPA” or “RPA”). This report also contains the Redevelopment Plan and Project for the 69th & Ashland RPA.

The 69th & Ashland RPA consists of 63 tax parcels and 12 buildings located within the West Englewood Community Area (“Community Area”) of the City of Chicago. The RPA covers approximately 18 acres and is generally bounded on the east by the alley right-of-way east of Ashland Avenue and the east side of Justine Avenue, on the north by the north side of 69th Street, on the west by the west side of Marshfield Avenue, and on the south by the south side of 71st Street. The RPA is located wholly within the City of Chicago. A large portion of the RPA is the site of a former CTA bus barn, which was closed and demolished in 1998. According to both Phase I and Phase II environmental assessments conducted in 2003, the site is environmentally contaminated.

Determination of Eligibility

This report concludes that the 69th & Ashland RPA is eligible for Tax Increment Financing (“TIF”) designation as a “blighted area” because the following six improved eligibility factors have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

1. Obsolescence;
2. Deterioration;
3. Deleterious Land Use and Layout;
4. Structures Below Minimum Code Standards;
5. Inadequate Utilities; and
6. Lack of Growth of Equalized Assessed Value

Vacant parcels within the RPA have four eligible factors present to a meaningful extent and reasonably distributed throughout the RPA:

1. Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land;
2. Diversity of Ownership;
3. Environmental Contamination; and
4. Lack of Growth of Equalized Assessed Value
Eligibility Study, Redevelopment Plan and Project Goal, Objectives, and Strategies

The overall goal of the TIF Eligibility Study, Redevelopment Plan and Project is to reduce or eliminate the conditions that qualify the 69th & Ashland RPA as a blighted area and to provide the mechanisms necessary to support public and private development and improvements in the RPA, particularly the redevelopment of the former CTA bus barn site in a way that contributes to the surrounding community. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment.

Objectives. Eight broad objectives support the overall goal of area-wide revitalization of the 69th & Ashland RPA. These include:

1. Facilitate the preparation of the former CTA bus barn site for commercial redevelopment;

2. Facilitate the assembly, preparation, rehabilitation, and marketing of vacant and underutilized sites for commercial and residential development;

3. Promote new residential development that accommodates a diverse demographic mix of residents, including the development of new affordable housing;

4. Create a physical environment that is conducive to private development through the provision of public infrastructure where needed, including underground water and sanitary systems, sidewalks, alleys, and street improvements;

5. Provide adequate on- and off-street parking within the RPA for residents and visitors of the RPA;

6. Promote the development, improvement, and/or maintenance of park/open space uses as necessary and appropriate to serve residents of the RPA and surrounding neighborhood;

7. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 69th & Ashland RPA; and

8. Support job training/welfare to work programs and increase employment opportunities for area residents.

Strategies. These objectives will be implemented through four specific and integrated strategies. These include:

1. Facilitate Property Assembly, Demolition, and Site Preparation. Financial assistance may be provided to private developers seeking to acquire land and assemble and prepare sites in order to undertake projects in support of this Eligibility Study, Redevelopment Plan and Project.
To meet the goals and objectives of this Plan, the City may acquire and assemble property throughout the RPA as defined on Page 1. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain, through the Tax Reactivation Program or other programs 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. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. 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.

In connection with the City exercising its powers to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing this Eligibility Study, Redevelopment Plan and Project, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Plan. Relocation assistance may be provided to facilitate redevelopment of portions of the RPA, 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/or financial assistance as determined by the City.

2. **Implement Public Improvements.** A series of public improvements throughout the 69th & Ashland RPA may be designed and implemented to help define and create an identity for the area, prepare sites for anticipated private investment, and create a more conducive environment for private development. Public improvements that are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include improvement or development of streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Eligibility Study, Redevelopment Plan and Project. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

3. **Encourage Private Sector Activities and Support New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Eligibility Study, Redevelopment Plan and Project.
The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate, or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

The City requires that developers who receive TIF assistance for market-rate housing set aside 20% of the units to meet affordability criteria established by the City’s Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than 100% of the area median income, and affordable rental units should be affordable to persons earning no more than 60% of the area median income. TIF funds can also be used to pay for up to 50% of the cost of construction or up to 75% of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

4. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant and underutilized properties within the 69th & Ashland RPA is expected to stimulate private investment and increase the overall taxable value of properties within the RPA. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

**Required Findings**

The conditions required under the Act for the adoption of the Eligibility Study and Redevelopment Plan and Project are found to be present within the 69th & Ashland RPA.

1. The RPA has not been subject to growth and development through investment by private enterprise. Subsequent to the closing of the CTA bus barn site, a significant portion of the land that comprises the RPA has remained vacant or underutilized. Lack of investment is evidenced through the absence of recent building permit activity. Of the nine building permits issued, four permits were for the demolition and removal of buildings within the RPA. Two permits issued were related to the erection of a communication tower while the remaining three permits were issued for general repairs and equipment replacement. The nature of these permits does not indicate a significant level of growth or development through investment by private enterprise.

2. Without the support of public resources, the redevelopment objectives of the 69th & Ashland RPA will most likely not be realized. Since the closure of the CTA site in 1998, redevelopment of the property has not occurred. The environmental conditions of the site make redevelopment costly. Acquisition and demolition/rehabilitation costs associated with the redevelopment of the site are unlikely to be fully absorbed by the private market. TIF assistance may be used to fund land assembly, site preparation, infrastructure improvements, and improvements and expansions to public facilities. But for creation of the 69th & Ashland RPA, these types of projects are unlikely to occur without the benefits
associated with the designation of the 69th & Ashland RPA as a tax increment financing district.

3. The 69th & Ashland RPA includes only the contiguous real property that is expected to substantially benefit from the proposed Eligibility Study, Redevelopment Plan and Project improvements.

4. The proposed land uses described in this Eligibility Study, Redevelopment Plan and Project must be approved by the Chicago Plan Commission prior to its adoption by the City Council.
2. Introduction

The Study Area

This document serves as the Eligibility Study and Redevelopment Plan and Project for the 69th & Ashland Redevelopment Project Area. The 69th & Ashland RPA is located within the West Englewood Community Area of the City of Chicago (the “City”), in Cook County (the “County”). In February 2004, S. B. Friedman & Company was engaged to conduct a study of certain properties in this neighborhood to determine whether the area containing these properties would qualify for status as a “blighted area” and/or “conservation area” under the Act.

This Eligibility Study, Redevelopment Plan and Project report summarizes the analyses and findings of S. B. Friedman & Company’s work which, unless otherwise noted, are solely the responsibility of S. B. Friedman & Company. The City is entitled to rely on the findings and conclusions of the Plan in designating the 69th & Ashland RPA as a redevelopment project area under the Act.

S. B. Friedman & Company has prepared this Eligibility Study, Redevelopment Plan and Project with the understanding that the City would rely: (1) on the findings and conclusions of the Plan in proceeding with the designation of the study area as the 69th & Ashland RPA and the adoption and implementation of the Eligibility Study, Redevelopment Plan and Project, and (2) on the fact that S. B. Friedman & Company has obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the 69th & Ashland RPA, so that the Plan will comply with the Act and that the 69th & Ashland RPA can be designated as a redevelopment project area in compliance with the Act.

The community context of the 69th & Ashland RPA is detailed on Map 1.

The 69th & Ashland RPA consists of 63 tax parcels and 12 buildings located within the West Englewood Community Area (“Community Area”) of the City of Chicago. Thirty-four of the 63 parcels (54%) are vacant. The RPA covers approximately 18 acres and is generally bounded on the east by the alley right-of-way east of Ashland Avenue and the east side of Justine Avenue, on the north by the north side of 69th Street, on the west by the west side of Marshfield Avenue, and on the south by the south side of 71st Street. The RPA is located wholly within the City of Chicago. A large portion of the RPA is the site of a former CTA bus barn, which was closed and demolished in 1998. According to both Phase I and Phase II Environmental assessments conducted in 2003, the site is environmentally contaminated.

Map 2 details the boundary of the 69th & Ashland RPA, which includes only the contiguous real property that is expected to substantially benefit from the Eligibility Study, Redevelopment Plan and Project improvements discussed herein.
Appendix I contains a legal description of the 69th & Ashland RPA.

The Eligibility Study, Redevelopment Plan and Project covers events and conditions that exist and that were determined to support the designation of the 69th & Ashland RPA as a “blighted area” under the Act at the completion of our research on April 1, 2004 and not thereafter. Events or conditions, such as governmental actions and additional developments occurring after that date are excluded from the analysis. The improved parcels suffer from obsolescence of structures and improvements, deterioration of buildings and infrastructure, deleterious land use and layout, and structures below minimum code standards, and inadequate utilities. The vacant parcels generally suffer from deterioration of adjacent structures and improvements, environmental contamination, and diversity of ownership. In addition to these factors affecting specific parcels, the entire RPA has experienced negligible growth in equalized assessed value (EAV) over the last five years. Without a comprehensive approach to address these issues, the RPA is not likely to benefit from future development opportunities. The Eligibility Study, Redevelopment Plan and Project addresses these issues by providing the means to facilitate private development and improvements to the area’s infrastructure and public facilities. These improvements will benefit all of the property within the RPA by alleviating conditions qualifying the RPA as a blighted area.
History of Area

The 69th & Ashland RPA is located within the West Englewood Community Area, which is generally bounded by Garfield Boulevard on the north; 75th Street on the south; Racine Avenue on the east; and Western Avenue on the west.

In 1889, West Englewood became part of Chicago. Intensive development, particularly residential, began to occur in West Englewood after the 1893 World Columbian Exposition. The development of the West Englewood neighborhood was further fueled by the creation of infrastructure improvements and transportation networks. These improvements included water and sewer lines, streetcar lines, and the electric trolley. The extension of the elevated train (now the CTA Green Line) also spurred development in West Englewood by improving accessibility to the area.

The neighborhood continued to grow during the first part of the 20th century. During the earlier part of the 19th century, West Englewood was mostly comprised of Italian, German, and Irish immigrants. There was a small community of African-American families living on the eastern fringe of the neighborhood. During this time, numerous brick bungalows and other two-story homes were developed, particularly in areas near Garfield Boulevard and Marquette Road. After 1950, West Englewood experienced a dramatic racial shift in its population as more African-American families moved into the area.

During the 1960s and 70s, West Englewood’s population began to expand again. The population became predominantly African-American with much of the increase occurring in younger age groups. This growth prompted schools, recreational facilities, and services to be expanded, but was accompanied by a decline in incomes.

West Englewood is currently considered to be one of the most depressed areas in all of Chicago. The Community Area currently is losing residents and the median household income, adjusted for inflation, has decreased over the last 10 years. Unemployment is high and gangs and crime have become a serious problem. As of the 2000 Census, nearly 30 percent of all families and 50 percent of all West Englewood residents live below the poverty line. Lack of investment has also plagued the West Englewood community. The aging housing stock is becoming increasingly deteriorated, and little investment has taken place to repair or replace these old and deteriorated buildings.

New development has only recently occurred in and near the area. The new campus for Kennedy King College is currently under construction and new public facilities, including a library and police station are underway. There are also plans for new residential and commercial development in the area that will attempt to boost revitalization and economic development in the West Englewood community.

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1 Information on the history of the West Englewood community area was derived from the Local Community Fact Book Chicago Metropolitan Area 1990, edited by the Chicago Fact Book Consortium, (copyright 1995, Board of Trustees of the University of Illinois) at pages 191-192.
The former CTA bus barn site was originally purchased in 1947 from Chicago Surface Lines, a supplier of rail-operated streetcars. The site served primarily as a maintenance and repair facility for CTA buses but it also housed CTA regional offices. In 1998, all the buildings were demolished and the site has remained vacant since that time. Phase I and II environmental studies recently conducted on the site indicate that redevelopment of the site would require environmental remediation.

**Existing Land Use**

Based upon *S. B. Friedman & Company's* research, five major land uses have been identified within the 69th & Ashland RPA:

- Vacant Land;
- Residential;
- Commercial;
- Institutional; and
- Utility

The existing land use pattern in the 69th & Ashland RPA is shown in Map 3. The predominant land uses within the area are vacant land, (comprised primarily of parcels associated with the former CTA bus barn site), residential, and commercial, which is mostly auto related. Other uses include institutional and utility uses. Neighborhood-serving commercial businesses, including a gas station and auto repair shops, are the predominant land uses to the north and south of the RPA along 69th and 71st Streets, while residential uses are predominant to the east and west of the RPA.

**Vacant.** There are a total of 34 vacant parcels within the proposed RPA. Twenty of the parcels are located within the former CTA bus barn site. The other 14 parcels are concentrated east of Ashland on 69th Street and on the east side of Ashland between 69th and 70th Streets. The CTA site occupies approximately 10.25 acres of land between 69th and 71st Streets.

**Residential.** Five primary structures-- two single family, two multi-family rental properties, and one mixed use building (composed of commercial and residential uses) are present on the east side of Ashland Avenue and the south side of 69th Street. The mixed-use building on the southeast corner of 69th and Ashland is completely vacant. Other residential uses shown on Map 3 include ancillary structures such as garages and sheds.

**Commercial.** Six businesses are currently in operation along the east side of Ashland Avenue within the proposed RPA. Most of these commercial uses are auto-oriented, including auto sales and service stations. One of the six businesses within the RPA (a used auto dealership) conducts its operations in a trailer, which does not qualify as a primary structure and therefore is not displayed as a building on the Existing Land Use Map.

Other uses in the RPA include an institutional use (one church) and utility uses (two communications towers) all near the intersection of 71st and Ashland.
Historically Significant Structures

S. B. Friedman & Company obtained data from the Chicago Historic Resources Survey (the "CHRS") to identify architecturally and/or historically significant buildings located within the 69th & Ashland RPA. The CHRS identifies over 17,000 Chicago properties and contains information on buildings that may possess important architectural and/or historical significance. No structures located within the boundaries of the 69th & Ashland RPA are identified in the CHRS.
Map 3

Existing Land Use

Legend
- TIF Boundary
- Block Number*
- Existing Structure
- Commercial
- Institutional - Church
- Utility- Communication Tower
- Residential
- Vacant

City of Chicago
Proposed 69th & Ashland Tax Increment Finance District
July 2004

*Based on the Cook County Permanent Index Numbering (PIN) System
3. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Based upon the conditions found within the 69th & Ashland RPA at the completion of S. B. Friedman & Company's research, it has been determined that the 69th & Ashland RPA meets the eligibility requirements of the Act as a blighted area. The following text outlines the provisions of the Act to establish eligibility.

Under the Act, two primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment: declaring an area as a “blighted area” and/or a “conservation area.”

“Blighted areas” are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals, or welfare of the community, and are substantially impairing the growth of the tax base in the area. “Conservation areas” are those improved areas which are deteriorating and declining and soon may become blighted if the deterioration is not abated.

The statutory provisions of the Act specify how a district can be designated as a “conservation” and/or “blighted area” district based upon an evidentiary finding of certain eligibility factors listed in the Act. The eligibility factors for each designation are identical for improved property. A separate set of factors exists for the designation of vacant land as a “blighted area.” There is no provision for designating vacant land as a conservation area.

Factors for Improved Property

For improved property to constitute a “blighted area,” a combination of five or more of the following thirteen eligibility factors listed at 65 ILCS 5/11-74.4-3 (a) and (b) must meaningfully exist and be reasonably distributed throughout the RPA. “Conservation areas” must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three or more of the 13 eligibility factors which are detrimental to the public safety, health, morals, or welfare and which could result in such an area becoming a blighted area.

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and
fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

**Presence of Structures Below Minimum Code Standards.** All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

**Illegal Use of Individual Structures.** The use of structures in violation of the applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

**Excessive Vacancies.** The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

**Lack of Ventilation, Light or Sanitary Facilities.** The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

**Inadequate Utilities.** Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

**Excessive Land Coverage and Overcrowding of Structures and Community Facilities.** The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.
Deleterious Land Use or Layout. The existence of incompatible land use relationships, buildings occupied by inappropriate mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

Environmental Contamination. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack of Community Planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated.

Factors for Vacant Land

Under the provisions of the “blighted area” section of the Act, for vacant land to constitute a “blighted area,” a combination of two or more of the following six factors must be identified as being present to a meaningful extent and reasonably distributed which act in combination to impact the sound growth in tax base for the proposed district.

Obsolete Platting of Vacant Land. Parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

Diversity of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. When diversity of ownership of parcels of vacant land is sufficient in number to retard or impede the ability to assemble the land for development, this factor applies.
Tax and Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five years.

Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

Environmental Contamination. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or Federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated.

Additionally, under the “blighted area” section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five or more of the 13 “blighted area” eligibility factors for improved property listed above were present immediately prior to demolition of the area’s structures.

The vacant “blighted area” section includes six other tests for establishing eligibility but none of these are relevant to the conditions within the 69th & Ashland RPA.

Methodology Overview and Determination of Eligibility

Analysis of eligibility factors was done through research involving an extensive field survey of all property within the 69th & Ashland RPA, as well as a review of building and property records. Building and property records include building code violation citations, building permit data, and assessor information. Our survey of the area established that there are 12 primary structures within the 69th & Ashland RPA. Ancillary structures including garages, sheds, and trailers are excluded from this total but were considered in our analysis of eligibility factors at the tax parcel level.

The 69th & Ashland RPA contains structures and other improvements of varying degrees of deterioration. The property was examined for qualification factors consistent with either the
"blighted area" or "conservation area" requirements of the Act. Based upon these criteria, the property within the 69th & Ashland RPA qualifies for designation as a TIF Redevelopment Project Area as a "blighted area" as defined by the Act.

To arrive at this designation, *S. B. Friedman & Company* calculated the number of eligibility factors present, and analyzed the distribution of the eligibility factors on a building-by-building and/or parcel-by-parcel basis. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings using structure-base maps, property files created from field observations, record searches, and field surveys. This information was then graphically plotted on a parcel map of the 69th & Ashland RPA to establish the distribution of eligibility factors, and to determine which factors were present to a major extent.

Major factors are used to establish eligibility. These factors are present to a meaningful extent and evenly distributed within the RPA. Minor factors are supporting factors present to a meaningful extent on some of the blocks or on a scattered basis. Their presence suggests that the area is at risk of experiencing more extensive deterioration and disinvestment.

To arrive at this designation, *S. B. Friedman & Company* documented the existence of qualifying eligibility factors and confirmed that a sufficient number of factors were present within the RPA and evenly distributed.

Although it may be concluded under the Act that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of the RPA as a blighted area, this evaluation was made on the basis that the blighted area factors must be present to an extent that indicates that public intervention is appropriate or necessary. In addition, the blighted area factors must be reasonably distributed throughout the RPA so that non-qualifying areas are not arbitrarily included in the RPA simply because of proximity to areas that qualify as a blighted area.

**Blighted Area Findings**

As required by the Act, within a blighted area, at least five of the 13 improved eligibility factors and/or at least two of the six vacant land eligibility factors must be found present to a major extent within the 69th & Ashland RPA.

Our research has revealed that the following six eligibility factors are present to a major extent on the improved parcels:

1. Obsolescence;
2. Deterioration;
3. Deleterious Land Use and Layout;
4. Structures Below Minimum Code Standards;
5. Inadequate Utilities; and
6. Lack of Growth of Equalized Assessed Value
Our research also has revealed that the following four factors for vacant land are present to a major extent:

1. Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land;
2. Diversity of Ownership;
3. Environmental Contamination; and
4. Lack of Growth of Equalized Assessed Value

Based on the presence of these improved and vacant land factors, the 69th and Ashland RPA meets the requirements of a “blighted area” under the Act.

Structures and improvements within the RPA are functionally and/or economically obsolete for their current use as evidenced by the lack of site improvements and inadequate design and layout of many of the uses. Buildings, infrastructure, and parking areas within the RPA exhibit physical deterioration, including cracks in building exteriors, missing or damaged curbs, and cracked paving surfaces. The presence of incompatible land uses, vacant land, and vacant buildings on multiple properties contributes to the deleterious land use and layout of the RPA. Numerous code violations exhibit the physical decline of buildings throughout the balance of the RPA. The condition of utilities within the RPA is generally inadequate in that the RPA is serviced by water and sewer facilities that have exceeded their design life. Finally, the total equalized assessed value (EAV) of the 69th & Ashland RPA has lagged behind that of the balance of the City of Chicago for the last five years for which data are available. The extent and nature of these factors have negative effects on nearby properties and the future development of the RPA.

A majority of the parcels within the 69th & Ashland RPA (34 parcels or 54% of total parcels), including the former CTA bus barn site, are vacant. All vacant parcels (100%) suffer from adjacent deterioration of structures and site improvements. This includes the deterioration of improved properties within and outside of the RPA. Ownership of the vacant parcels (outside of the CTA site) is scattered among a large number of owners, which hinders land assembly for future development. Much of the RPA suffers from environmental contamination.

Maps 4A through 4G illustrate the presence and distribution of these eligibility factors on a parcel-by-parcel basis within the RPA. The following sections summarize our field research as it pertains to each of the identified eligibility factors found within the 69th & Ashland RPA.
Map 4C
Eligibility Factor:
Deleterious Land Use and Layout*

Legend
- TIF Boundary
- Deleterious Block Number**
- Vacant Parcel
- Improved Parcel
- Existing Structure

City of Chicago
Proposed 69th & Ashland Tax Increment Finance District
July 2004

*SFactor applies to Improved Parcels only
**Based on the Cook County Permanent Index Numbering (PIN) System
Map 4F
Eligibility Factor:
Diversity of Ownership*

Legend
- TIF Boundary
- Diversity of Ownership
- Block Number**
- Vacant Parcel
- Improved Parcel
- Existing Structure

0 150 Feet

*Factor applies to Vacant Parcels only
**Based on the Cook County Permanent Index Numbering (PIN) System

City of Chicago
Proposed 69th & Ashland
Tax Increment Finance District
July 2004

S. B. Friedman & Company
Real Estate underwriters and Chartered Consultants
IMPROVED LAND FACTORS

1. Obsolescence

An appreciable amount of functional and/or economic obsolescence exists within the 69th & Ashland RPA. One or both of these forms of obsolescence affects a combined total of 14 of the 29 improved tax parcels (48%) within the RPA. At the building level, six of the 12 primary buildings (50%) suffer from either functional or economic obsolescence. One of the major obsolete structures within the RPA is a mixed-use building at the southeast corner of 69th and Ashland. The building contains 11 vacant apartments and vacant ground floor retail space. The high vacancy and the shallow depths of the retail space exhibit both economic and functional obsolescence. Other catalogued obsolescence of improved parcels includes a lack of site improvements, inadequate system of service and delivery, and poor design and layout of existing structures.

2. Deterioration

Of the 12 primary buildings within the 69th & Ashland RPA, 10 (83%) exhibited physical deterioration, including cracked or broken windows and damaged facades. Building deterioration, when combined with deterioration of infrastructure and/or parking areas, including broken or missing curbs, cracked alleys, and parking area paving affects 26 of 29 improved tax parcels (90%) within the RPA.

3. Deleterious Land Use and Layout

Deleterious land use and layout applies to 8 of the 29 (28%) improved parcels in the RPA. Key conditions contributing to the presence of this factor include 1) the presence of communications towers adjacent to residential uses, 2) the use of unpaved yards as parking facilities and 3) the insufficient securing of dilapidated structures. These factors negatively impact the overall health and safety of residents in the RPA.

4. Structures Below Minimum Code Standards

Based upon data provided by the City’s Department of Buildings, code violation citations were issued for four different property addresses within the 69th & Ashland RPA over the past five complete years (1997 through 2003) and up to May of 2004. Code violation citations implicated 4 of the 12 buildings (33%) within the 69th & Ashland RPA from 1998 through May of 2004. Furthermore, seven parcels that are currently vacant have past records of code violation citations before the structures were demolished. This demonstrates the progressive deterioration that the RPA has experienced in recent years.

5. Inadequate Utilities

The parcels within the RPA are serviced by antiquated sewer and water mains that are either scheduled for or overdue for replacement. The Department of Water Management for the City of Chicago indicated that 3,900 linear feet of water mains that serve the RPA are in need of
replacement. Some replacements are needed because the water lines have reached the end of their 100-year useful service lives. Other lines will exceed their design life during the 23-year life of the TIF district. In addition, some of the water mains may be of insufficient size to meet modern capacity standards, according to the Department of Water Management.

Most of the sewer lines serving the RPA have not been modernized or upgraded to current standards. Their age and outdated method of construction increase the risk of maintenance problems and structural deficiencies.

6. Lack of Growth in Equalized Assessed Value

The total equalized assessed value (EAV) of the RPA has either declined or has grown at a rate less than that of the balance of the City of Chicago during the last five years for which information is available (1997-2002). This lack of growth has occurred both for all parcels in the RPA and also for the improved parcels alone. Considering improved parcels only, the RPA has a compound annual EAV growth rate of -0.02% between 1997 and 2002. The biggest decline occurred between 2001 and 2002, when the RPA's improved parcels declined 9% in EAV.

| Table 1. Percent Change in Annual Equalized Valuation (EAV)- Improved Parcels |
|-------------------------------|------------------|------------------|------------------|------------------|------------------|
|                               | Compound Annual Growth Rate (CAGR) '97-'02 | Percent Change in EAV '97-'98 | Percent Change in EAV '98-'99 | Percent Change in EAV '99-'00 | Percent Change in EAV '00-'01* | Percent Change in EAV '01-'02 |
| 69th and Ashland TIF (ALL PARCELS) | -0.03% | 1.44% | -3.49% | 7.94% | 2.19% | -7.53% |
| 69th and Ashland TIF (IMPROVED PARCELS) | -0.02% | 1.44% | -4.31% | 10.87% | 2.01% | -9.01% |
| City of Chicago (Balance EAV) | 6.33% | 1.77% | 4.17% | 14.50% | 3.71% | 7.98% |

Source: Cook County Assessor & S.B. Friedman & Company

VACANT LAND FACTORS

There are 34 vacant parcels within the 69th & Ashland RPA, representing 54% or more than half of total parcels. Four vacant eligibility factors were found to be present to a meaningful extent.

1. Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land

All parcels (100%) were found to be adjacent to improved parcels that exhibit deterioration. Deterioration is found on properties within and outside the RPA. Within the RPA, there are damaged and crumbling facades, cracked sidewalks, and unfinished parking lots. Outside of the RPA, there are more extreme cases of deterioration including dilapidated buildings, improper land use relationships, and damaged infrastructure. The closest improved parcels on each side of a vacant parcel were considered adjacent for the purposes of this analysis.
2. Diversity of Ownership

Analysis of assessor data regarding the taxpayer of record for the vacant parcels reveals that 41% of all vacant parcels (14 parcels) have different taxpayers for vacant parcels where the name of the owner was listed. This situation would impede efforts to assemble land for new development.

This eligibility factor was considered to be present in all vacant parcels except the CTA site.

3. Environmental Contamination

Malcolm Pirnie, Inc., an environmental engineering consulting firm, conducted the most recent environmental site assessments on the former CTA site. Although leaking underground storage tanks were removed from the site, the firm suggested that further site remediation is necessary. Soil borings taken in various locations during a Phase II environmental site assessment of the property found harmful gases and materials in excess of allowable levels. Suggestions for remediation include soil removal or the placement of engineered barriers over impacted soils. The environmental condition of the site is not currently suitable for development without incurring additional remediation costs.

4. Lack of Growth in Equalized Assessed Value

The total equalized assessed value (EAV) of vacant parcels in the RPA has either declined or has grown at a rate less than that of the balance of the City of Chicago during four of the last five years for which information is available (1997-2002). This lack of growth has occurred both for all parcels in the RPA and also for the vacant parcels alone. Considering vacant parcels only, the RPA has a negative compounded annual EAV growth rate of -0.1% between 1997 and 2002. The biggest decline occurred between 1999 and 2000, when the RPA’s vacant parcels declined 14% in EAV.

<table>
<thead>
<tr>
<th></th>
<th>Compound Annual Growth Rate (CAGR) '97-'02</th>
<th>Percent Change in EAV '97-'98</th>
<th>Percent Change in EAV '98-'99</th>
<th>Percent Change in EAV '99-'00</th>
<th>Percent Change in EAV '00-'01</th>
<th>Percent Change in EAV '01-'02</th>
</tr>
</thead>
<tbody>
<tr>
<td>69th and Ashland TIF (ALL PARCELS)</td>
<td>-0.03%</td>
<td>1.44%</td>
<td>-3.49%</td>
<td>7.94%</td>
<td>2.19%</td>
<td>-7.53%</td>
</tr>
<tr>
<td>69th and Ashland TIF (VACANT PARCELS)</td>
<td>-0.10%</td>
<td>1.44%</td>
<td>3.24%</td>
<td>-14.43%</td>
<td>3.88%</td>
<td>6.89%</td>
</tr>
<tr>
<td>City of Chicago (Balance EAV)</td>
<td>6.33%</td>
<td>1.77%</td>
<td>4.17%</td>
<td>14.50%</td>
<td>3.71%</td>
<td>7.98%</td>
</tr>
</tbody>
</table>

*The 2000-2001 period is shaded to indicate that it is a non-qualifying year for the vacant portion of the RPA.
Source: Cook County Assessor Office and S.B. Friedman & Company.
4. Redevelopment Project & Plan

Redevelopment Needs of the 69th & Ashland RPA

The existing land use pattern and physical conditions in the 69th & Ashland RPA suggest three redevelopment needs for the area:

1. Property assembly and site preparation;
2. New commercial and residential development; and
3. Public infrastructure improvements

The Eligibility Study, Redevelopment Plan and Project identifies the tools that the City will use to guide redevelopment in the 69th & Ashland RPA, to stimulate economic development and to promote and sustain a strong residential community fabric. Currently, the 69th & Ashland RPA is characterized by numerous vacant parcels, vacant and underutilized buildings, deteriorated buildings and infrastructure, and stagnant property values.

The goals, objectives, and strategies discussed below have been developed to address these needs and to facilitate the sustainable redevelopment of the 69th & Ashland RPA. The proposed public improvements outlined in the Eligibility Study, Redevelopment Plan and Project will help to create an environment conducive to private investment and redevelopment within the 69th & Ashland RPA. To support specific projects and encourage future investment in the RPA, public resources, including tax increment financing, may be used to: facilitate property assembly; demolition; site preparation; and/or rehabilitation and improve or repair RPA public facilities and/or infrastructure. In addition, tax increment financing may be used to subsidize developer interest costs related to redevelopment projects.

Goals, Objectives, and Strategies

Goals, objectives, and strategies are designed to address the need for redevelopment within the overall framework of the Eligibility Study, Redevelopment Plan and Project for the use of anticipated tax increment funds generated within the 69th & Ashland RPA.

Goal. The overall goal of the TIF Eligibility Study, Redevelopment Plan and Project is to reduce or eliminate the conditions that qualify the 69th & Ashland RPA as a blighted area and to provide the mechanisms necessary to support public and private development and improvements in the RPA, particularly to facilitate site remediation and clean-up of the former CTA bus barn site. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment.

Objectives. Eight broad objectives support the overall goal of area-wide revitalization of the 69th & Ashland RPA. These include:
1. Facilitate the preparation of the former CTA bus barn site for commercial redevelopment;

2. Facilitate the assembly, preparation, rehabilitation, and marketing of vacant and underutilized sites for commercial and residential redevelopment;

3. Promote new residential development that accommodates a diverse demographic mix of residents, including the development of new affordable housing;

4. Create a physical environment that is conducive to private development through the provision of public infrastructure where needed, including underground water and sanitary systems, sidewalks, alleys, and street improvements;

5. Provide adequate on- and off-street parking within the RPA for residents and visitors of the RPA;

6. Promote the development, improvement, and/or maintenance of park/open space uses as necessary and appropriate to serve residents of the RPA and surrounding neighborhood;

7. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 69th & Ashland RPA; and

8. Support job training/welfare to work programs and increase employment opportunities for area residents.

Strategies. These objectives will be implemented through four specific and integrated strategies. These include:

1. **Facilitate Property Assembly, Demolition, and Site Preparation.** Financial assistance may be provided to private developers seeking to acquire land and assemble and prepare sites in order to undertake projects in support of this Eligibility Study, Redevelopment Plan and Project.

   To meet the goals and objectives of this Eligibility Study, Redevelopment Plan and Project, the City may acquire and assemble property throughout the RPA. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain, through the Tax Reactivation Program or other programs 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.

   Map 5, *Land Acquisition Overview Map*, indicates the parcels currently proposed to be acquired for redevelopment in the RPA. Appendix 3 contains a list of the acquisition
parcels by Permanent Index Number (PIN) which portrays the acquisition properties in more detail.

In connection with the City exercising its powers to acquire real property not currently identified in Appendix 3, including the exercise of the power of eminent domain, under the Act in implementing this Eligibility Study, Redevelopment Plan and Project, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Plan. Relocation assistance may be provided to facilitate redevelopment of portions of the RPA, 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.

For properties displayed on Map 5, the acquisition of occupied properties by the City shall commence within four years from the date of the publication of the ordinance approving the Plan. Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four-year period, the City may acquire such property pursuant to this Plan under the Act according to its customary procedures as described in the preceding paragraph.

2. **Implement Public Improvements.** A series of public improvements throughout the 69th & Ashland RPA may be designed and implemented to help define and create an identity for the area, prepare sites for anticipated private investment, and create a more conducive environment for private development. Public improvements that are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include improvement or development of streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Eligibility Study, Redevelopment Plan and Project. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

3. **Encourage Private Sector Activities and Support New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Eligibility Study, Redevelopment Plan and Project.
The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate, or restore private or public improvements on one or several parcels (collectively referred to as “Redevelopment Projects”).

The City requires that developers who receive TIF assistance for market-rate housing set aside 20% of the units to meet affordability criteria established by the City’s Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than 100% of the area median income, and affordable rental units should be affordable to persons earning no more than 60% of the area median income. TIF funds can also be used to pay for up to 50% of the cost of construction or up to 75% of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

4. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant and underutilized properties within the 69th & Ashland RPA is expected to stimulate private investment and increase the overall taxable value of properties within the RPA. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

These activities are representative of the types of projects contemplated to be undertaken during the life of the 69th & Ashland RPA. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Further, additional projects may be identified throughout the life of the 69th & Ashland RPA. To the extent that these projects meet the goals, objectives, and strategies of this Eligibility Study, Redevelopment Plan and Project and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

**Proposed Future Land Use**

The proposed future land use of the 69th & Ashland RPA reflects the objectives of the Eligibility Study, Redevelopment Plan and Project, which are to support redevelopment of the portion of the RPA located west of Ashland Avenue with retail commercial uses, and the remainder of the RPA as a mixed-use area to include commercial and/or residential uses. It also supports other improvements that serve the redevelopment interests of the local community and the City. The proposed objectives are compatible with historic land use patterns in the surrounding community and support current development trends in the area.

These proposed future land uses are detailed on Map 6. As noted on Map 6, the uses listed are to be predominant uses for the area indicated, and are not exclusive of any other uses.
Map 6

Proposed Land Use

Legend
- TIF Boundary
- XXX Block Number*
- Existing Structure
- Proposed Commercial
- Proposed Mixed-Use

*Based on the Cook County Permanent Index Numbering (PIN) System

City of Chicago
Proposed 69th & Ashland
Tax Increment Finance District
July 2004
Assessment of Housing Impact

As set forth in the Act, if the redevelopment plan for the redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan. The project area contains approximately six occupied residential units in both multifamily and single-family buildings. The City hereby certifies that the Eligibility Study, Redevelopment Plan and Project will not result in the displacement of residents from 10 or more inhabited residential units.
5. **Financial Plan**

**Eligible Costs**

The various redevelopment expenditures that are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs that are deemed to be necessary to implement this Eligibility Study, Redevelopment Plan and Project (the "Redevelopment Project Costs.")

1. Costs of studies, surveys, development of plans and specifications, implementation and administration of the Eligibility Study, Redevelopment Plan and Project including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;

2. The costs of marketing sites within the RPA to prospective businesses, developers and investors;

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

4. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and 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;

5. Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;

6. Costs of job training and retraining projects including the costs of "welfare to work" programs implemented by businesses located within the RPA and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the West Englewood Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;

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

8. To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Eligibility Study, Redevelopment Plan and Project;

9. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 74.4-3(n)(7) of the Act;

10. Payment in lieu of taxes as defined in the Act;

11. Costs of job training, retraining, 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 the RPA; and (ii) 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, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;

12. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;

b. such payments in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the development 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 provision, then the amounts so due shall accrue and be
payable when sufficient funds are available in the special tax allocation fund;

d. the total of such interest payments paid pursuant to the Act may not exceed thirty
percent (30%) of the total of (i) cost paid or incurred by the redeveloper for the
redevelopment project; (ii) redevelopment project costs excluding any property
assembly costs and any relocation costs incurred by the City pursuant to the Act;

e. for the financing of rehabilitated or new housing for low-income households and
very low-income households, as defined in Section 3 of the Illinois Affordable
Housing Act, the percentage of seventy-five percent (75%) shall be substituted for
thirty percent (30%) in subparagraphs 12b and 12d above;

13. Unless explicitly provided in the Act, the cost of construction of new privately-owned
buildings shall not be an eligible redevelopment project cost;

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

15. Instead of the eligible costs provided for in 12b, 12d, and 12e above, the City may pay up to
50 percent 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 benefits under the Act; and

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

If a special service area has been established pursuant to the Special Service Area Tax Act,
35 ILCS 235/0.01 et seq., then any tax increment revenues derived from the tax imposed
pursuant to the Special Service Area Tax Act may be used within the redevelopment
project area for the purposes permitted by the Special Service Area Tax Act as well as the
purposes permitted by the Act.
Estimated Redevelopment Project Costs

The estimated eligible costs that are deemed to be necessary to implement this Eligibility Study, Redevelopment Plan and Project are shown in Table 3. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, 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, to the extent permitted by the Act. Additional funding in the form of State, Federal, County, or local grants, private developer contributions and other outside sources may be pursued by the City as a means of financing improvements and facilities which are of benefit to the general community.
## TABLE 3: Estimated Redevelopment Project Costs

<table>
<thead>
<tr>
<th>Eligible Expenses</th>
<th>Estimated Project Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Professional Services</strong> (including analysis, administration, studies, surveys, legal, marketing, etc.)</td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Property Assembly</strong>: including acquisition, site preparation, demolition and environmental remediation</td>
<td>$4,500,000</td>
</tr>
<tr>
<td><strong>Rehabilitation of Existing Buildings</strong> (including fixtures and leasehold improvements, affordable housing construction and rehabilitation cost)</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>Eligible Construction Costs (Affordable Housing)</strong></td>
<td>$1,500,000</td>
</tr>
<tr>
<td><strong>Relocation Costs</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Public Works or Improvements</strong> (including streets and utilities, parks and open space, public facilities (schools &amp; other public facilities) (1))</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Job Training, Retraining, Welfare-to-Work</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Interest Subsidy</strong></td>
<td>$1,500,000</td>
</tr>
<tr>
<td><strong>Day Care Services</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>TOTAL REDEVELOPMENT COSTS (2), (3), (4)</strong></td>
<td><strong>$9,600,000</strong></td>
</tr>
</tbody>
</table>

(1) This category also may include paying for or reimbursing (i) an elementary, secondary, or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the RPA. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

(2) Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

(3) The amount of the Total Redevelopment Project Costs that can be incurred in the RPA will be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but will not be reduced by the amount of redevelopment project costs incurred in the RPA which are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

(4) Increases in estimated Total Redevelopment Project Costs of more than five percent, after adjustment for inflation from the date of the Plan adoption, are subject to the Plan amendment procedures as provided under the Act. All costs are in 2004 dollars and may be increased by the rate of inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.
Adjustments to the estimated line item costs in Table 3 are anticipated, and may be made by the City without amendment to the Eligibility Study, Redevelopment Plan and Project to the extent permitted by the Act. 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 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.

In the event the Act is amended after the date of the approval of this Eligibility Study, Redevelopment Plan and Project by the City Council of Chicago to (a) include new eligible redevelopment project costs, 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 interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11)), this Eligibility Study, Redevelopment Plan and Project shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Eligibility Study, Redevelopment Plan and Project, to the extent permitted by the Act. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 3, or otherwise adjust the line items in Table 3 without amendment to this Eligibility Study, Redevelopment Plan and Project, to the extent permitted by the Act. 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 Eligibility Study, Redevelopment Plan and Project.

**Phasing and Scheduling of the Redevelopment**

Each private project within the 69th & Ashland RPA shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s). The Eligibility Study, Redevelopment Plan and Project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third year calendar year following the year in which the ordinance approving this Eligibility Study, Redevelopment Plan and Project is adopted (by December 31, 2028, if the ordinances establishing the RPA are adopted during 2004).

**Sources of Funds to Pay Costs**

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur redevelopment project costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes. Also, the City may permit the
utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

The 69th & Ashland RPA may be contiguous to or separated by only 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 RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the RPA, 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 RPA, shall not at any time exceed the total Redevelopment Project Costs described in this Plan.

The 69th & Ashland RPA may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the RPA, the City may determine that it is in the best interests of the City and the furtherance of the purposes of the Plan that net revenues from the RPA 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 RPA 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 RPA and such areas. The amount of revenue from the RPA so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the RPA or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 3 of this Plan.

If necessary, the redevelopment plans for other contiguous redevelopment project areas that may be or already have been created under the Act may be drafted or amended as applicable to add appropriate and parallel language to allow for sharing of revenues between such districts.

Issuance of Obligations

To finance project costs, the City may issue bonds or obligations secured by Incremental Property Taxes generated within the 69th & Ashland RPA pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligations bonds. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Eligibility Study and Redevelopment Plan and the Act shall be retired within the time frame described under "Phasing and Scheduling of the
Redevelopment" above. 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 of a series of obligations may be sold at one or more times in order to implement this Eligibility Study and Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the RPA in the manner provided by the Act.

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

The purpose of identifying the most recent equalized assessed valuation ("EAV") of the 69th & Ashland RPA is to provide an estimate of the initial EAV which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the 69th & Ashland RPA. The 63 tax parcels comprising the RPA have a total estimated EAV of $636,571 in the 2002 tax year. This total EAV amount by PIN is summarized in Appendix 2. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Redevelopment Project Area will be calculated by Cook County.

**Anticipated Equalized Assessed Valuation**

By 2027, the EAV for the 69th & Ashland RPA will be approximately $13,161,878. This estimate is based on several key assumptions, including: 1) an inflation factor of 2.5% per year on the EAV of all properties within the 69th & Ashland RPA, with its cumulative impact occurring in each triennial reassessment year; 2) an equalization factor of 2.4689; and 3) projected tax rates based upon tax limitation legislation.
6. Required Findings and Tests

Lack of Growth and Private Investment

The City is required under the Act to evaluate whether or not the RPA has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

To investigate a lack of growth and private investment within the 69th & Ashland RPA, S. B. Friedman & Company examined building permit data provided by the City of Chicago Department of Buildings from January 1997 to May 2004. This data indicated that nine building permits had been issued for properties within the 69th & Ashland RPA within that period. However, four of these permits were related to the demolition and removal of buildings within the RPA. Two permits were related to the installation of a communication tower while the remaining three permits were issued for general repairs and equipment replacement. The building permit activity within the RPA does not indicate a significant level of growth or development through private investment.

Lack of EAV growth is also a strong indicator that the area as a whole has not been subject to growth and development. The RPA’s rate of compound annual growth in EAV over the last five years has lagged behind that of the City of Chicago, Lake Township, and the Consumer Price Index (CPI) for the Chicago Metropolitan Statistical Area (MSA) between 1997 and 2002. This further shows the lack of investment in the RPA over time.

Finding: The Redevelopment Project Area (69th & Ashland RPA) 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 the Eligibility Study, Redevelopment Plan and Project.

But for....

The City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the 69th & Ashland RPA.

Without the support of public resources, the redevelopment objectives of the 69th & Ashland RPA will most likely not be realized. Since the closure of the CTA site in 1998, redevelopment of the property has not occurred. The environmental conditions of the site make redevelopment risky and costly. Adjacent deterioration and dilapidation in the surrounding neighborhood within and outside the RPA causes the area to be less attractive for new development. In addition, acquisition and demolition/rehabilitation costs associated with the redevelopment of the site are unlikely to be fully absorbed by the private market. TIF assistance may be used to facilitate public and private redevelopment through funding land assembly, site preparation, infrastructure improvements, and
improvements and expansions to public facilities. But for creation of the 69th & Ashland RPA, these types of projects are unlikely to occur without the benefits associated with the designation of the 69th & Ashland RPA as a tax increment financing district.

**Finding:** But for the adoption of this Eligibility Study, Redevelopment Plan and Project, critical resources will be lacking that would otherwise support the redevelopment of the 69th & Ashland RPA and the development of the 69th & Ashland RPA would not be reasonably anticipated.

**Conformance to the Plans of the City**

The 69th & Ashland RPA and Eligibility Study, Redevelopment Plan and Project must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

The proposed land uses described in this Eligibility Study, Redevelopment Plan and Project must be approved by the Chicago Plan Commission prior to its adoption by the City Council.

**Dates of Completion**

The dates of completion of the project and retirement of obligations are described under “Phasing and Scheduling of the Redevelopment” in Section 5, above.

**Financial Impact of the Redevelopment Project**

As explained above, without the adoption of this Eligibility Study, Redevelopment Plan and Project and tax increment financing, the 69th & Ashland RPA is not expected to be redeveloped by private enterprise. Additionally, there is a genuine threat that blighting conditions will continue to exist and spread, and that the entire area will become a less attractive site for development. The continued decline of the RPA could have a detrimental effect on the growth of property values in surrounding areas and could lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. If a redevelopment project is successful, various new projects may be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting both public and private development in the 69th & Ashland RPA.

This Eligibility Study, Redevelopment Plan and Project is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, real estate tax increment revenues from the increases in EAV over and above the certified initial EAV (established at the time of adoption of this document by the City) may be used to pay eligible redevelopment project costs for the 69th & Ashland RPA. At the time when the 69th & Ashland RPA is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the 69th & Ashland RPA will be distributed to all taxing districts levying
taxes against property located in the 69th & Ashland RPA. These revenues will then be available for use by the affected taxing districts.

**Demand on Taxing District Services and Program to Address Financial and Service Impact**

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

The City intends to monitor development in the 69th & Ashland RPA and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development. The following major taxing districts presently levy taxes on properties located within the 69th & Ashland RPA and maintain the listed facilities within the boundaries of the RPA, or within close proximity to the RPA boundaries:

1. City of Chicago

2. Chicago Board of Education
   - Altgeld School (1340 W. 71st Street)
   - Barton Elementary School (7650 S. Wolcott)
   - Bass Public School (1140 W. 66th Street)
   - Bond Public School (7050 S. May)
   - Bunche Public School (6515 S. Ashland)
   - Davis Academy (6723 S. Wood Street)
   - Johns Community Academy (6936 S. Hermitage Avenue)
   - Harper High School (6520 S. Wood Street)

3. Chicago School Finance Authority

4. Chicago Park District
   - Drexel Playlot Park (6931 S. Damen)
   - Hawthorne Park (76th and Racine)
   - Murray Park (1743 W. 73rd Street)
   - Ogden Park (6500 S. Racine)
   - Wolcott Playlot Park (6551 S. Wolcott)

5. City of Chicago Library Fund
   - West Englewood Branch (63rd and Wood)
   - Thurgood Marshall Branch (7506 S. Racine Ave)

6. Chicago Community College District 508

7. Metropolitan Water Reclamation District of Greater Chicago
8. County of Cook

9. Cook County Forest Preserve District

Map 7 illustrates the locations of community facilities operated by the above listed taxing districts within or in close proximity to the 69th & Ashland RPA.
Redevelopment activity may cause increased demand for services from one or more of the above listed taxing districts. The anticipated nature of increased demands for services on these taxing districts, and the proposed activities to address increased demand are described below.

City of Chicago. The City is responsible for a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; and building, housing and zoning codes. Replacement of vacant and under-utilized sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. Additional costs to the City for police, fire, and recycling and sanitation services arising from residential and non-residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the 69th & Ashland RPA can be handled adequately by City police, fire protection, sanitary collection and recycling services, and programs maintained and operated by the City. The impact of the 69th & Ashland RPA will not require expansion of services in this area.

City of Chicago Library Fund. The Library Fund, supported primarily by property taxes, provides for the operation and maintenance of City of Chicago public libraries. Additional costs to the City for library services arising from residential development may occur. However, it is expected that any increase in demand for City library services and programs associated with the 69th & Ashland RPA can be handled adequately by City library services. The impact of the 69th & Ashland RPA will not require expansion of services in this area.

Chicago Board of Education and Associated Agencies. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of education services for kindergarten through twelfth grade.

It is possible that some families who purchase housing or rent new apartments in the 69th & Ashland RPA will send their children to public schools, putting increased demand on area school districts. However, it is unlikely that the scope of new residential construction would exhaust existing capacity. Existing capacity was verified through data provided from the Department of Operations at the Chicago Public Schools (CPS). According to information provided by CPS, elementary schools reach full capacity at 80% of their design capacity, middle schools reach full capacity at 80% of their design capacity, and high schools reach full capacity at 100% of their design capacity. These data reveal that Altgeld School and Johns Community Academy, which serve the area immediately surrounding and including the 69th & Ashland RPA, currently operate at approximately 60% and 61% of capacity, respectively. Davis Academy, which serves the area immediately surrounding and including the 69th & Ashland RPA, operates at approximately 72% of capacity. Harper High School, which serves the area immediately surrounding and including the 69th & Ashland RPA, operates at approximately 96% of capacity. Given the small size and the predominantly commercial character of the proposed development for the 69th & Ashland RPA, it is unlikely that existing capacity will be exceeded as a result of TIF-supported activities. Additionally, increased costs to the local schools resulting from children residing in TIF-assisted housing units will trigger those provisions within the Act that provide for reimbursement to the affected school district(s) where eligible. The City intends to monitor development in the 69th & Ashland RPA and, with the cooperation of the Board of Education, will attempt to ensure that any
increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

**Chicago Park District.** The Chicago Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs.

It is expected that the households that may be added to the 69th & Ashland RPA may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the 69th & Ashland RPA and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development.

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

It is expected that any increase in demand for services from Community College District 508 indirectly or directly caused by development within the 69th & Ashland RPA can be handled adequately by the district’s existing service capacity, programs and facilities. Therefore, at this time no special programs are proposed for this taxing district. Should demand increase, the City will work with the affected district to determine what, if any, program is necessary to provide adequate services.

**Metropolitan Water Reclamation District.** This district provides the main trunk lines for the collection of wastewater from Cities, Villages and Towns, and for the treatment and disposal thereof.

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the 69th & Ashland RPA can be handled adequately by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District of Greater Chicago. Therefore, no special program is proposed for the Metropolitan Water Reclamation District of Greater Chicago.

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

It is expected that any increase in demand for Cook County services can be handled adequately by existing services and programs maintained and operated by the County. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase, the City will work with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.
Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public. It is expected that any increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

Given the nature of the Eligibility Study, Redevelopment Plan and Project, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot be wholly predicted within the scope of this plan.
7. Provisions for Amending Redevelopment Plan and Project

This Eligibility Study, Redevelopment Plan and Project and Project document may be amended pursuant to the provisions of the Act.
8. Commitment to Fair Employment Practices and Affirmative Action Plan

The City is committed to and will require developers to follow and affirmatively implement the following principles with respect to this Eligibility Study, Redevelopment Plan and Project. However, the City may implement programs aimed at assisting small businesses, residential property owners, and developers which may not be subject to these requirements.

A. The assurance of equal opportunity in all personnel and employment actions with respect to this Eligibility Study, Redevelopment Plan and Project, including, but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, terminations, etc. without regard to race, color, religion, sex, age, disability, national origin, sexual orientation, ancestry, marital status, parental status, military discharge status, source of income or housing status.

B. Meeting the City’s standards for participation of 25 percent (25%) Minority Business Enterprises and 5 percent (5%) Women Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.

C. The 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.

D. Meeting City standards for the hiring of City residents to work on redevelopment project construction projects.

E. Meeting City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.
Appendix 1:
Boundary and Legal Description
69TH AND ASHLAND TIF


THENCE NORTH ALONG SAID WEST LINE OF SOUTH MARSHFIELD AVENUE TO THE NORTH LINE OF WEST 69TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 69TH STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 10 IN BLOCK 3 OF MARSTON AND AUGER'S SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 20, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 10 BEING ALSO THE EAST LINE OF SOUTH JUSTINE STREET;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF SOUTH JUSTINE STREET TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 46 IN BLOCK 4 OF SAID MARSTON AND AUGER'S SUBDIVISION, SAID NORTH LINE OF LOT 46 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST 60TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 46 IN BLOCK 4 OF MARSTON AND AUGER'S SUBDIVISION TO THE WEST LINE THEREOF, SAID WEST LINE OF LOT 46 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY EAST OF SOUTH ASHLAND AVENUE TO THE SOUTH LINE OF WEST 71ST STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST 71ST STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT "A" IN BLOCK 3 OF THE SUBDIVISION OF LOTS 42 TO 48, BOTH INCLUSIVE, OF BLOCK 13, LOTS 1 TO 7, BOTH INCLUSIVE, OF BLOCK 14 AND 15, LOTS 1 TO 7 AND 18 TO 24, ALL INCLUSIVE, IN BLOCK 16, LOTS 18 TO 31, BOTH INCLUSIVE IN BLOCKS 9, 10 AND 11, LOTS 1 TO 7 AND 42 TO 48, ALL INCLUSIVE, IN BLOCKS 6, 7 AND 8, LOTS 18 AND 31 IN BLOCKS 1, 2 AND 3, AND LOTS 25 TO 31, BOTH INCLUSIVE, IN BLOCK 4 OF E. O. LANPHERE'S ADDITION TO ENGLEWOOD, AFORESAID, SAID EAST LINE OF LOT "A" BEING ALSO THE WEST LINE OF SOUTH MARSHFIELD AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF SOUTH MARSHFIELD AVENUE TO THE POINT OF BEGINNING AT THE SOUTHEAST CORNER OF LOT 24 IN BLOCK 6 OF E. O. LANPHERE'S ADDITION TO ENGLEWOOD, AFORESAID, ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
Ordered by: S. B. Friedman & Co.

June 4, 2004
Order No. 0405020 R0

Page 1 of 1
Appendix 2:
Summary of EAV (by PIN)
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<td>20-20-316-011-0000</td>
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<td>$ 2,141</td>
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<td>20-20-316-014-0000</td>
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<td>$ 2,141</td>
</tr>
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<td>20-20-316-015-0000</td>
<td>$ 867</td>
<td>$ 2,141</td>
</tr>
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<td>36</td>
<td>20-20-316-016-0000</td>
<td>$ 867</td>
<td>$ 2,141</td>
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### Summary of 2002 Equalized Assessed Value By Permanent Index Number (PIN)

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<tr>
<th>PIN</th>
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<td>38 20-20-316-018-0000 $867</td>
<td>$2,141</td>
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<tr>
<td>39 20-20-316-019-0000 $867</td>
<td>$2,141</td>
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</tr>
<tr>
<td>40 20-20-316-020-0000 $867</td>
<td>$2,141</td>
<td></td>
</tr>
<tr>
<td>41 20-20-316-021-0000 $867</td>
<td>$2,141</td>
<td></td>
</tr>
<tr>
<td>42 20-20-316-022-0000 $867</td>
<td>$2,141</td>
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<tr>
<td>43 20-20-316-023-0000 $867</td>
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<tr>
<td>44 20-20-316-044-0000 $12,725</td>
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<tr>
<td>46 20-20-324-002-0000 $832</td>
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<tr>
<td>47 20-20-324-003-0000 $867</td>
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<td>48 20-20-324-004-0000 EX</td>
<td>EX</td>
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<tr>
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<tr>
<td>63 20-20-324-044-0000 $78,488</td>
<td>$193,779</td>
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</table>

Total: $257,836 $636,571

**EX = Tax Exempt Parcels**

**2002 Equalization Factor** 2.4689

Note: Numbers may not add perfectly due to rounding

Source: Cook County Assessor and S. B. Friedman & Company
Appendix 3: Acquisition Parcels
<table>
<thead>
<tr>
<th>No.</th>
<th>PIN</th>
<th>Property Address</th>
<th>Use</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>20-20-316-001-0000</td>
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<td>Mixed-Use Building</td>
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<tr>
<td>2</td>
<td>20-20-316-002-0000</td>
<td>1553 W 69TH ST</td>
<td>Mixed-Use Building and Parking Lot</td>
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<tr>
<td>3</td>
<td>20-20-316-003-0000</td>
<td>1549-51 W 69TH ST</td>
<td>Parking Lot</td>
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<tr>
<td>4</td>
<td>20-20-316-004-0000</td>
<td>1545 W 69TH ST</td>
<td>Parking Lot</td>
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<td>5</td>
<td>20-20-316-005-0000</td>
<td>1543 W 69TH ST</td>
<td>Vacant</td>
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<tr>
<td>6</td>
<td>20-20-316-006-0000</td>
<td>1541 W 69TH ST</td>
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<tr>
<td>7</td>
<td>20-20-316-007-0000</td>
<td>1537 W 69TH ST</td>
<td>Vacant</td>
</tr>
<tr>
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<td>20-20-316-008-0000</td>
<td>1531 W 69TH ST</td>
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<tr>
<td>9</td>
<td>20-20-316-009-0000</td>
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</tr>
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<td>Auto Repair/Garage</td>
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