

OFFICE OF THE MAYOR

CITY OF CHICAGO

FOR IMMEDIATE RELEASE July 6, 2011

Mayor's Press Office (312) 744-3334

Molly Sullivan, Department of Housing and Economic Development (HED) (312) 744-2976

CITY COUNCIL APPROVES ORDINANCES SUPPORTING RESIDENTIAL AND COMMERCIAL DEVELOPMENT AND THE CREATION OF PARKS AND OPEN SPACES

The Chicago City Council today approved 12 ordinances supporting residential and commercial development and the creation of parks and open spaces.

"We are committed to working with our partners to aggressively promote community development that will help our communities become more competitive," Mayor Rahm Emanuel said. "We will continue to support new recreational and economic opportunities at the local level to help diversify our economy and create jobs and economic growth."

Howard/Paulina TIF Acquisition Authority

The first ordinance authorizes acquisition authority for two adjacent parcels located in the Howard/Paulina TIF Redevelopment Project area for use in future development.

The parcels located at 7519-33 N. Ashland Ave. in the City's Rogers Park community are vacant and negatively impact development in the area.

Plans to redevelop the parcels into a previously approved residential development have not materialized. Although there are no current plans for the site, the City and the community would support a new commercial mixed-use development on the parcels that would help stimulate other new business activity in the area.

Amendments to the Belmont/Central and Fullerton/Milwaukee TIF Districts

The next two ordinances authorize amendments to the Belmont/Central and Fullerton/Milwaukee TIF Districts to update their budgets to reflect new projected increment collections.

The amendment would expand the Belmont/Central TIF budget from \$16 million to \$64 million and allow the Fullerton/Milwaukee TIF budget to be increased to \$136 million from \$52.5 million.

The amendments update the budgets to allow for future redevelopment and community improvements planned for the remainder of the 23 year TIF period.

The budget increases would also allow for debt service payments on the Modern Schools Across Chicago initiative, which helps to fund new school construction and renovation, and help finance allowable costs such as general infrastructure improvements, the rehabilitation of industrial and commercial properties and the construction and preservation of affordable housing.

Class C for West Webster LLC

Another ordinance authorizes a Class C property tax incentive for the clean up of a contaminated site along the North Branch of the Chicago River in the City's Lincoln Park community.

The Class C tax incentive will support a \$784,000 remediation of the former industrial site, located at 2230 N Dominick St., by West Webster LLC. The redevelopment of the site will result in the construction of a new 21,000 square foot daycare center, a 25,000 square foot retail center and a public river walk in the 32nd Ward.

The Class C incentive encourages the clean up of contaminated industrial, commercial or vacant sites by lowering the assessment rate to 10% for 10 years, before raising it 15% in the 11th year and then 20% in the 12th year. Additionally, the cost of remediation must total at least \$100,000, or at least 25% of the property's market value as determined by the assessment of the property in the year prior to the remediation.

The total tax savings for 12 years is estimated to be \$806,459.

Class C for CF III Carroll Building LLC

The next ordinance authorizes a resolution for a Class C property tax incentive for the building located at 1419-33 W. Carroll St., which has enabled the owners to rehabilitate the property including the remediation of contaminated soil and add 80 full-time employees.

The developers, CF III Carroll Building LLC, have used the incentive to support the \$1.8 million renovation of the 36,000 square foot property in the 27th Ward, including \$300,000 for remediation of the site.

Rehabilitation included the addition of a new roof, masonry repairs, new entryways lease the property to two tenants creating the full-time jobs.

The estimated tax savings over the 12-year period is estimated at \$225,000.

IGA with Board of Education

Also approved was an ordinance authorizing an intergovernmental agreement with Kenwood Academy to provide TIF funding for the replacement of the school's auditorium bleachers.

Under the proposed agreement, The City would provide up to \$60,000 in TIF funds from the 53rd Street TIF District for the \$94,000 improvement project at 5015 S. Blackstone Ave. in the 4th Ward.

IGA with State of Illinois and Park District for Lakefront Park

Another ordinance authorizes an intergovernmental agreement with the Illinois Department of Natural Resources and the Chicago Park District to accept sediment dredged from the Illinois River for use in the development of a park at 79th Street and the Lake Michigan shoreline.

Through the Mud2Parks program, a \$4.5 million grant will be used to cover the cost of transportation and delivery of sediment. Sediment dredged from the Illinois River at Peoria Lake will be loaded onto barges and shipped to the former USX South Works property, where it will be spread along an 80-acre site to a depth of two to three feet and used as top soil for parkland in the

9th and 10th Wards. Improvements are planned for the area between 79th and 85th Streets and the Lake. The dredged material has been tested and approved for use by the Illinois EPA.

The ordinance also authorizes the conveyance of the northern 30-acre portion to the Park District. Once the sediment reaches an appropriate consistency the site will be turned into a park along the City's lakefront.

Open Space Impact Fees for School Garden Projects

The next ordinance authorizes \$248,000 in Open Space Impact Fees for the construction of school gardens in the Hermosa, Edison Park and Jefferson Park communities.

The City will provide the funds to Openlands for the construction of the Kelvyn, Ebinger and Farnsworth School gardens. Openlands will work on all aspects of the garden creation process including garden design, installation and curriculum support. The garden will be maintained by students, teachers and volunteers from the community.

The Kelvyn Park High School garden at 4347 W. Wrightwood Ave. in the 31st Ward will receive \$41,000. The budget for the Ebinger School garden at 7341-45 W. Farwell Ave. in the 41st Ward will be \$107,000 and \$100,000 will be allocated to the Farnsworth School at 5414 N. Linder Ave. in the 45th Ward.

Each school garden project involves the removal of asphalt, addition of native plants and construction of outdoor seating connecting children to nature and promoting environmental stewardship. The three gardens are part of a dozen such projects that have been created over the past year.

Openlands is a nonprofit agency dedicated to preserving and creating open space.

Open Space Impact Fees are fees collected from new residential developments in each of the City's community areas to help create open space and recreational facilities for residents.

Open Space Impact Fees for North Branch Trail

Another ordinance authorizes \$52,000 in Open Space Impact Fees to the Department of Transportation for development costs to create a continuous riverfront trail along the North Branch of the Chicago River with fees coming from the City's Irving Park community area fund.

The proposed 1,500 foot segment of the trail would provide a connection between the trail's two halves where none exists, linking existing segments from Clark Park to California Park. The \$6.8 million section would run under the Addison Street bridge, along the North Branch of the Chicago River, crossing the river on a bicycle pedestrian bridge.

In 2008, the City Council approved \$2 million in impact fees for the design and initial development phase. Other funding sources include an Illinois Department of Transportation Enhancement Grant. Construction will begin in 2013.

Open Space Impact Fees for Perry Street Farm

Also approved was an ordinance authorizing \$21,000 in Open Space Impact Fees for the construction of a 1.45 acre farm in the Washington Park community.

The funds will be used to reimburse the Washington Park Consortium for creating the farm at 57^{th} and Perry Street on City-owned land that will be leased to the organization for five years in the 3^{rd} Ward.

The urban farm is adjacent to what was once the John Raber estate, including an Italianate-house, currently owned by the City, located in the 5700 block of South Lafayette Street, which was built before the Chicago Fire of 1871. The building, designated a Chicago Landmark in 1996, and surrounding grounds were once part of large country manor.

Washington Park Consortium will manage the farm until the Raber House is transferred to the Chicago District at which time the lease will have the option of being renewed.

Open Space Impact Fees for School Street Park

Another ordinance approves \$361,000 in Open SpaceImpact Fees to reimburse Openlands for the acquisition of a 0.15 acre site for the development of School Street Park in the Lakeview community.

Acquisition costs for phase I total \$881,000 with \$520,000 coming from the 44th Ward Aldermanic menu budget.

Plans for the park, to be located at 1230 W. School St., include acquisition of an additional 0.18 acres in phase II and transfer of ownership of the land to the Chicago Park District for the development of the park. Phase II will be funded with a total of \$1 million from the State and the Park District.

Landmark Designation for Schlitz Brewery Tied Houses and Brewery Stable

The next approved ordinance designates five former Schlitz Brewery tied houses and one former Schlitz stable as Chicago Landmarks.

The buildings built by the Milwaukee-based Schlitz Brewing Co. between 1898 and 1906 represent a distinctive building type with various styles of revival architecture and prominent street corner locations found in many Chicago neighborhoods. Features include high-quality masonry construction with alternating face bricks in different patterns and styles.

The five commercial buildings that used to contain taverns owned by Schlitz are located at 958 W. 69th St. in Englewood, 3456 S. Western Ave. in McKinley Park, 2159 W. Belmont Ave in North Center, 3159 N. Southport Ave. in Lakeview and 11400 S. Front Ave. in Roseland. The former stable building is located at 11314 S. Front Ave. also in Roseland.

The Joseph Schlitz Brewing Co. was the most prolific builder of tied houses in Chicago. Most feature a distinctive relief of the belted Schlitz beer globe insignia embedded in the brickwork that is still visible on the buildings' façades.

Like other brewery tied houses, Schlitz tied houses were essentially taverns that sold only the brand of beer that they were "tied" to ensure exclusive placement of their products. Though not a tied house, the stable building represents the brewery's direct control over distribution and the exclusive sale of its products.

These buildings are part of a group of nine Schlitz buildings that are being considered for landmark status.