

**49TH STREET/ST. LAWRENCE AVENUE  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AND PLAN**

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City of Chicago, Illinois

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October, 1995



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## I. INTRODUCTION

The City of Chicago (the "City") is recognized throughout the world as the urban center of America's heartland, serving as a focal point of commerce, industry, finance, culture and education. The City is known for its economic wealth and vitality as well as its diverse population, eclectic neighborhoods and rich cultural heritage.

The subject of this report is an approximately 17.3 acre area located near the intersection of 49th Street and St. Lawrence Avenue, within the Grand Boulevard Community Area. Located approximately 4 miles south of the City's "Loop," the Grand Boulevard Community Area reflects much of the culture and diversity for which the City is known.

In spite of the expansion of the City to the south after the fire of 1874, the Grand Boulevard Community Area remained relatively sparsely populated until the outbreak of the first World War. As the population of the Near South Side began to swell with immigrants from the South seeking employment in war-time industries, development rapidly spilled over into the Grand Boulevard Community Area. The population of the Grand Boulevard Community Area increased throughout the first one-half of the twentieth century, peaking at nearly 120,000 in 1950. The population hovered near 80,000 persons in the 1950s and 1960s and dropped throughout the 1970s and 1980s. 1990 census data indicates that approximately 36,000 persons reside in the Grand Boulevard Community Area, less than one-third of the 1950 population.

The loss of more than two-thirds of the population in the area coupled with an aging housing stock, large numbers of converted dwelling units, over-crowded conditions and a lack of public and private investment took its toll on the Grand Boulevard Community Area. One sign of the decline of and lack of investment in the Grand Boulevard Community Area is the long-abandoned Francis E. Willard Elementary School (the "Willard School") at the southeast corner of 49th Street and St. Lawrence Avenue. The once grand school building, boarded up and vacant since its closure in 1978, deteriorated over time along with the housing stock of much of the surrounding neighborhood. In spite of numerous attempts to sell the Willard School, the dilapidated building remains in the hands of the City public school system and a constant reminder of the deterioration of the area.

Although some new development and rehabilitation activity has occurred at major intersections on 41st Street, 47th Street and 51st Street, virtually no new development or rehabilitation has occurred in many parts of the Grand Boulevard Community Area, including the area that is the subject of this report. In addition, much of the private activity within the Grand Boulevard Community Area has occurred only in conjunction with City assistance and financial support.

As part of a strategy to encourage managed growth and stimulate private investment in the maintenance and improvement of new and existing residential locations within a part of the Grand Boulevard Community Area, Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") was engaged to investigate whether an approximately 17.3 acre area qualifies for the use of tax increment financing ("TIF"). The area under investigation is centered around the block bordered by 49th Street, Champlain Avenue, 50th Street, St. Lawrence Avenue and the adjoining residential areas and is described in greater detail in Section I.B., *The 49th Street/St. Lawrence Avenue Tax Increment Redevelopment Project Area*.

### A. TAX INCREMENT FINANCING

In January 1977, TIF was made possible by the Illinois General Assembly through passage of the *Tax Increment Allocation Redevelopment Act* (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et seq.*, as amended. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance "Project Costs" with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived from the increase in the current equalized assessed valuation ("EAV") of real property within the Project Area over and above the "Certified Initial EAV" of the real property. Any increase in EAV is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance Project Costs, a municipality may issue obligations secured by estimated Incremental Property Taxes generated within the Project Area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates, it generates revenues by allowing the municipality to capture, temporarily, the new tax revenues generated by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied on the initial valuation of properties within the Project Area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and expected redevelopment project expenditures necessary to

implement the Redevelopment Plan. Taxing districts also benefit from the increased property tax base after Project Costs and obligations are paid.

**B. THE 49TH STREET/ST. LAWRENCE AVENUE TAX  
INCREMENT REDEVELOPMENT PROJECT AREA**

The 49th Street/St. Lawrence Avenue Tax Increment Financing Redevelopment Project Area (the "Project Area") contains approximately 17.3 acres and is focused around the block and adjoining residential uses bounded by 49th Street on the north, Champlain Avenue on the east, 50th Street on the south and St. Lawrence Avenue on the west. More specifically, the Project Area is bounded on the north by the north property lines of tax parcels 20-10-211-017 and 20-10-211-038; on the east by the alley east of properties fronting on Champlain Avenue (north of 50th Street) and the alley which parallels Cottage Grove Avenue (south of 50th Street); on the south by the alley south of properties fronting on 50th Street and the rear property lines of properties fronting on 50th Street; and on the west by the west property line of tax parcel 20-10-224-006 and the alley west of properties fronting on St. Lawrence Avenue. For a legal description and map depicting the boundaries of the Project Area, see Section II, *Legal Description*.

In spite of existing plans and City programs which support the rehabilitation and improvement of existing residential areas, rehabilitation and new development has occurred only on a widely scattered basis in the areas outside the Project Area. The Project Area developed rapidly more than eighty years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Today, much of the Project Area is characterized by dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, parcels of inappropriate size and shape for contemporary development, tax delinquencies, large quantities of City-owned land, deleterious land use and an overall depreciation of physical maintenance.

**C. THE 49TH STREET/ST. LAWRENCE AVENUE TAX  
INCREMENT REDEVELOPMENT PROJECT AND PLAN**

The Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area will be redeveloped on a comprehensive and coordinated basis in accordance with the comprehensive plan for development of the City as a whole without the use of TIF. Currently, the Project Area is characterized by nine of the blighting factors--age, dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, deleterious land-use and layout, depreciation of physical maintenance and overall lack of community planning--defined in the Act.

The largest building in the Study Area is a large, dilapidated, abandoned school which has remained vacant since its closure in 1978 in spite of numerous attempts by the owner to interest the private sector in rehabilitating the building or redeveloping the site. In addition, sixteen percent of the tax parcels within the Project Area were forfeited for delinquent property taxes in each of the last three tax years. Finally, nineteen percent of the tax parcels in the Project Area were owned by the City in 1993.

This 49th Street/St. Lawrence Avenue Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act. The Redevelopment Plan is intended to guide improvements and activities within the Project Area in order to stimulate private investment in the Project Area. The goal of the City, through the implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned development basis in order to ensure that private investment in rehabilitation and new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, pedestrian access, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the factors of blight are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the City; and
4. With a reasonable mix of new development and rehabilitation which supports and takes advantage of labor, financial institutions, and other resources or needs to be served within the community.

The Redevelopment Plan sets forth the overall Redevelopment Program to be undertaken to accomplish the above-stated goal. During the Redevelopment Program implementation, the City may, from time to time, (i) undertake or cause to be undertaken public improvements and activities and (ii) enter into redevelopment agreements with private entities to construct private improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

The Redevelopment Plan specifically describes the Project Area and sets forth the blighting factors which qualify the Project Area for designation as a blighted area as defined in the Act. Section II of the Redevelopment Plan contains the legal description and map depicting the boundaries of the Project Area.



Successful implementation of the Redevelopment Plan requires that the City utilize Incremental Property Taxes in accordance with the Act and work cooperatively with the private sector and local governmental agencies. Incremental Property Taxes will be exclusively utilized to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the conditions of blight which have precluded its comprehensive and coordinated development by the private sector.

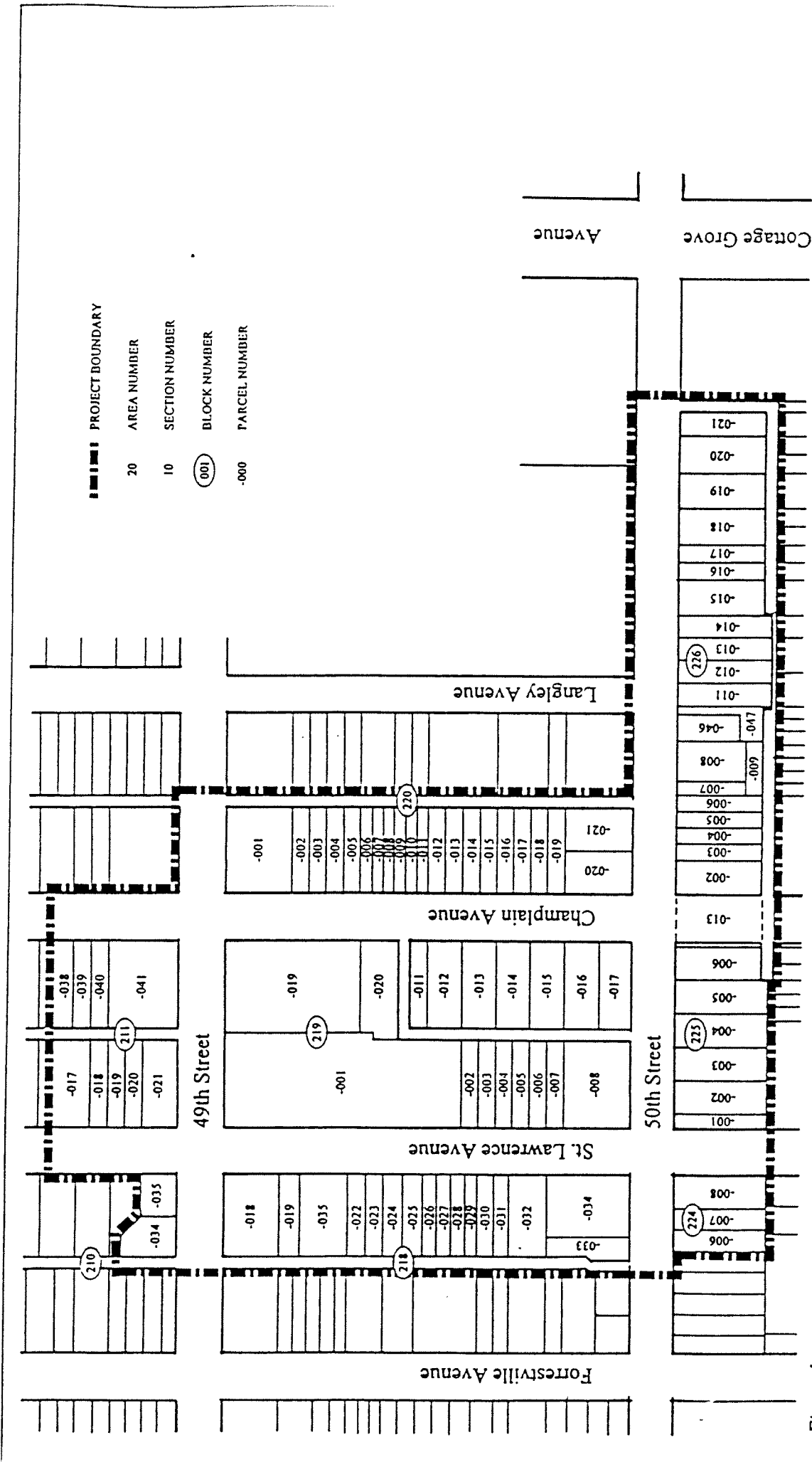
The use of Incremental Taxes by the City will permit the City to direct and coordinate public improvements and activities to stimulate private investments on a comprehensive basis. These improvements, activities and investments will benefit the City, its residents, and all taxing districts having jurisdiction over the Project Area. The anticipated benefits include:

- A strengthened residential tax base for affected taxing agencies;
- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties; and
- Increased opportunities for affordable housing within the City.

## II. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Program to be undertaken as part of this Redevelopment Plan. The boundaries are shown in Figure 1, *Boundary Map*, and legally described as follows:

THAT PART OF THE NORTHEAST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF SOUTH CHAMPLAIN AVENUE AND EAST 49TH STREET, BEING ALSO THE SOUTHWEST CORNER OF LOT 12 IN BLOCK 2 IN THE SUBDIVISION OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 10, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 27, 1887 AS DOCUMENT NO. 887762; THENCE EASTERLY ALONG THE NORTH LINE OF SAID EAST 49TH STREET TO AN INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF THE NORTH-SOUTH PUBLIC ALLEY IN BLOCK 2 IN WASHINGTON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 10, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 18, 1888 AS DOCUMENT NO. 1041472; THENCE SOUTHERLY ALONG THE EAST LINE OF THE PUBLIC ALLEY IN BLOCK 2 IN SAID WASHINGTON PARK SUBDIVISION AND ALONG SAID EAST LINE EXTENDED TO THE NORTH LINE OF EAST 50TH STREET, SAID LAST DESCRIBED POINT BEING ALSO THE SOUTHWEST CORNER OF LOT 13 IN BLOCK 2 IN SAID WASHINGTON PARK SUBDIVISION; THENCE EASTERLY ALONG SAID NORTH LINE OF EAST 50TH STREET AND SAID NORTH LINE EXTENDED TO AN INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF THE PUBLIC ALLEY LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 1 TO 6 IN MATTHEW LAFLIN'S SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 7, 1889 AS DOCUMENT NO. 1181714 AND CORRECTION THERETO RECORDED MARCH 11, 1890 AS DOCUMENT NO. 1232696; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LAST DESCRIBED PUBLIC ALLEY AND ALONG SAID EAST LINE EXTENDED TO AN INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE EAST-WEST PUBLIC ALLEY LYING BETWEEN EAST 50TH STREET AND EAST 50TH PLACE; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID LAST DESCRIBED ALLEY AND ALONG SAID SOUTH LINE EXTENDED TO THE EAST LINE OF LOT 5 IN LAVINIA AND COMPANY'S SUBDIVISION OF GARDEN AND COTTAGE LOTS ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 22, 1853 AS DOCUMENT NO. 45505; THENCE NORTHERLY ALONG SAID LAST DESCRIBED LINE TO THE SOUTH LINE OF THE NORTH 1/2 OF SAID LOT 5; THENCE WESTERLY ALONG THE SOUTH LINE OF THE NORTH 1/2 OF LOTS 5 AND 6 IN SAID LAVINIA AND COMPANY'S SUBDIVISION OF GARDEN AND COTTAGE LOTS TO THE SOUTHWEST CORNER OF LOT 4 IN E. B. WOOLF & COMPANY'S SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED APRIL 25, 1908 AS DOCUMENT NO. 4193271; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 4 TO THE NORTHWEST CORNER THEREOF, BEING A POINT ON THE SOUTH LINE OF EAST 50TH STREET; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID EAST 50TH STREET TO AN INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE NORTH-SOUTH PUBLIC ALLEY LYING BETWEEN SOUTH ST. LAWRENCE AVENUE AND SOUTH FORRESTVILLE AVENUE IN THE BLOCK LYING NORTH OF EAST 50TH STREET; THENCE NORTHERLY ALONG THE WEST LINE AND SAID WEST LINE EXTENDED OF SAID LAST DESCRIBED PUBLIC ALLEY TO AN INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 3 IN MURRAY WOLBACH'S SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED MAY 6, 1910 AS DOCUMENT NO. 4556303; THENCE EASTERLY ALONG THE NORTH LINE OF LOTS 2 AND 3 IN SAID MURRAY WOLBACH'S SUBDIVISION TO THE NORTHEAST CORNER OF SAID LOT 2, BEING A POINT ON THE WEST LINE OF SOUTH ST. LAWRENCE AVENUE; THENCE NORTHERLY ALONG THE WEST LINE OF SAID SOUTH ST. LAWRENCE AVENUE TO AN INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 6 IN BLOCK 1 IN THE SUBDIVISION OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 10, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 27, 1887 AS DOCUMENT NO. 887762; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT 6 AND ALONG SAID NORTH LINE EXTENDED TO AN INTERSECTION WITH THE EAST LINE OF SOUTH CHAMPLAIN AVENUE; THENCE SOUTHERLY ALONG SAID EAST LINE OF SOUTH CHAMPLAIN AVENUE TO THE POINT OF BEGINNING, IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

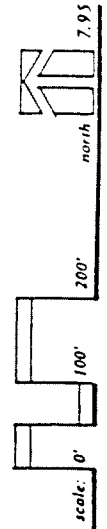


- █ PROJECT BOUNDARY
- 20 AREA NUMBER
- 10 SECTION NUMBER
- 001 BLOCK NUMBER
- 000 PARCEL NUMBER

Figure 1

**PROJECT BOUNDARY MAP**  
**49TH STREET/ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT**

City of Chicago, Illinois



Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

### III. BLIGHTED AREA CONDITIONS

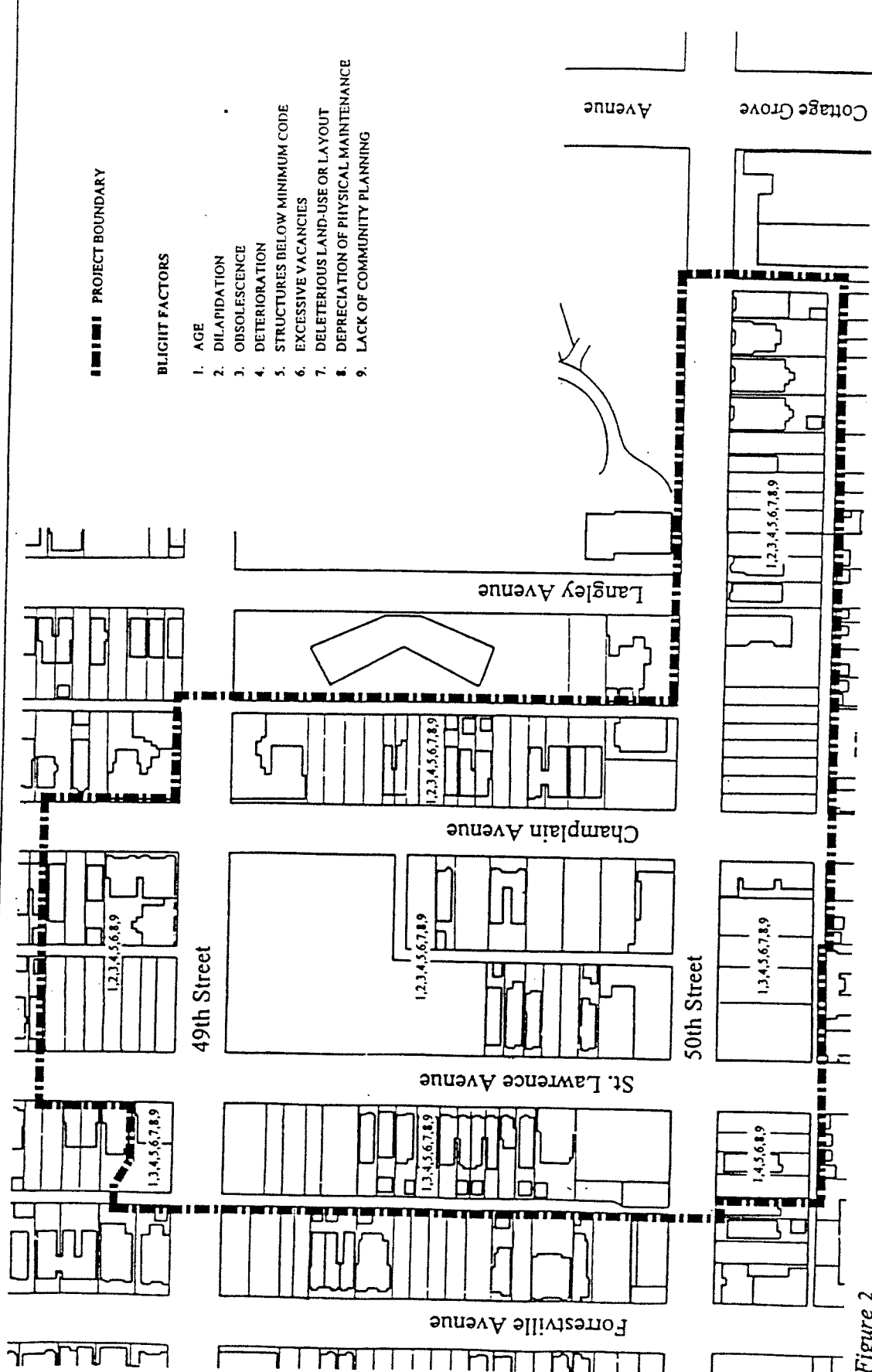
The Project Area includes "improved" areas as defined in the Act. The Project Area conditions documented in this section are based on surveys and analyses conducted for the City by TPAP.

As set forth in the Act, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial or residential buildings or improvements, because of a combination of five or more of the following factors--age, dilapidation, obsolescence, deterioration, illegal use of individual structures, presence of structures below minimum code standards, excessive vacancies, overcrowding of structures and community facilities, lack of ventilation, light or sanitary facilities, inadequate utilities, excessive land coverage, deleterious land use or layout, depreciation of physical maintenance, or lack of community planning--is detrimental to the public safety, health, morals or welfare.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of blight, the evaluation contained in this section has been made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. In addition, the distribution of blighting factors throughout the Project Area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of their proximity to areas which are blighted.

On the basis of this approach, the Project Area is eligible as a "blighted area" within the requirements of the Act. Of the fourteen factors for "improved" blighted areas set forth in the Act, nine are found to be present in the Project Area; seven to a major extent and two to a minor extent. These factors are reasonably distributed throughout the entire Project Area. The entire Project Area is impacted by and shows the presence of these blighting factors. Finally, the Project Area includes only real property and improvements substantially benefited by the Redevelopment Program and potential Redevelopment Projects.

The blighting factors described below and illustrated in Figure 2, *Distribution of Blight Factors*, are present in the Project Area. Additional documentation concerning the definition, application and extent of the blighting factors in the Project Area is contained in a report prepared by TPAP entitled "49th Street/St. Lawrence Avenue Tax Increment Redevelopment Project Eligibility Report."



----- PROJECT BOUNDARY

BLIGHT FACTORS

1. AGE
2. DILAPIDATION
3. OBSOLESCENCE
4. DETERIORATION
5. STRUCTURES BELOW MINIMUM CODE
6. EXCESSIVE VACANCIES
7. DELETERIOUS LAND-USE OR LAYOUT
8. DEPRECIATION OF PHYSICAL MAINTENANCE
9. LACK OF COMMUNITY PLANNING

Figure 2  
**DISTRIBUTION OF BLIGHT FACTORS**  
**49TH STREET/ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT**  
 City of Chicago, Illinois

## **A. *BLIGHTING FACTORS***

### **1. Age**

Age as a blighting factor presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, structures which are 35 years or older typically exhibit more problems than more recently constructed buildings.

Age as a factor is present to a major extent. All 48 buildings within the Project Area are 35 year of age or older.

### **2. Dilapidation**

Dilapidation refers an advanced state of disrepair of buildings and improvements.

Dilapidation as a factor is present to a major extent in two blocks and to a limited extent in two blocks. Of the total 48 buildings in the Project Area, 5 (10 percent) are in a dilapidated (substandard) condition. Especially significant to the Project Area as a whole is the dilapidated Willard School, the largest building in the Project Area.

### **3. Obsolescence**

Obsolescence refers to when the physical utility of a structure or a property's inability to compete in the market place hinders its use.

Obsolescence of both physical and economic utility as a factor is present to a major extent in two blocks and to a limited extent in five blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting. Obsolescence of buildings is especially prevalent in the commercial properties and the Willard School while obsolete platting is found throughout the entire Project Area.

#### **4. Deterioration**

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

Deterioration as a factor is present to a major extent throughout the Project Area and includes the deterioration of structures, alleys and sidewalks. Of the 48 buildings in the Project Area, 24 are deteriorated to a minor extent, 14 are deteriorated to a major extent and 5 are structurally substandard. Six of the 8 blocks in the Project Area contain alleys in poor condition and deteriorated or deteriorating sidewalks are found in portions of all 8 blocks.

#### **5. Structures Below Minimum Code Standards**

Structures below minimum code standards includes the presence of structures which do not meet the standards of subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property.

The existence of structures below minimum code standards as a factor is present to a major extent in four blocks and to limited extent in two blocks where a total of 19 buildings with advanced defects are below the City's code standards for buildings and property maintenance.

#### **6. Excessive Vacancies**

Excessive vacancies refers to the presence of buildings or sites which are unoccupied or not utilized and which present adverse influences on the surrounding area because of the frequency or duration of vacancies.

Excessive vacancies as a factor is present to a major extent in all 8 of the blocks in the Project Area and includes vacant buildings, vacant space within buildings and vacant parcels. Of the 48 buildings in the Project Area, 8 buildings, including the Willard School, are completely vacant and 2 buildings are between 25 percent and 50 percent vacant. In addition, of the 97 tax parcels in the Project Area, approximately 47 consist of vacant land, corresponding to 28.3 percent of the land area within the Project Area.

## **7. Deleterious Land Use or Layout**

Deleterious land use or layout includes all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses or uses which may be considered noxious, offensive or environmentally unsuitable.

Deleterious land use or layout as a factor is present to a major extent in three blocks and to a limited extent in three blocks. Conditions contributing to this factor include the existence of incompatible commercial uses in a residential area, parcels of limited size and width and parcels which front only on alleys.

## **8. Depreciation of Physical Maintenance**

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements.

Depreciation of physical maintenance as a factor is present to a major extent in all blocks. Conditions contributing to this factor include deferred maintenance and a lack of maintenance of buildings, vacant areas and sections of alleys and sidewalks. Of the 48 buildings in the Project Area, 43 suffer from deferred maintenance. In addition, alleys and sidewalks contain deteriorated, irregular and settled sections and show other signs of lack of maintenance.

## **9. Lack of Community Planning**

Lack of community planning as a factor is present to a major extent throughout the Project Area. The Project Area developed rapidly more than eighty years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Conditions resulting from the lack of community planning include parcels of inadequate size and shape for contemporary development in accordance with current-day needs and standards.

The conditions summarized above are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building;
2. Analysis of existing uses and their relationships;



3. Site conditions survey of streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
4. Comparison of current land use to the current zoning ordinance and the current zoning map;
5. Comparison of exterior building conditions to property maintenance codes of the City;
6. Comparison of the Project Area's existing platting, building sizes and land use layout with present-day platting, building and land use layout standards;
7. Examination of real estate tax delinquency histories;
8. Analysis of building floor area and site coverage; and
9. Review of previously prepared plans, studies and data.

The Willard School is in a dilapidated condition. Current plans of the City call for demolition of the structure because of its unsafe condition. Although demolition may occur prior to City Council action on adoptive ordinances for the Redevelopment Project and Redevelopment Plan, basic eligibility of the Project Area for designation as a blighted area in accordance with the Act will not change since the Willard School immediately prior to becoming vacant qualified as a blighted improved area.

## IV. GOALS AND POLICIES

Revitalization and redevelopment of the Project Area will enhance the City through environmental improvements, an increased tax base, additional employment opportunities, and an increase in the number and quality of affordable housing units. For revitalization and redevelopment to be successful, it is essential that investment in new public and private improvements and facilities be properly guided and coordinated.

The Act encourages the public and private sectors to work together to address and solve the problems associated with urban growth and development. The joint effort between the City and the private sector to redevelop all or portions of the Project Area will receive significant support from the financing methods made available by the Act.

This section presents the goals and policies adopted by the City for the Project Area. Section V of the Redevelopment Plan identifies specific redevelopment objectives, and describes the redevelopment activities the City intends to undertake to achieve the goals, policies and objectives contained in the Plan.

### *A. OVERALL GOAL*

The overall goal of the City is to revitalize and redevelop the Project Area in a comprehensive and coordinated manner in order to eliminate blight, restore economic vitality, and establish a high quality, affordable residential environment.

### *B. GENERAL GOALS*

Consistent with the overall goal, the following general goals are a framework for guiding decisions during the implementation of this Redevelopment Plan:

1. To improve the quality of life within the Project Area by eliminating the influences and manifestations of physical and economic deterioration and obsolescence.
2. To create an environment which will contribute to the health, safety and general welfare of the City, and enhance the value of properties within and near the Project Area.

3. To promote sound economic development and expand the residential population in the Project Area.
4. To provide new investment and development which will increase the real estate tax base of the City and other taxing districts having jurisdiction over the Project Area.
5. To ensure that redevelopment occurs within a reasonable and defined time period so that the Project Area will contribute to the economic vitality of the City.

### ***C. DEVELOPMENT AND DESIGN POLICIES***

The following policies will be used by the City to guide and coordinate public and private improvements and developments within the Project Area, consistent the goals and objectives stated in this Redevelopment Plan.

1. Encourage new affordable housing types that accommodate a diverse economic mix of residents.
2. Foster investment and modernization by providing for stable, secure and desirable residential environments.
3. Promote new development that complements nearby existing development in terms of size, scale, intensity and appearance.
4. Reinforce the architectural and historical characteristics of the Project Area and the surrounding neighborhood.
5. Encourage the repair and rehabilitation of existing buildings in poor condition.
6. Promote the redevelopment of vacant parcels and properties.
7. Encourage the redevelopment or intensification of marginal and underutilized properties.
8. Promote the consolidation of parcels in order to achieve sufficient land mass to permit efficient building and site development.

9. Encourage the coordinated and efficient design of buildings, off-street parking areas, and service facilities.
10. Provide an adequate supply of conveniently located parking spaces within the Project Area and provide that all parking areas are paved, striped, lighted, well-maintained, properly drained and adequately screened and buffered.
11. Undertake landscaping, lighting and signage improvements to upgrade the appearance of public rights-of-way within and adjacent to the Project Area.
12. Promote high standards of design for all buildings, rights-of-way, and open spaces.

## V. DEVELOPMENT PROGRAM

This section presents the Redevelopment Program to be undertaken by the City and by private entities on behalf of the City as part of the Redevelopment Plan. The Redevelopment Program contained in this Redevelopment Plan and pursuant to the Act includes redevelopment objectives, a description of redevelopment improvements and activities, a general land use plan, estimated Project Costs, a description of sources of funds to pay estimated Project Costs, a description of obligations that may be issued, identification of the most recent EAV of properties in the Project Area, and an estimate of future EAV. Figure 3, *Redevelopment Program*, illustrates the location of the public improvements and activities which may be undertaken by or on behalf of the City as part of the Redevelopment Plan.

In the event the City determines that implementation of certain public improvements or activities is not feasible, the scope of this Redevelopment Plan may be altered.

### A. REDEVELOPMENT OBJECTIVES

Listed below are objectives of this Redevelopment Plan which guide planning decisions to achieve the goals and objectives contained in this Redevelopment Plan.

1. Reduce or eliminate those conditions which qualify the Project Area as a blighted area. Section III, *Blighted Area Conditions*, describes these conditions.
2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Project Area and the City by increasing taxable values and affordable housing opportunities.
4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Redevelopment Plan and contemporary development needs and standards.
5. Create an environment which stimulates private investment in new construction and rehabilitation.

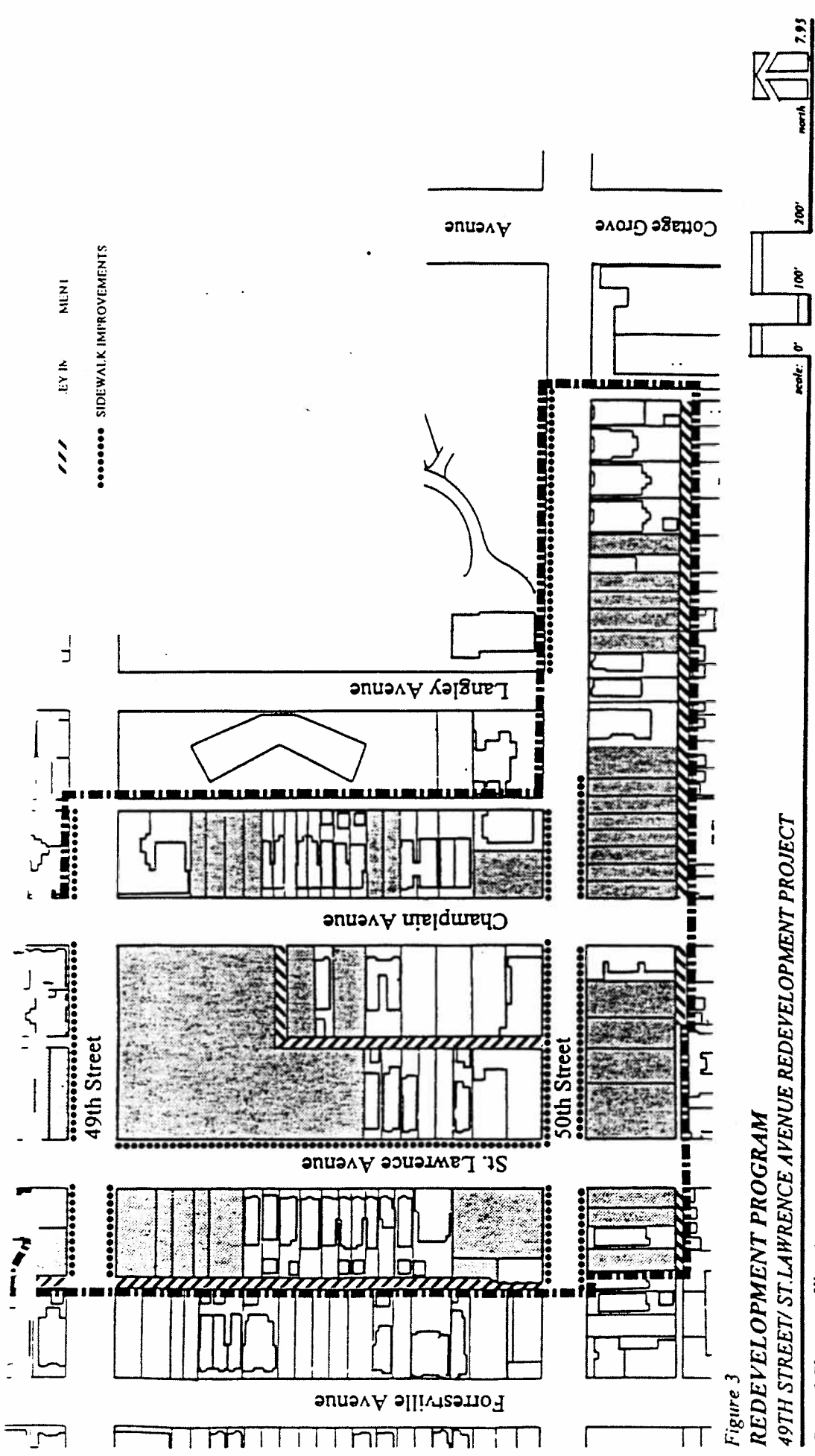


Figure 3  
**REDEVELOPMENT PROGRAM**  
**49TH STREET/ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT**  
 City of Chicago, Illinois

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

6. Provide needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities..
7. Provide opportunities for women and minority businesses to share in the redevelopment of the Project Area.

## ***B. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES***

The City proposes to achieve its redevelopment goals and objectives for the Project Area through public financing techniques including, but not limited to, tax increment financing, and by utilizing such financing techniques to undertake some or all of the following activities and improvements:

1. **Analysis, Administration, Studies, Surveys, Legal, etc.**  
The City may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage the Redevelopment Plan.
2. **Property Assembly**  
The City, or an agent for the City, may acquire and assemble land for the purpose of redevelopment. Vacant or underutilized property may be acquired by purchase, exchange or long-term lease by private developers or the City for the purpose of new development.
3. **Site Preparation**  
Clearance and demolition activities will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods and so that the adverse effects of clearance activities may be minimized. Clearance and demolition activities may include demolition of buildings, breaking-up and removal of old foundations, excavation and removal of soil and other materials to create suitable sites for new development and to provide for storm drainage.
4. **Building Rehabilitation**  
The City will encourage the rehabilitation of buildings that are basically sound. The City Department of Housing will work with eligible, existing property owners to access low interest loan or grant funds for rehabilitation.

**5. Infrastructure Improvements**

The City may provide public works and infrastructure improvements and facilities that are necessary to service the Project Area in accordance with the Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

*a) Streets, Sidewalks, Alleys, Utilities*

It is anticipated that public infrastructure improvements may be necessary to adequately serve the Project Area and potential new development.

*b) Landscaping*

Landscape/buffer improvements, street lighting and general beautification improvements may be provided.

**6. Job Training**

Programs designed to increase the skills of the labor force to take advantage of the employment opportunities within the Project Area may be implemented.

**7. Relocation**

Active businesses and other occupants that are displaced by the public acquisition of property may be relocated and may be provided with assistance payments and advisory services.

**8. Redevelopment Agreements**

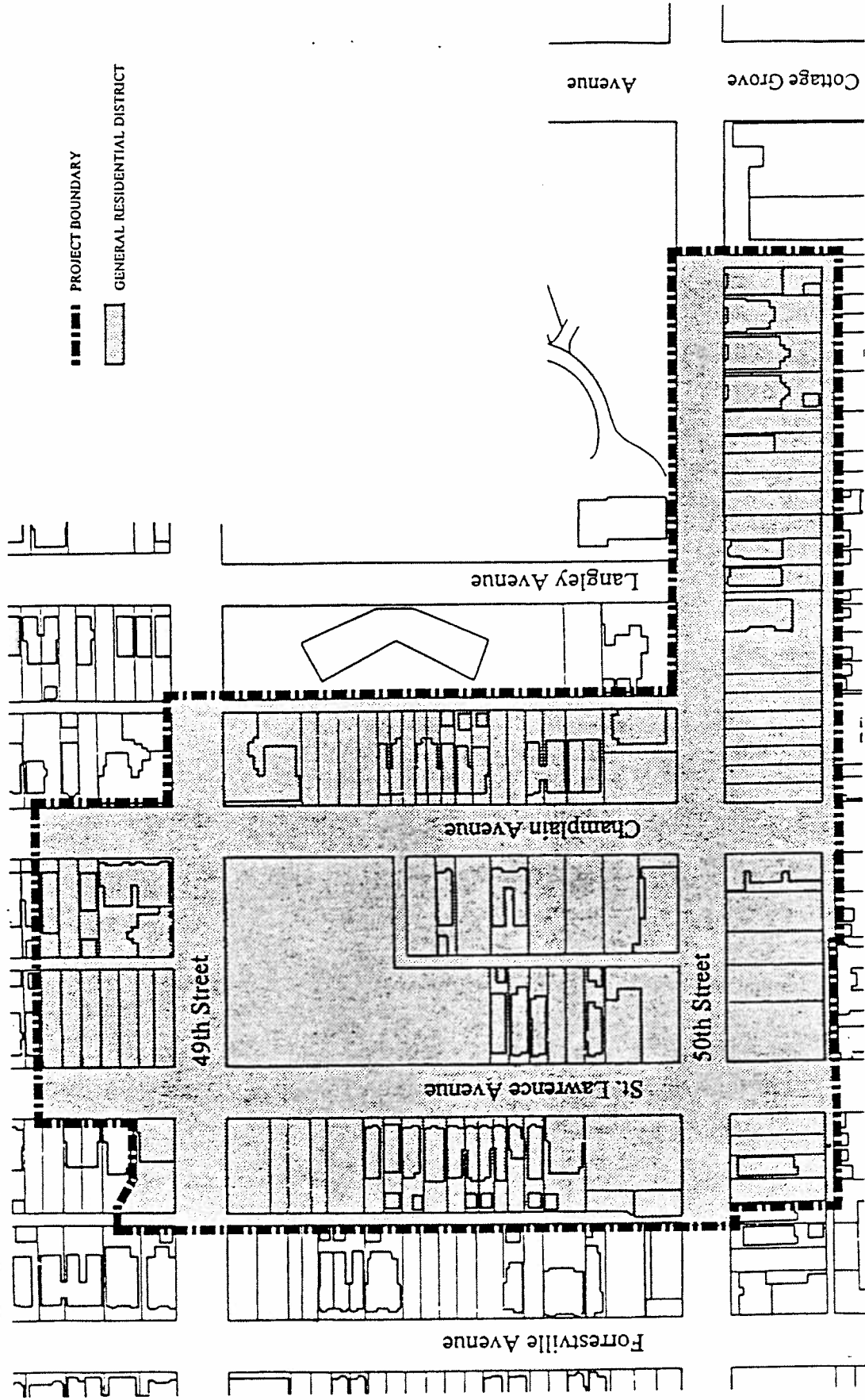
The City may enter into redevelopment agreements with private entities for the furtherance of this Redevelopment Plan. Such redevelopment agreements may be for the assemblage of land, rehabilitation of buildings, construction of improvements or facilities, the provision of services or any other lawful purpose. Redevelopment agreements may contain terms and provisions which are more specific than the controls which guide this Redevelopment Plan.

**C. GENERAL LAND-USE PLAN**

The Redevelopment Plan and the development program described herein conform to the land-use development policies and standards for the City as set forth in previous studies for the area and uses approved by the Plan Commission of the City.

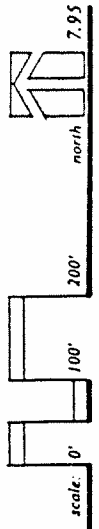
Figure 4, *Land-Use Plan*, identifies the land-use to be in effect upon adoption of this Redevelopment Plan. The location of all major thoroughfares and major street rights-of-way are





■■■■ PROJECT BOUNDARY  
 ■■■■ GENERAL RESIDENTIAL DISTRICT

Figure 4  
 LAND-USE PLAN  
 49TH STREET/ ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT



Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

City of Chicago, Illinois

subject to change and modification. The primary land use category within the Project Area is General Residential. The land use and its permitted uses include those described and listed below.

1. **General Residential**

- a) Dwellings, one-family, two-family, and multiple-family attached or detached including housing for elderly persons
- b) Churches, rectories and parish houses
- c) Parks and playgrounds, publicly owned and operated
- d) Similar and compatible uses as permitted under the City Zoning Ordinance.

**D. REDEVELOPMENT PROJECT COSTS**

Reviewed below are the redevelopment expenditures which are eligible for direct payment or reimbursement under the Act. Following this review is a list of estimated Project Costs which are deemed to be necessary to implement this Redevelopment Plan.

1. **Eligible Redevelopment Project Costs**

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
- c) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
- d) Costs of the construction of public works or improvements;
- e) Costs of job training and retraining projects;

- f) 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 hereunder 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;
- g) All or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project to the extent the municipality by written agreement accepts and approves such costs;
- h) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
- i) Payment in lieu of taxes as defined in the Act;
- j) Costs of job training, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;
- k) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
  - 1. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;

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

## 2. Estimated Project Costs

A range of redevelopment activities and improvements will be required to implement the Redevelopment Plan. The activities and improvements and their estimated costs (1995 dollars) are summarized below and shown in Table 1, *Estimated Project Costs*. To the extent that municipal obligations have been issued to pay for such Project Costs prior to, and in anticipation of, the adoption of TIF, the City shall be reimbursed from Incremental Property Taxes for such Project Costs. The total Project Costs estimated below is intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

The estimate of Project Costs listed below excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to the Project Costs listed below. The issuance of municipal obligations to fund any or all of the following estimated costs is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service.

### *a) Planning, Legal, Administrative and Other Fees*

This includes expenditures for survey and study costs, legal services, administrative services, and other professional and service fees associated with implementing the Redevelopment Plan and providing a secure environment for private investment in accordance to the Act.

Estimated Cost:	\$150,000
-----------------	-----------

*b)Property Assembly*

This expenditure provides for property acquisition for Redevelopment Projects and the provision of public improvements.

Estimated Cost: \$440,000

*c)Site Preparation*

This expenditure provides for property site preparation and demolition for Redevelopment Projects and the provision of public improvements.

Estimated Cost: \$400,000

*d)Building Rehabilitation*

This expenditure provides for the rehabilitation, reconstruction, repair or remodeling of existing residential buildings.

Estimated Cost: \$400,000

*e)Infrastructure Improvements*

This expenditure provides for the construction or extension of water mains and sewer improvements, the construction or improvement of landscaping and buffers, streetscapes, street lighting and general beautification improvements; and the construction or improvement of public parks and open space.

Estimated Cost: \$300,000

*f)Job Training*

This expenditure provides for the cost of job training and retraining projects.

Estimated Cost: \$150,000

*g)Relocation*

This expenditure provides for the cost of relocation.

Estimated Cost: \$150,000

*h) Developer's Interest Subsidy*

Under the Act, up to 30 percent of total Project Costs (excluding property assembly and relocation costs incurred by a municipality) may be provided to any or all developers as interest subsidy. Such payments may not, in any one year, exceed 30 percent of the redevelopers interest costs.

Estimated Cost: \$2,235,000

*The gross project cost is estimated at* **\$4,225,000**

**TABLE 1: ESTIMATED PROJECT COST**

Planning, Legal, Administration, and Other Fees	<b>\$150,000</b>
Property Assembly	<b>\$440,000</b>
Site Preparation	<b>\$400,000</b>
Building Rehabilitation	<b>\$400,000</b>
Infrastructure Improvements	<b>\$300,000</b>
Job Training	<b>\$150,000</b>
Relocation	<b>\$150,000</b>
Developer's Interest Subsidy	<b>\$2,235,000</b>
<b>TOTAL ESTIMATED PROJECT COST</b>	<b>\$4,225,000 <sup>(1)</sup></b>

*1. Total Estimated Project Costs excludes financing costs, including any interest expense or subsidy, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Estimated Project Costs. The issuance of municipal obligations to fund any or all estimated Project Costs is predicated upon a feasibility report indicating sufficient Incremental Taxes are estimated to be available at times and in amounts sufficient to secure the proposed debt service. The Total Project Cost is intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.*

**E. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS**

Funds necessary to pay for Project Costs and secure municipal obligations issued for such costs are to be derived partially from Incremental Taxes. Other sources of funds which may be used to pay for Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the municipality may deem appropriate. 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.

## ***F. ISSUANCE OF OBLIGATIONS***

The City may issue obligations secured by Incremental Taxes 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 obligation bonds. Additionally, 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 Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Project Area and Redevelopment Plan, such ultimate retirement date occurring in the year 2018. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be of a parity or senior/junior lien natures.

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

## ***G. VALUATION OF THE PROJECT AREA***

### **1. Most Recent EAV of Properties in the Project Area**

The most recent EAV of all taxable parcels in the Project Area is estimated to total \$788,737. This EAV is based on proposed (Assessor final) 1994 assessed valuations and the 1994 Cook County State Equalization Factor of 2.1135 and is subject to verification by the County Clerk. After verification, the final figure shall be certified by the County Clerk of Cook County, Illinois. This certified amount shall become the Certified Initial EAV from which all Incremental Property Taxes will be calculated by the County. The

preliminary 1994 EAV of the Project Area is summarized by tax block in Table 2. *Preliminary 1994 EAV by Tax Block.*

**Table 2: Preliminary 1994 EAV By Tax Block**

**49th Street/St. Lawrence Avenue Redevelopment Project Area  
Chicago, Illinois**

<b>BLOCK</b>	<b>1994 EAV</b>
BLOCK 210	\$43,557
BLOCK 211	36,775
BLOCK 218	98,030
BLOCK 219	186,952
BLOCK 220	208,651
BLOCK 224	8,568
BLOCK 225	86,645
BLOCK 226	119,559
<b>TOTAL</b>	<b>\$788,737</b>

This figure is based on proposed (Assessor final) 1994 Assessed Values and the 1994 Cook County State Equalization Factor and is subject to final verification. After verification, the figure shall be certified by the County Clerk of Cook County, Illinois.

**2. Anticipated Equalized Assessed Valuation**

By the year 1999 (Collection Year 2000) and following the completion of all potential Redevelopment Projects, the EAV of the Project Area is estimated to total \$2,727,706. This estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) The EAV of existing development and new development will inflate at the rate of 3 percent per annum; 3) 100 rental units will be constructed with an EAV of \$12,500 per unit; 4) 25 two-flats will be constructed with an EAV of \$30,500 per two-flat; 5) the five year average state equalization factor of 2.0782 is used in all years to calculate estimated EAV.



## VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in Section III of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous blighting factors, and these factors are reasonably distributed throughout the area.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. Blighting factors within the Project Area are widespread and represent major impediments to sound growth and development. The lack of private investment is evidenced by the following:

- Improved areas characterized by age, dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, deleterious land-use and layout, depreciation of physical maintenance and an overall lack of community planning.
- A large, dilapidated, abandoned school building which has remained vacant since its closure in 1978 in spite of numerous attempts by the owner to interest the private sector in rehabilitating the building or redeveloping the site.
- Tax parcels which have been forfeited or sold at tax sale due to non-payment of property taxes. Sixteen (16) percent of tax parcels within the Project Area were forfeited for delinquent property taxes in each of the last three tax years.
- Large quantities of land owned by the City. In the Project Area, 18.5 percent of the tax parcels were owned by the City in tax year 1993.

It is clear that private investment and redevelopment has not occurred on a comprehensive and coordinated manner to eliminate the blighting influences that currently exist within the Project Area and much of the Grand Boulevard Community Area. The new development and rehabilitation that has occurred within other parts of the Grand Boulevard Community Area has arisen primarily from active efforts by the City to facilitate and fund the process and the Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Plan, and the adoption of TIF.

## VII. FINANCIAL IMPACT

Without the adoption of this Redevelopment Plan and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives there is a prospect that blighted conditions will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Redevelopment Plan describes the comprehensive Redevelopment Program proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Program will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various Redevelopment Improvements and Activities as well as Redevelopment Projects set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate deteriorating problem conditions and to return the area to a long-term sound condition.

The Redevelopment Program is expected to have both short- and long-term positive financial impacts on the taxing districts affected by the Redevelopment Plan. In the short-term, the City's strategic use of TIF can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all Redevelopment Improvements and Activities, Redevelopment Projects and the payment of all Project Costs and municipal obligations, the taxing districts will benefit from an enhanced tax base which results from the increase in EAV caused by the Redevelopment Projects.

## VIII. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes against properties located within the Project Area:

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

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.

Metropolitan Water Reclamation District of Greater Chicago. The district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

Chicago Community College District 508. The 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.

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

Chicago Park District. The 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.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

City of Chicago. The City is responsible for the provision of the full range of municipal services typically associated with large, mature cities, including the following: police and fire protection; capital improvements and maintenance; water production and distribution; sanitation service; building, housing and zoning codes, etc.

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

New residential development may cause increased demand for services or capital improvements to be provided by the Board of Education, Community College District 508, Chicago Park District, and City of Chicago. Replacement of vacant and underutilized buildings and sites with active and more intensive uses will result in additional demands on services and facilities provided by the Metropolitan Water Reclamation District of Greater Chicago (the "WRD"). It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the WRD.

The increase in the City population and in the number of school age children resulting from the Redevelopment Projects is not known at this time and will depend on the type of residential development (*i.e.* single-family, two-family, apartment, etc.) and the number of bedrooms within each unit. As a result, it is not possible at this time to accurately predict the increased level of demand for services or capital improvements to be provided by any taxing district listed above. Although an increase in demand for school services is anticipated, existing schools serving the Project Area have adequate classroom capacity to serve additional school age children.

**IX. CONFORMITY OF THE REDEVELOPMENT PLAN TO THE PLANS FOR DEVELOPMENT OF THE CITY OF CHICAGO AS A WHOLE AND USES THAT HAVE BEEN APPROVED BY THE PLAN COMMISSION OF THE CITY**

The Redevelopment Plan and the Redevelopment Projects conform to the comprehensive plan for development of the City as a whole and uses approved by the Plan Commission of the City. Further, the Redevelopment Plan and the Redevelopment Project are consistent with, and are established pursuant to the implementation of, general municipal development objectives and policies contained in development plans previously adopted and/or considered by the City, including, among others, the following:

1. The Mid-South Strategic Development Plan of 1993
2. City of Chicago 1995 Consolidated Plan

## **X. PHASING AND SCHEDULING**

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that City expenditures for Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Taxes by the City.

## XI. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

## XII. AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Plan, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B) This commitment to affirmative actions will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

In order to implement these principles for this Redevelopment Plan, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the City shall be required to agree to the principles set forth in this section.



**49TH STREET/ST. LAWRENCE AVENUE  
TAX INCREMENT REDEVELOPMENT PROJECT  
ELIGIBILITY REPORT**

**CITY OF CHICAGO  
RICHARD M. DALEY, MAYOR**

**Prepared by:  
Trkla, Pettigrew, Allen & Payne, Inc.  
August 18, 1995**

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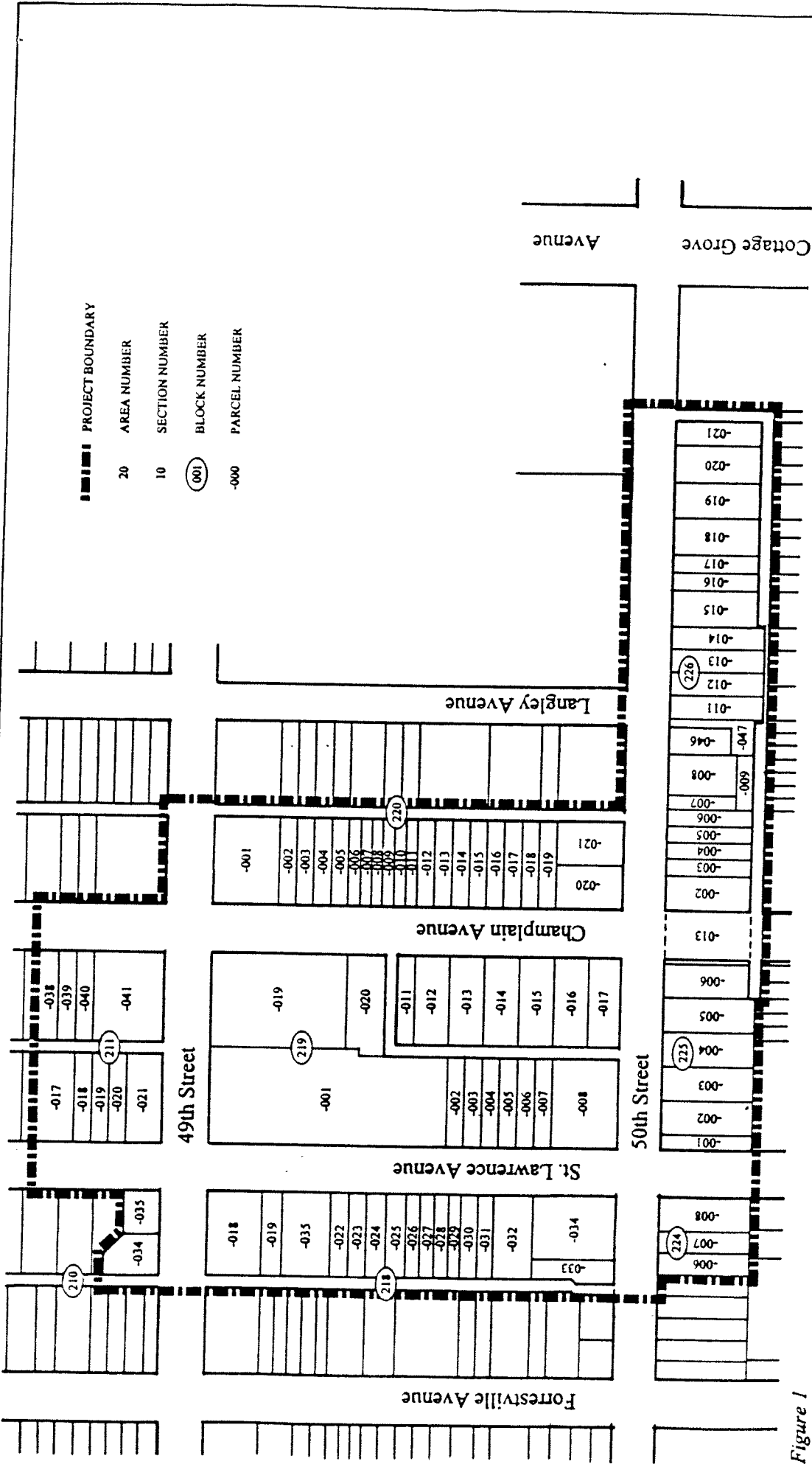
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## EXECUTIVE SUMMARY

The purpose of this study is to determine whether all or any part of the 49th Street/St. Lawrence Avenue Study Area (the "Study Area") qualifies for designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74. 4-1 et. seq. (1994).

The findings presented in this report are based on surveys and analyses conducted for the Study Area of approximately 17.3 acres located within the Grand Boulevard Community Area. The Study Area is focused on the block containing the long-vacant Francis E. Willard Elementary School (the "Willard School") at the southeast corner of 49th Street and St. Lawrence Avenue and also includes portions of seven blocks surrounding the Willard School. Boundaries of the Study Area are shown on Figure 1, *Boundary Map* and a more detailed description of the Study Area is presented in the section entitled "The Study Area" of this report.

As set forth in the Act, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved: industrial, commercial and residential buildings or improvements, because of a combination of 5 or more of the following factors--age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning--is detrimental to the public safety, health, morals or welfare; or if vacant: the sound growth of the taxing districts is impaired by: (1) a combination of 2 or more of the following factors--obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land--or (2) the area immediately prior to becoming vacant qualified as a blighted improved area; or (3) the area consists of an unused quarry or unused quarries; or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way; or (5) the area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is) in proximity to any improvement on real property which has been in existence for at least 5 years and which substantially contributes to such flooding; or (6) the area consists of an unused disposal site,



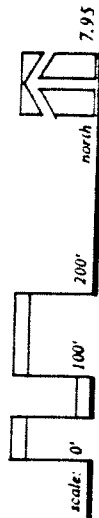
PROJECT BOUNDARY

20 AREA NUMBER

10 SECTION NUMBER

001 BLOCK NUMBER

000 PARCEL NUMBER



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Figure 1  
**PROJECT BOUNDARY MAP**  
**49TH STREET/ ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT**  
 City of Chicago, Illinois

containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites; or (7) the area is not less than 50 nor more than 100 acres and 75% is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The Study Area qualifies as an improved area as defined in the Act. Sites with buildings and rights-of-way with improvements encompass approximately 12.4 acres or 71.7 percent of the Study Area. Within an improved area, it must be demonstrated that because of the combination of five or more of the factors described in the Act, the Study Area is detrimental to the public safety, health, morals or welfare.

While it may be concluded that the mere presence of the minimum number of stated factors is sufficient to make a finding of blight, this evaluation was made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of blighting factors throughout the area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.

On the basis of this approach, all or any part of the area is found to be eligible within the definition set forth in the legislation. Specifically:

- Of the fourteen factors set forth in the law for improved areas, nine are present in the Study Area. Seven factors are present to a major extent and two are present to a minor extent.
- The factors present are reasonably distributed throughout the Study Area.
- All blocks within the Study Area show the presence of blight factors.
- The Study Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

### **Project Area Factors**

#### **1. Age**

Age as a factor is present to a major extent. All 50 buildings within the Study Area are 35 years in age or older.

2. **Dilapidation**

Dilapidation as a factor is present to a major extent in two blocks and to a limited extent in two blocks. Of the total 50 buildings in the Study Area, 5 (10 percent) are in a dilapidated (substandard) condition, including the Willard School, the largest building in the Study Area.

3. **Obsolescence**

Obsolescence of both physical and economic utility as a factor is present to a major extent in two blocks and to a limited extent in five blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting. Obsolescence of buildings is especially prevalent in the commercial properties and the Willard School while obsolete platting is found throughout the Study Area.

4. **Deterioration**

Deterioration as a factor is present to a major extent throughout the Study Area and includes deterioration of structures, alleys and sidewalks. Of the 50 total buildings in the Study Area, 29 are deteriorated to a minor extent, 13 are deteriorated to a major extent and 5 are structurally substandard.

5. **Existence of Structures Below Minimum Code**

The existence of structures below minimum code standards as a factor is present to a major extent in four blocks and to a limited extent in two blocks where a total of 18 buildings with advanced defects are below the City's code standards for buildings and property maintenance.

6. **Excessive Vacancies**

Excessive vacancies as a factor is present to a major extent in all 8 blocks in the Study Area and includes vacant buildings, vacant space within buildings and vacant parcels. Of the 50 buildings in the Study Area, 8 buildings, including the Willard School, are completely vacant and 2 buildings are between 25 percent and 50 percent vacant. In addition, of the 97 tax parcels in the Study Area, approximately 47 consist of vacant land, corresponding to 28.3 percent of the land within the Study Area.

7. **Deleterious Land-Use or Layout**

Deleterious land-use or layout as a factor is present to a major extent in three blocks and to a limited extent in three blocks. Conditions contributing to this factor include the existence of incompatible commercial uses in a residential area, parcels of limited size and width and parcels which front on alleys.

8. **Depreciation of Physical Maintenance**

Depreciation of physical maintenance as a factor is present to a major extent in all blocks. Conditions contributing to this factor include deferred maintenance and lack of maintenance of

buildings, vacant parcels and sections of alleys and sidewalks. Of the 50 buildings in the Study Area, 47 suffer from deferred maintenance. In addition, alleys and sidewalks contain deteriorated, irregular and settled sections and show other signs of lack of maintenance.

9. **Lack of Community Planning**

Lack of community planning as a factor is present to a major extent throughout the Study Area. The Study Area developed rapidly more than eighty years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Conditions resulting from the lack of community planning include parcels of inadequate size and shape for contemporary development in accordance with current-day needs and standards.



## **BASIS FOR REDEVELOPMENT**

The Illinois General Assembly made two key findings in adopting the Tax Increment Allocation Redevelopment Act:

1. That there exists in many municipalities within the State blighted and conservation areas; and
2. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that a prospective redevelopment project qualifies either as a “blighted area” or as a “conservation area” within the definitions for each set forth in the Act (in Section 11-74.4-3). These definitions are described below.

### **ELIGIBILITY OF A BLIGHTED AREA**

A blighted area may be either improved or vacant. If the area is improved (*e.g.*, with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five or more of the following fourteen factors:

- Age
- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards

- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning.

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one of the following criteria:

- A combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
- The area immediately prior to becoming vacant qualified as a blighted improved area.
- The area consists of an unused quarry or unused quarries.
- The area consists of unused railyards, rail tracks or railroad rights-of-way.
- The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is) in proximity to any improvement on real property which has been in existence for at least 5 years and which substantially contributes to such flooding.
- The area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites.
- The area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

## ELIGIBILITY OF A CONSERVATION AREA

Conservation areas are those areas which are rapidly deteriorating and declining and may soon become blighted areas if decline is not checked. Such areas are not yet blighted areas.

To qualify as a conservation area, it must be shown that 50 percent or more of the structures in the area have an age of 35 years or more and that there is a presence of a combination of three or more of the following fourteen factors:

- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Abandonment
- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning.

While the Act defines a blighted area and a conservation area, it does not define the various factors for each, nor does it describe what constitutes the presence or the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable and defensible criteria should be developed to support each local finding that an area qualifies as either a blighted area or as a conservation area. The following basic rules exist:

1. The minimum number of factors must be present and the presence of each must be documented;
2. Each factor to be claimed should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and

3. The effect of the factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility be established for each and every property in the project area.

## THE STUDY AREA

The Study Area consists of one full and seven partial perimeter blocks generally bordered by 49th Street, Forrestville Avenue, 50th Place and Langley Avenue and is centered around the dilapidated and long-vacant Willard School. The Study Area is located in the southeast corner of the Grand Boulevard Community Area. The Grand Boulevard Community Area takes its name from Dr. Martin Luther King, Jr. Drive, (formerly Grand Boulevard) the boulevard bordering the community area on the west. The Grand Boulevard Community Area is a half mile section of the City's near south neighborhood area bordered by Dr. Martin Luther King, Jr. Drive on the west, 47th Street on the north, Cottage Grove Avenue on the east and 51st Street and Douglas Park on the south.

The Grand Boulevard Community Area lost more than two-thirds of its population between 1950 and 1990. As a result, much of the area is characterized by vacant lots, vacant and dilapidated buildings, tax delinquencies and a deteriorated housing stock. The Study Area reflects many of the characteristics of the larger Grand Boulevard Community Area. The dilapidated and long-vacant Willard School building at the southeast corner of 49th Street and St. Lawrence Avenue deteriorated over time with the larger community area and the housing stock of much of the surrounding neighborhood. In spite of numerous attempts by the Chicago Board of Education to interest the private sector in rehabilitating the building or redeveloping the site, the Willard School has remained vacant since its closure in 1978.

Although some new development and rehabilitative activity has occurred at a few major intersections in the community area, such activities have occurred primarily as the result of City assistance and financial support. Without a substantial commitment from the City to rehabilitate or redevelop the dilapidated Willard School and invest in the remainder of the Study Area, it is unlikely that private investment in rehabilitation and new development will occur in the Study Area.

## ELIGIBILITY SURVEY AND ANALYSIS FINDINGS

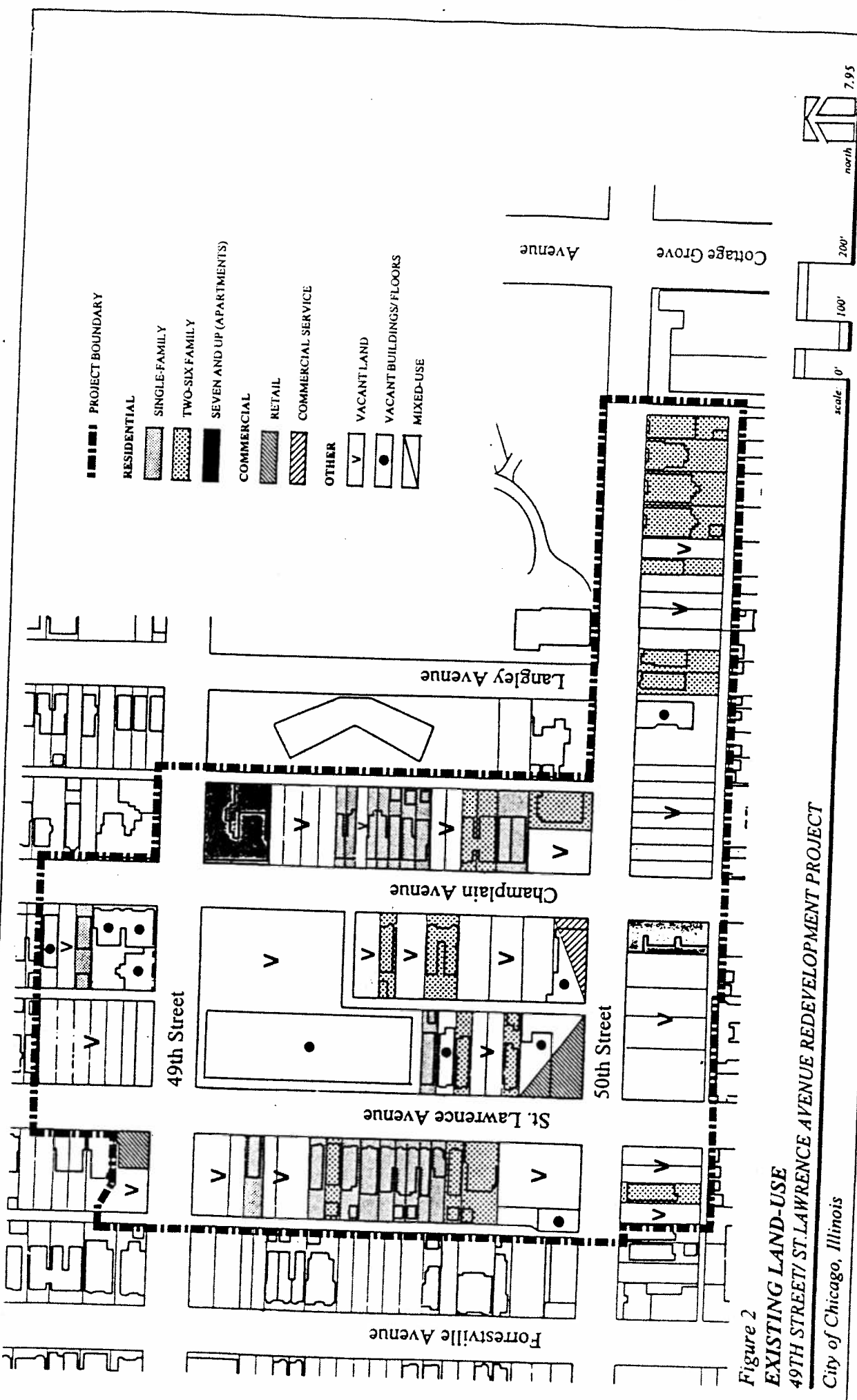
An analysis was made of each of the blighting factors listed in the Act for improved areas to determine whether each or any are present in the Study Area, and if so, to what extent and in what locations. Surveys and analyses included:

1. Exterior survey of the condition and use of each building;
2. Field survey of environmental conditions covering streets, alleys, sidewalks, curbs and gutters, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Analysis of original and current platting and building size and layout;
6. Analysis of vacant sites and vacant buildings;
7. Analysis of building floor area and site coverage; and
8. Review of previously prepared plans, studies and data.

The following statement of findings is presented for each blighting factor listed in the Act. The conditions that exist and the relative extent to which each factor is present are described.

A factor noted as not present indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A factor noted as present to a limited extent indicates that conditions exist which document that the factor is present, but that the distribution or impact of the blighting condition is limited. Finally, a factor noted as present to a major extent indicates that conditions exist which document that the factor is present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

Figure 2 identifies existing land-uses in the Study Area; Figure 3 is a copy of the survey form used to record building conditions for the exterior survey; and Figure 4 shows the distribution of blight factors in each block.



PROJECT BOUNDARY

RESIDENTIAL

SINGLE-FAMILY

TWO-SIX FAMILY

SEVEN AND UP (APARTMENTS)

COMMERCIAL

RETAIL

COMMERCIAL SERVICE

OTHER

VACANT LAND

VACANT BUILDINGS/FLOORS

MIXED-USE

Figure 2  
 EXISTING LAND-USE  
 49TH STREET/ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT  
 City of Chicago, Illinois



7.95

north

200'

100'

scale: 0'

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

# EXTERIOR BUILDING SURVEY FORM

PROJECT		BLK.		DATE		PERSONNEL		DATE	
1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50
51	52	53	54	55	56	57	58	59	60
61	62	63	64	65	66	67	68	69	70
71	72	73	74	75	76	77	78	79	80
81	82	83	84	85	86	87	88	89	90
91	92	93	94	95	96	97	98	99	100

**CODES**

**A. LAND-USE**

- 0 RESIDENTIAL
- 1 COMMERCIAL
- 2 INDUSTRIAL
- 3 PUBLIC
- 4 MUNICIPAL
- 5 TRANSPORT

**B. HEIGHT**

- 1 ONE STORY
- 2 ONE AND ONE-HALF STORIES
- 3 TWO STORIES
- 4 THREE (THREE-HALF) STORIES
- 5 FOUR STORIES
- 6 FIVE STORIES, ETC.

**C. UNSTRUCTURE**

- 1 MASONRY
- 2 CONCRETE
- 3 BRICK
- 4 METAL

COMBINATIONS OF THE ABOVE MATERIALS SHALL BE LISTED IN THE FOLLOWING MANNER:

- 12 MASONRY AND CONCRETE
- 13 MASONRY AND BRICK
- 14 MASONRY AND METAL
- 15 BRICK AND METAL
- 16 METAL AND WOOD
- 17 METAL AND CONCRETE
- 18 METAL AND BRICK
- 19 METAL AND WOOD
- 20 METAL AND CONCRETE
- 21 METAL AND BRICK
- 22 METAL AND WOOD
- 23 METAL AND CONCRETE
- 24 METAL AND BRICK
- 25 METAL AND WOOD
- 26 METAL AND CONCRETE
- 27 METAL AND BRICK
- 28 METAL AND WOOD
- 29 METAL AND CONCRETE
- 30 METAL AND BRICK

**D. YEAR**

- 1 1910-1920
- 2 1920-1930
- 3 1930-1940
- 4 1940-1950
- 5 1950-1960
- 6 1960-1970
- 7 AFTER 1970

**E. STRUCTURAL CONDITION**

- 0 SOUND
- 1 REQUIRES MINOR REPAIR
- 2 REQUIRES MAJOR REPAIR
- 3 UNFIT FOR USE
- 4 UNFIT FOR USE
- 5 UNFIT FOR USE
- 6 UNFIT FOR USE
- 7 UNFIT FOR USE
- 8 UNFIT FOR USE
- 9 UNFIT FOR USE

**F. BUILDING RATING**

- 0 SOUND
- 1 REQUIRES MINOR REPAIR
- 2 REQUIRES MAJOR REPAIR
- 3 UNFIT FOR USE
- 4 UNFIT FOR USE
- 5 UNFIT FOR USE
- 6 UNFIT FOR USE
- 7 UNFIT FOR USE
- 8 UNFIT FOR USE
- 9 UNFIT FOR USE

**G. LIGHTING FEATURES**

- 1 ILLUMINATE STREET LIGHT
- 2 ILLUMINATE USES OF BUILDING
- 3 ILLUMINATE USES OF BUILDING OR LAND
- 4 ILLUMINATE USES OF BUILDING OR LAND
- 5 ILLUMINATE USES OF BUILDING OR LAND

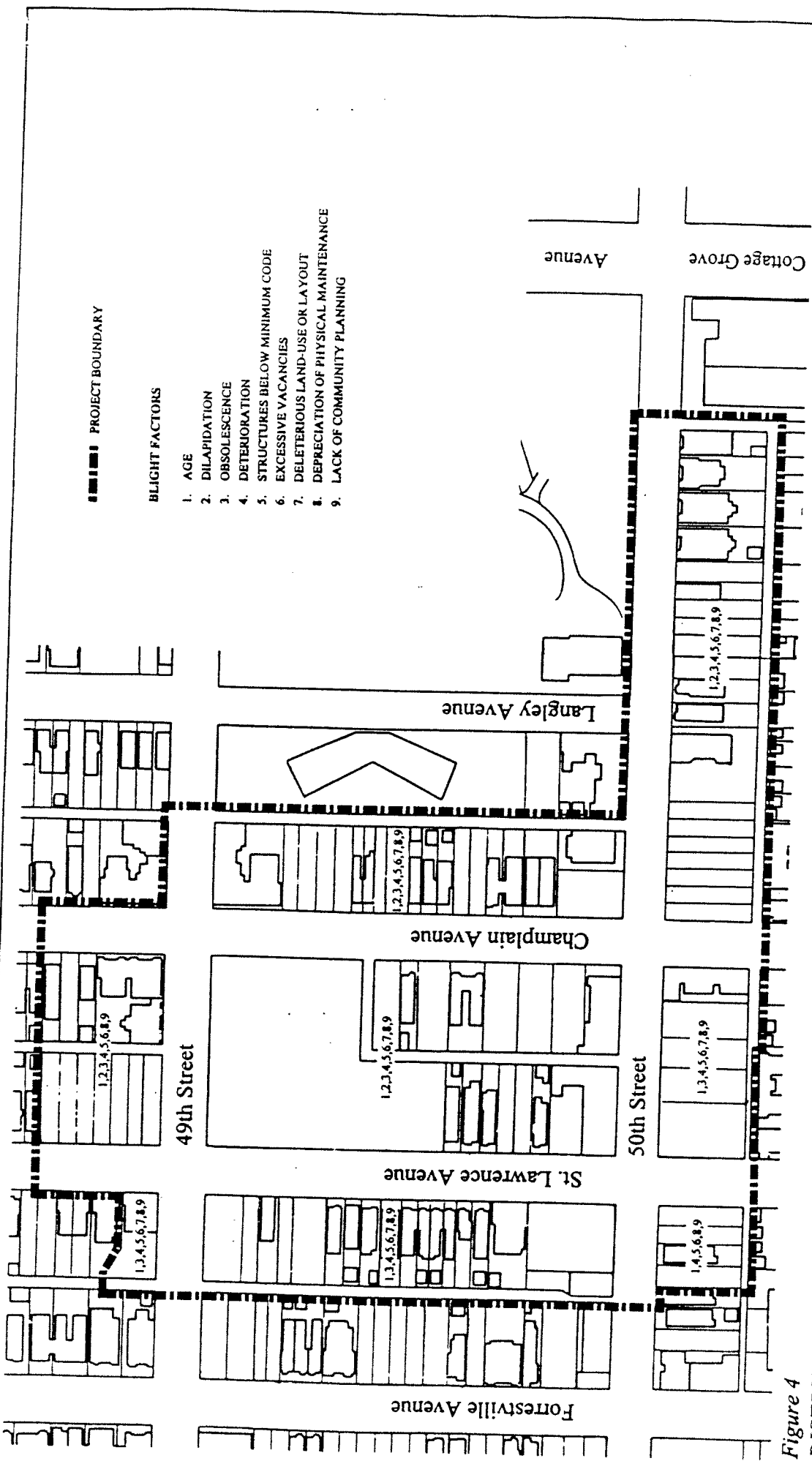
Figure 3

## EXTERIOR BUILDING SURVEY FORM

### 49TH STREET/ ST.LAWRENCE AVENUE REDEVELOPMENT PROJECT

City of Chicago, Illinois





scale: 0' 100' 200' 7.95

north

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

Figure 4  
**DISTRIBUTION OF BLIGHT FACTORS**  
**49TH STREET/ ST. LAWRENCE AVENUE REDEVELOPMENT PROJECT**  
 City of Chicago, Illinois

What follows is the summary evaluation of the fourteen blighting factors for an improved area, presented in order of their listing in the Act.

## **AGE**

Age as a blighting factor presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, structures which are 35 years or older typically exhibit more problems than more recently constructed buildings.

All fifty buildings in the Study Area are 35 years of age or older. Based on the time of the initial development of the area and the architectural facades, buildings appear to have been constructed in the early 1900's and prior to the 1950's.

## **Conclusion**

Age as a factor is present to a major extent throughout the Study Area.

## **DILAPIDATION**

Dilapidation refers to an advanced state of disrepair of buildings and improvements. Webster's New Collegiate Dictionary defines "dilapidate," "dilapidated" and "dilapidation" as follows:

- Dilapidate, "... to become or cause to become partially ruined and in need of repairs, as through neglect."
- Dilapidated, "... falling to pieces or into disrepair; broken down; shabby and neglected."
- Dilapidation, "... dilapidating or becoming dilapidated; a dilapidated condition."

This section summarizes the process used for assessing building conditions in the Study Area, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation or deterioration of structures.

The building condition analysis is based on exterior inspection of the buildings during April, 1995. Noted during the inspection were structural deficiencies in building components and related

environmental deficiencies in the Study Area. The Building Condition Survey Form is shown in Figure 3.

## **1. Building Components Evaluated.**

During the field survey, each component of a subject building was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two types:

### Primary Structural

These include the basic elements of any building: foundation walls, load bearing walls and columns, roof and roof structure.

### Secondary Components

These are components generally added to the primary structural components and are necessary parts of the building, including porches and steps, windows and window units, doors and door units, chimneys, gutters and downspouts.

### Criteria for Classifying Defects for Building Components

Each primary and secondary component was evaluated separately as a basis for determining the overall condition of individual buildings. This evaluation considered the relative importance of specific components within a building and the effect that deficiencies in such components have on the remainder of the building.

## **2. Building Component Classifications**

The four categories used in classifying building components and systems and the criteria used in evaluating structural deficiencies are described below.

### Sound

Building components which contain no defects, are adequately maintained, and require no treatment outside of normal maintenance as required during the life of the building.

### Deficient - Requiring Minor Repair

Building components which contain defects (loose or missing material or holes and cracks over a limited area) which may or may not be corrected through the course of normal maintenance but could be significant depending on the size of the building or number of buildings in a large complex. Buildings with minor defects clearly indicate a lack of or a reduced level of maintenance. Minor defects have limited effect on either primary or secondary components and the correction of such defects may be accomplished by the owner

or occupants of either average size residences or smaller commercial buildings, and may include patching or caulking over a limited area or replacement of less complicated components. Minor defects are not considered in rating a building as structurally substandard.

#### Deficient - Requiring Major Repair

Building components which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings in the major deficient category would require replacement or rebuilding of components or significant upgrading of larger buildings or complexes of buildings by people skilled in the building and maintenance trades.

#### Critical

Building components which contain major defects (bowing, sagging, or settling to any or all exterior components, causing the structure to be out-of-plumb; or broken, loose or missing material and deterioration over a widespread area) so extensive that the building is classified as substandard (dilapidated) and the cost of and degree of repair would be excessive or unfeasible.

### **3. Final Building Rating**

After completion of the exterior building condition survey, each individual building was placed in one of four categories based on the combination of defects found in various primary and secondary building components. Each final rating is described below.

#### Sound

Sound buildings are kept in a standard condition, requiring no maintenance at present. Buildings so classified have less than one minor defect.

#### Deficient

Deficient buildings contain defects which collectively are either not easily correctable through normal maintenance or require contracted skills to accomplish the level of improvements as part of maintenance or correction of defects. The classification of major or minor reflects the degree or extent of defects found during the survey of the building.

#### Minor Deficient

Buildings classified as deficient - requiring minor repairs - have at least one minor defect beyond normal maintenance, in one of the primary components or in the combined secondary components, but less than one major defect.

### Major Deficient

Buildings classified as deficient - requiring major repairs - have at least one major defect in one of the primary components or in the combined secondary components, but less than one critical defect.

### Substandard

Structurally substandard buildings contain defects which are so serious and so extensive that the building must be removed. Buildings classified as structurally substandard have two or more major defects.

Minor deficient and major deficient buildings are considered to be the same as deteriorating buildings as referenced in the Act; substandard buildings are considered to be the same as dilapidated buildings. The words building and structure are presumed to be interchangeable.

Five of the 50 buildings in the Study Area (10 percent) were found to be in substandard (dilapidated) condition. As indicated in Table 1 later in this report, these include two buildings in Block 211 and one each in Blocks 219, 220 and 226. Buildings in substandard (dilapidated) condition include the Willard School and 4 residential buildings.

### **Conclusion**

Structurally substandard buildings (dilapidation) as a factor is present to a major extent in Blocks 211 and 219 and to a limited extent in Blocks 220 and 226 based on the number of buildings in each of the blocks and size of the building in comparison to the rest of the block.

### **OBSOLESCENCE**

Webster's New Collegiate Dictionary defines "obsolescence" as "being out of use; obsolete." "Obsolete" is further defined as "no longer in use; disused" or "of a type or fashion no longer current." These definitions are helpful in describing the general obsolescence of buildings or site improvements in a proposed redevelopment project area. In making findings with respect to buildings, it is important to distinguish between functional obsolescence, which relates to the physical utility of a structure, and economic obsolescence, which relates to a property's ability to compete in the market place.

#### Functional Obsolescence

Historically, structures have been built for specific uses or purposes. The design, location, height, and space arrangement are intended for a specific occupant at a given time. Buildings become obsolescent when they contain characteristics or deficiencies which limit their use and

marketability after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper orientation of the building on its site, etc., which detracts from the overall usefulness or desirability of a property.

### Economic Obsolescence

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

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

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

### **1. Obsolete Building Types**

Obsolescence in buildings, because of physical characteristics or economic conditions limiting their long-term sound use or reuse, is typically difficult to and expensive to correct. The resulting deterioration and vacancies have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Functional and economic obsolescence is present in the Willard School and the four, small commercial buildings in the Study Area. These buildings are characterized by conditions rendering these structures incapable of efficient or economic use according to contemporary standards.

### **2. Obsolete Platting**

Seven of the eight blocks in the Study Area contain parcels of narrow width, many of which are vacant. This narrow width of the parcels restricts their development by impeding efforts to assemble parcels in order to provide significant development sites.

## **Conclusion**

The analysis indicates that obsolescence is present to a major extent in Blocks 210 and 219 and to a limited extent in Blocks 211, 218, 220, 225 and 226.

## **DETERIORATION**

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

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of painting, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.
- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. Minor deficient and major deficient buildings include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.
- All buildings and site improvements classified as dilapidated are also deteriorated.

## **Deterioration of Buildings**

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation." A total of 47 buildings, or 94 percent of the 50 buildings in the Study Area, are classified as deteriorating or deteriorated. Of the 50 buildings in the Study Area, 29 are deteriorated to a minor extent, 13 are deteriorated to a major extent and 5 are structurally substandard. Deterioration of buildings exists in the Willard School, the 4 commercial buildings and 42 of the 45 residential buildings.

As noted in Table 1, *Summary of Building Deterioration*, building deterioration exists in all 8 blocks in the Study Area.

**Table 1: Summary of Building Deterioration  
49th Street/St. Lawrence Avenue Redevelopment Project**

<b>Block No.</b>	<b>Total Buildings</b>	<b>Sound</b>	<b>Minor Deficient</b>	<b>Major Deficient</b>	<b>Substandard (Dilapidated)</b>
210 (prt.)	1	--	1	--	--
211 (prt.)	3	--	1	--	2
218 (prt.)	13	3	9	1	--
219	9	--	3	5	1
220 (prt.)	13	--	10	2	1
224 (prt.)	1	--	1	--	--
225 (prt.)	1	--	--	1	--
226 (prt.)	9	--	4	4	1
<b>Total</b>	<b>50</b>	<b>3</b>	<b>29</b>	<b>13</b>	<b>5</b>
<b>Percent</b>	<b>100</b>	<b>6</b>	<b>58</b>	<b>26</b>	<b>10</b>

### **Deterioration of Alleys**

Field surveys were conducted to identify the condition of all alleys. Alleys in poor condition include those consisting of original cobblestone surfaces or a combination of gravel and earth surfaces, resulting in an irregular surface with depressions, weed overgrowth and poor drainage. Alleys with these conditions include the alleys in Blocks 210, 218, 219, 222, 225 and 226, or 6 of the 8 blocks in the Study Area.

### **Deterioration of Sidewalks**

Sidewalks in poor condition include those which are narrow or irregular or contain settled areas, gravel sections and excessive weed growth extending into parkways. Sidewalks with these conditions include the walks on the north side of 49th Street, along both sides of 50th Street, east of Langley Avenue, and along the east side of St. Lawrence Avenue, north of 50th Street.



## **Conclusion**

Deterioration is present to a major extent throughout the Study Area and is found in deteriorating and deteriorated buildings, alleys and sidewalks.

## **ILLEGAL USE OF INDIVIDUAL STRUCTURES**

Illegal use of individual structures refers to the presence of uses or activities which are not permitted by law.

## **Conclusion**

No illegal uses of individual structures were evident from the field surveys conducted.

## **PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS**

Structures below minimum code standards include all structures which do not meet the standards of subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property. The principal purposes of such codes are to require buildings to be constructed so that they will be strong enough to support the loads expected from the type of occupancy, to be safe for occupancy against fire and similar hazards, and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which threaten health and safety.

Buildings with advanced deterioration are below the City's required building and maintenance code for existing buildings. Advanced defects on exterior components were observed in 18 buildings in the Study Area and include settled and cracked foundations, sagging and rotting porches and roofs, bowed walls, fire damage, etc.

## **Conclusion**

Based on the number of advanced defects on exterior components of buildings and site improvements, the factor of structures below minimum code is present to a major extent in Blocks 211, 219, 225 and 226 and to a limited extent in Blocks 218 and 220.

## **EXCESSIVE VACANCIES**

Excessive vacancies as a factor refers to the presence of buildings or sites which are unoccupied or not fully utilized and which present adverse influence on the surrounding area because of the frequency or duration of vacancies. Excessive vacancies include properties for which little evidence exists for future occupancy or utilization.

In the Study Area, excessive vacancies are found in all 8 blocks. Of the fifty buildings in the Study Area, 8 buildings are 100 percent vacant and 2 buildings are between 25 and 50 percent vacant. Vacancies are contained in the Willard School, 3 of the commercial buildings and 6 residential buildings. In addition, of the 97 tax parcels in the Study Area, approximately 47 (48.5 percent) consist of vacant, underutilized land.

### **Conclusion**

Excessive vacancies exist to a major extent throughout the Study Area and include vacant buildings, vacant space within buildings and vacant land.

## **OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES**

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

### **Conclusion**

No conditions of overcrowding of structures and community facilities have been documented as part of the exterior surveys and analyses undertaken within the Study Area.

## **LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES**

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

Typical requirements for ventilation, light, and sanitary facilities include:

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

### **Conclusion**

No conditions of the lack of ventilation, light, or sanitary facilities have been documented as part of the exterior surveys and analyses undertaken within the Study Area.

## **INADEQUATE UTILITIES**

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

### **Conclusion**

No conditions of inadequate utilities have been documented as part of the exterior surveys and analyses undertaken within the Study Area.

## **EXCESSIVE LAND COVERAGE**

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety. The resulting inadequate conditions include such factors as

insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage conditions have an adverse or blighting effect on nearby development.

While lot coverage, building setback, front, side or rear yard requirements may not comply with current zoning practices of the City, the Study Area developed prior to existing requirements and is consistent with similar areas of the City.

## **Conclusion**

Excessive land coverage is not present in the Study Area.

## **DELETERIOUS LAND-USE OR LAYOUT**

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable.

Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other buildings.

Within the Study Area, four of the properties in Blocks 210, 218 and 219 contain buildings with commercial activity which is incompatible with the dominant residential use of the area and which is incompatible with R-5 zoning designation of the Study Area. Large multi-family buildings are located at the ends of blocks developed primarily for single-family and two-family buildings. Multi-family buildings cover a substantial portion of their respective sites with limited provision for off-street parking or open space.

Deleterious land-use or layout is present in blocks which have parcels of limited width for development on an individual basis by present-day market standards. These parcels have insufficient space for building set-backs. Additionally, Block 226 contains two rear parcels fronting the alley. The vacancies described above, including vacant buildings and lots with high weed growth, also exert a negative impact on adjacent properties.

## **Conclusion**

Deleterious land-use or layout exists to a major extent in Blocks 210, 218 and 219 and to a limited extent in Blocks 220, 225 and 226.

## **DEPRECIATION OF PHYSICAL MAINTENANCE**

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements such as alleys, sidewalks and streets.

The presence of this factor within the Study Area includes:

- **Buildings.** Of the 50 buildings in the Study Area, 47 suffer from deferred maintenance of windows, doors, downspouts and gutters, porches and steps, foundations, exterior walls, roofs and fascias.
- **Vacant Lots.** Almost all of the 47 vacant lots in the Study Area contain weeds, debris and are not maintained.
- **Alleys.** Six of the 8 blocks in the Study Area contain alleys with deteriorated and irregular surfaces (including gravel surfaces, holes, weeds and debris) and lack provision for water run-off.
- **Sidewalks.** All 8 blocks in the Study Area contain sidewalks which are not maintained and with settled sections, irregular surfaces, gravel areas and cracked and heaved areas.

## **Conclusion**

The results of the surveys and analyses of depreciation of physical maintenance of buildings and site improvements indicate that this factor exists to a major extent throughout the entire Study Area.

## **LACK OF COMMUNITY PLANNING**

The Study Area was developed more than eighty years ago without the benefit or guidance of an overall community plan. The blocks in and around the Study Area were originally platted and developed on a parcel-by-parcel and building-by-building basis with little evidence of coordination and planning among buildings and activities. Lack of community planning is evident in that commercial uses are located within close proximity of residential uses and some parcels front only

on alleys. The prevalence of long, narrow lots with separate owners also results from the lack of community planning and impedes the assembly of parcels suitable for contemporary development.

The lack of community planning at the time of the original development of the area has contributed to the problem conditions described throughout this report which characterize the entire Study Area.

### **Conclusion**

Lack of community planning as a factor exists to a major extent throughout the Study Area.

## DETERMINATION OF STUDY AREA ELIGIBILITY

The Study Area meets the requirements of the Act for designation as a “blighted area.” There is a reasonable presence and distribution of nine of the fourteen factors listed in the Act for improved areas. These blighting factors include the following:

### Improved Area

1. Age
2. Dilapidation
3. Obsolescence
4. Deterioration
5. Structures below minimum code standards
- 6 Excessive vacancies
7. Deleterious land-use or layout
8. Depreciation of physical maintenance
9. Lack of community planning

A summary of blighting factors by block is contained in Table 2, *Distribution of Blight Factors*..

The eligibility findings indicate that the Study Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the City. All factors indicate that the area has not been subject to sound growth and development through investment by private enterprise, and will not be developed without public action.

The Willard School is in a dilapidated condition. Current plans of the City call for demolition of the structure because of its unsafe condition. Although demolition may occur prior to City Council action on adoptive ordinances for the Redevelopment Project and Redevelopment Plan, basic eligibility of the Project Area for designation as a blighted area in accordance with the Act will not change since the Willard School immediately prior to becoming vacant qualified as a blighted improved area.

**Table 2: Distribution Of Blight Factors  
49th Street/St. Lawrence Avenue Redevelopment Project**

<b>Blight Factors</b>	<b>BLOCK NUMBERS</b>							
	<b>210</b>	<b>211</b>	<b>218</b>	<b>219</b>	<b>220</b>	<b>224</b>	<b>225</b>	<b>226</b>
1. Age	■	■	■	■	■	■	■	■
2. Dilapidation		■		■	□			□
3. Obsolescence	■	□	□	■	□		□	□
4. Deterioration	■	■	■	■	■	■	■	■
5. Illegal use of individual structures								
6. Structures below minimum code		■	□	■	□		■	■
7. Excessive vacancies	■	■	■	■	■	■	■	■
8. Overcrowding of structures and community facilities								
9. Lack of ventilation, light and sanitary facilities								
10. Inadequate utilities								
11. Excessive land coverage								
12. Deleterious land-use or layout	■		■	■	□		□	□
13. Depreciation of physical maintenance	■	■	■	■	■	■	■	■
14. Lack of community planning	■	■	■	■	■	■	■	■

Not present

□ Present to a limited extent

■ Present to a major extent



**49<sup>TH</sup> STREET/ST. LAWRENCE AVENUE TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AND PLAN**

**“Notice of Change of the Redevelopment Project and Plan”**

NOTICE is hereby given by the City of Chicago (the “City”) of changes to the 49<sup>th</sup> Street/St. Lawrence Avenue Tax Increment Financing Redevelopment Project and Plan (the “Plan”), which includes an eligibility study as part of the Plan. The Plan was approved pursuant to ordinances approved by the City Council on January 10, 1996, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS Section 5/11-74.4-1 et seq., as amended (the “Act”), amended pursuant to an ordinance approved by the City Council on March 10, 2004 (the “Amended Plan”).

Amendment No. 1 was approved pursuant to an ordinance enacted by the City Council of the City on March 10, 2004, pursuant to Section 5/11-74.4-4 of the Act.

The Amended Plan is hereby changed as follows:

**EXHIBIT A**

**City of Chicago**

**49TH STREET/ST. LAWRENCE AVENUE  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AND PLAN**

**City of Chicago  
Richard M. Daley  
Mayor**

**October, 1995**

**Amendment No. 1  
January, 2004**

**49th Street/St. Lawrence Avenue  
Tax Increment Financing  
Redevelopment Project and Plan**

**Amendment No. 1**

**January, 2004**

The 49th Street/St. Lawrence Avenue Tax Increment Financing Redevelopment Project and Plan dated October 1995 (the "Redevelopment Plan") for the 49<sup>th</sup> Street/St. Lawrence Avenue Redevelopment Area (the "Project Area"), and adopted by the City Council of the City of Chicago on January 10, 1996, and published in the Journal of Proceedings of the City Council for such date at pages 14358 - 14431 is hereby amended as follows:

1. Article V. (Development Program), Section B (Redevelopment Improvements and Activities) is amended as follows:

Existing Subsections 7 (Relocation) and 8 (Redevelopment Agreement) are deleted in their entirety, and replaced with the following text:

7. Site Assembly: To meet the goals and objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Redevelopment Plan, 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 Redevelopment Plan.

8. Relocation: Relocation assistance may be provided in order to facilitate redevelopment of portions of the Project Area, and to meet the 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.

9. Affordable Housing. The City requires that developers who receive TIF assistance for market rate housing set aside 20 percent of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 100 percent of the area median income, and affordable rental units should be affordable to persons earning no more than 60 percent of the area median income.

2. Article V. (Development Program), Section D (Redevelopment Project Costs) is amended as follows:

Existing Section D (Redevelopment Project Costs) is deleted in its entirety and replaced with the following text:

D. Redevelopment Project 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 Redevelopment Plan (the "Redevelopment Project Costs.")

In the event the Act is amended after the date of the approval of this Redevelopment Plan 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 Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the Redevelopment Plan, to the extent permitted by the Act. In the event of such amendment(s) to the Act, the City may add any new eligible redevelopment project costs as a line item in Table 1 or otherwise adjust the line items in Table 1 without amendment to this Redevelopment Plan, 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 Redevelopment Plan.

### **Eligible Redevelopment Costs**

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan including but not limited to, staff and professional service costs for architectural, engineering, legal, 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;

- b) The costs of marketing sites within the Project Area to prospective businesses, developers and investors;
- c) 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;
- d) 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;
- e) Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
- f) Costs of job training and retraining projects including the cost of “welfare to work” programs implemented by businesses located within the Project Area and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the Grand Boulevard 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;
- g) 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;
- h) 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 Redevelopment Plan.
- i) 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 (see “Relocation” section);
- j) Payment in lieu of taxes, as defined in the Act;
- k) 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 Project Area; 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 340.1 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;

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

1. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
3. 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;
4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project; (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
5. up to 75 percent of the interest cost incurred by a redeveloper 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.

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

n) An elementary, secondary, or unit school district's increased costs attributable to assisted

housing units will be reimbursed as provided in the Act;

o) Instead of the eligible costs provided for in sub-paragraphs (1)2 and 5 above, the City may pay from tax increment revenues 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

p) The costs of daycare services for children of employees from low-income families working for businesses located within the Project Area and all or a portion of the cost of operation of day care centers established by Project Area businesses to serve employees from low-income families working in businesses located in the Project Area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80 percent 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.

The estimated Redevelopment Project Costs are shown in Table 1. The total Redevelopment Project Costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Plan. The costs represent estimated amounts and do not represent actual City commitments or expenditures.

Table 1 - Estimated Redevelopment Project Costs represents those eligible project costs in the Act. These upper limit expenditures are potential costs to be expended over the life of the Project Area. These funds are subject to the number of projects, the amount of TIF revenues generated, and by the City's willingness to fund proposed projects on a project by project basis.

## ESTIMATED REDEVELOPMENT PROJECT COSTS

<b>Eligible Expense</b>	<b>Estimated Cost</b>
Analysis, Administration, Studies, Surveys, Legal, Marketing, etc.	\$ <u>150,000</u>
Property Assembly including Acquisition, Site Prep and Demolition, Environmental Remediation	\$ <u>840,000</u>
Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements, Affordable Housing Construction and Rehabilitation cost	\$ <u>400,000</u>
Public Works & Improvements, including streets and utilities, parks and open space, public facilities (schools & other public facilities)[1]	\$ <u>300,000</u>
Relocation Costs	\$ <u>150,000</u>
Job Training, Retraining, Welfare-to-Work	\$ <u>150,000</u>
Day Care Services	\$ <u>150,000</u>
Interest Subsidy	\$ <u>2,235,000</u>
<b>TOTAL REDEVELOPMENT COSTS</b> [2] [3]	<b>\$ <u>4,375,000</u></b> [4]

### NOTES

<sup>1</sup> This category may also 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 Project Area. 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 Redevelopment Plan.

<sup>2</sup> 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.



<sup>3</sup> The amount of the Total Redevelopment Project Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area 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 Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.

<sup>4</sup>Increases in estimated Total Redevelopment Project Costs of more than 5 percent, after adjustment for inflation from the date of the Redevelopment Plan adoption, are subject to the Redevelopment Plan amendment procedures as provided under the Act.

Additional funding from other sources such as federal, state, county, or local grant funds may be utilized to supplement the City's ability to finance Redevelopment Project Costs identified above.

3. Article V (Development Program) Section F (Issuance of Obligations) is amended as follows:

Existing Section F (Issuance of Obligations) is deleted in its entirety and replaced with the following text:

Section F. Issuance of Obligations. The City may issue obligations secured by Incremental Property Taxes 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 obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 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 calendar year following the year in which the ordinance approving the Project Area is adopted (here, because City Council approval of the original Project Area and Redevelopment Plan occurred in 1996, by 2020.) Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. 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 Project Area in the manner provided by the Act.

4. Article VIII (Demand on Taxing District Services) is amended to add the following text at the end of the Article:

The Act requires an assessment of any financial impact of the Project Area on, or any

increased demand for services 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 Project Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

5. Article XII (Affirmative Action Plan) is amended as follows:

Existing Article XII (Affirmative Action Plan) text is deleted in its entirety, and replaced with the following:

The City is committed to and will affirmatively implement the following principles with respect to this Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or housing status.
- B) Redevelopers must meet the City's standards for participation of 25 percent Minority Business Enterprises and 5 percent Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

The Amended Plan will be available for public inspection and review on or before March 10, 2004 at the Office of the City Clerk, Room 107, 121 N. LaSalle Street, Chicago, Illinois or the Department of Planning and Development, Room 1101, 121 N. LaSalle Street, Chicago, Illinois. If you wish to review the Plan, or obtain further information concerning the Plan or the changes to the Plan, please contact Chip Hastings, at the Department of Planning and Development, Room 1101, 121 North LaSalle Street, Chicago, Illinois, (312) 744-0524 during the hours of 9:00 a.m. until 5:00 p.m., Monday through Friday.

**Denise M. Casalino, Commissioner**  
**Department of Planning and Development**  
**City of Chicago**



### 49<sup>th</sup> Street & St. Lawrence

**Consultant/Firm:** Trkla, Pettigrew, Allen & Payne (TPAP)

**Ward/Alderman:** 4<sup>th</sup>, Toni Preckwinkle

**Community area:** 38, Grand Boulevard

**Location:** The area is roughly bounded by 49<sup>th</sup> Street on the north, 50<sup>th</sup> Street on the south, Langley on the east, and St. Lawrence Avenue on the west

**Proposed Land Uses:** General residential, Parking, Open Space

**Acreage and/or Number of Pins:** 17.3 acres

**EAV at time of plan(1996):** \$788,737

**Anticipated EAV at retirement of TIF District:** \$2,727,706

**Estimated Budget:**

Planning, Legal, Administration and other fees	\$ 150,000
Property Assembly	\$ 440,000
Site Preparation	\$ 400,000
Building Rehabilitation	\$ 400,000
Infrastructure Improvements	\$ 300,000
Job Training	\$ 150,000
Relocation	\$ 150,000
<u>Developer's Interest Subsidy</u>	<u>\$ 2,235,000</u>
<b>Total Cost</b>	<b>\$ 4,225,000</b>

**TIF Legislative Dates**

**TIF expiration date:** 1/10/2019

**City Council Approval:** 1/10/96

**CDCP Hearing:** not available