
2006 Annual Report

73rd/University Redevelopment Project Area



Pursuant to 65 ILCS 5/11-74.4-5(d)

JUNE 30, 2007

June 30, 2007

Ms. Kathleen A. Nelson
First Deputy Commissioner
Department of Planning and Development
121 North LaSalle Street
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the 73rd/University Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.6-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

It has been a pleasure to work with representatives from the Department of Planning and Development and other City Departments.

Very truly yours,



Ernst & Young LLP

**73rd/University Redevelopment Project Area
2006 Annual Report**

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WITH SECTION (d) OF 65 ILCS 5/11-74.4-5.**

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City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
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June 30, 2007

The Honorable Daniel Hynes
Comptroller
State of Illinois
Office of the Comptroller
201 Capitol
Springfield, IL 62706

Dear Comptroller Hynes:

We have compiled the attached information for the 73rd/University
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-
74.4-5(d).

Sincerely,

Kathleen A. Nelson
First Deputy Commissioner



**73rd/University Redevelopment Project Area
2006 Annual Report**

(1) DATE OF DESIGNATION AND TERMINATION - 65 ILCS 5/11-74.4-5(d)(1.5)

The Project Area was designated on September 13, 2006. The Project Area may be terminated no later than September 13, 2029.

Note: Incremental tax revenues levied in the 23rd tax year are collected in the 24th tax year. Although the Project Area will expire in Year 23 in accordance with 65 ILCS 5/11-74.4-3(n)(J)(3), the incremental taxes received in the 24th tax year will be deposited into the Special Tax Allocation Fund.

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(2) AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)

During 2006, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**73rd/University Redevelopment Project Area
2006 Annual Report**

(3) MAYOR'S CERTIFICATION - 65 ILCS 5/11-74.4-5(d)(3)

Please see attached.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

TO:

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Tallamantez, Director of Local
Government

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1149
Chicago, Illinois 60606

Peter C. Nicholson, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Martin Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
Chicago, Illinois 60603

Tim Mitchell, General Superintendent & CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Douglas Wright
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq. (the "Act") with regard to the 73rd/University Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

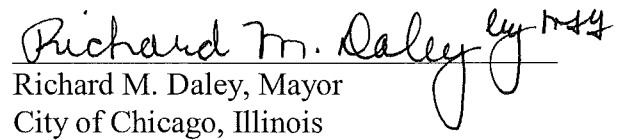
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2006, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 29th day of June, 2007.


Richard M. Daley, Mayor
City of Chicago, Illinois

**73rd/University Redevelopment Project Area
2006 Annual Report**

(4) OPINION OF LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)

Please see attached.



June 29, 2007

City of Chicago
Richard M. Daley, Mayor

Department of Law

Mara S. Georges
Corporation Counsel

City Hall, Room 600
121 North LaSalle Street
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Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Tallamantez, Director of
Local Government

Dolores Javier, Treasurer
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Chicago, Illinois 60611

Douglas Wright
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

Re: 73rd/University
Redevelopment Project Area (the "Redevelopment Project
Area")

Dear Addressees:

I am Corporation Counsel of the City of Chicago, Illinois (the "City"). In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.



June 29, 2007

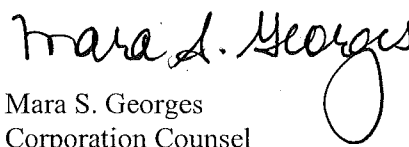
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Housing, Department of Finance and Office of Budget and Management, have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such Department(s) and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed, subject to the limitations hereinafter set forth, unless and except to the extent set forth in an Exception Schedule attached hereto as Schedule 1.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,


Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**73rd/University Redevelopment Project Area
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(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

During 2006, there was no financial activity in the Special Tax Allocation Fund.

**73rd/University Redevelopment Project Area
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(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

TABLE 6
DESCRIPTION OF PROPERTY PURCHASED BY THE MUNICIPALITY WITHIN THE TIF
AREA

STREET ADDRESS	APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY	PURCHASE PRICE	SELLER OF PROPERTY
1213 E 72nd St ¹	N/A	N/A	N/A
7154 S Greenwood Ave ¹	N/A	N/A	N/A
7151 S Dobson Ave ¹	N/A	N/A	N/A

¹ This property was acquired through the Tax Reactivation Program ("TRP"), under which the City instructs the County of Cook to make a no cash bid on certain tax-delinquent parcels. The City then pursues the acquisition in a court proceeding and receives a tax deed from the County after a court order is issued. The City pays court costs and certain incidental expenses for each parcel, which average between \$2,000 and \$2,500. The size and description of each parcel is usually not available.

**73rd/University Redevelopment Project Area
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(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)

- (A)** Projects implemented in the preceding fiscal year.
- (B)** A description of the redevelopment activities undertaken.
- (C)** Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/99 to 12/31/06, and of such investments expected to be undertaken in year 2007; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/06, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

**73rd/University Redevelopment Project Area
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(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2006, no projects were implemented.

(7)(B) - 65 ILCS 5/11-74.4-5(d)(7)(B)

Redevelopment activities undertaken within this Project Area during the year 2006, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

(7)(C) - 65 ILCS 5/11-74.4-5(d)(7)(C)

During 2006, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

**73rd/University Redevelopment Project Area
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(7)(D) - 65 ILCS 5/11-74.4-5(d)(7)(D)

The Project Area has not yet received any increment.

(7)(E) - 65 ILCS 5/11-74.4-5(d)(7)(E)

During 2006, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

**73rd/University Redevelopment Project Area
2006 Annual Report**

(7)(F) - 65 ILCS 5/11-74.4-5(d)(7)(F)

Joint Review Board Reports were submitted to the City. See attached.

(7)(G) - 65 ILCS 5/11-74.4-5(d)(7)(G)

Since November 1, 1999, no public investment was undertaken in the Project Area. As of December 31, 2006, no public investment is estimated to be undertaken for 2007.

CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on May 5, 20906 at 10:10 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Mr. Eric Reese.

PRESENT:

MR. ERIC REESE
MS. COLLEEN STONE
MR. DAVID BRYANT
MS. KAY KOSMAL
MS. MARY SUE BARRETT
MS. FLORENCE BRAMSON
MS. CAROLYN JACKSON

REPORTED BY: Accurate Reporting Service
200 N. LaSalle Street
Chicago, Illinois
By: Jack Artstein, C.S.R.

1 MR. REESE: Good morning. My name is
2 Eric Reese, I'm the Deputy Budget Director
3 for the Chicago Park District. To my left
4 is --

5 MS. STONE: My name's Colleen Stone,
6 I am here for John McCormick, I'm from the
7 Department of Finance.

8 MR. BRYANT: David Bryant, I'm a
9 Treasurer at Chicago Public Schools, I'm
10 here for Assistant Mayor.

11 MS. BARRETT: Mary Sue Barrett,
12 Metropolitan Planning Counsel, Public
13 Member.

14 MS. BRAMSON: Florence Bramson.

15 MR. REESE: Florence is going to be
16 our Public Member as well today.

17 All right, we'll get going. For
18 the record, my name is Eric Reese, I'm a
19 representative of the Chicago Park District,
20 under Section 11-74.4-5 of the Tax Increment
21 Allocation Redevelopment Act, as one of the
22 statutory designated members of the Joint
23 Review Board. Until election of a
24 chairperson I'll moderate the Joint Review

1 Board Meetings.

2 For the record, there will be two
3 meetings of the Joint Review Board. One's
4 for the review of the proposed Touhy/Western
5 Tax Increment Financing District and one to
6 review the proposed 73rd and University's
7 Tax Increment Financing District.

8 The first meeting will be for the
9 Touhy/Western.

10 The date of the Touhy/Western
11 meeting was announced and set by the
12 Community Development Commission of the City
13 of Chicago at it's meeting of April 11th,
14 2006. Notice of the Touhy/Western meeting of
15 the Joint Review Board was also provided by
16 certified mail to each of the taxing district
17 represented on the board which includes
18 Chicago Board of Education, Chicago
19 Community Colleges District 508, Chicago
20 Park District, Cook County and the City of
21 Chicago. Public notice of this meeting was
22 also posted as of Wednesday, May 3rd, 2006 in
23 various locations throughout City Hall.

24 When a proposed redevelopment

1 plan would result in a displacement of
2 residents of ten or more inhabited
3 residential units, or would include 75 or
4 more inhabited residential units, the TIF
5 Act requires that the public member of the
6 Joint Review Board must reside in the
7 proposed redevelopment project area.

8 In addition, if a municipalities
9 housing impact study determines that the
10 majority of residential units in a proposed
11 redevelopment project area are occupied by
12 very low, low, to moderate income households
13 as defined in Section 3 of the Illinois
14 Affordable Housing Act, the public member
15 must be a person who resides in very low, low
16 or moderate income housing with the proposed
17 redevelopment project area.

18 With us today is Florence
19 Bramson. Ms. Bramson, are you familiar with
20 the boundaries of the proposed Touhy/Western
21 Tax Increment Financing Redevelopment?

22 MS. BRAMSON: Yes.

23 MR. REESE: What is the address of
24 your primary residence?

1 MS. BRAMSON: 6840 North Sacramento
2 Boulevard.

3 MR. REESE: I such address within the
4 boundaries of the proposed Touhy/Western Tax
5 Increment Financing Redevelopment Project
6 Area?

7 MS. BRAMSON: Excuse me?

8 MR. REESE: Is your address within
9 the area?

10 MS. BRAMSON: Yes.

11 MR. REESE: Okay. Thank you very
12 much. Have you provided representatives of
13 the City of Chicago, Department of Planning
14 and Development, with accurate information
15 concerning your income and the income of
16 members of your household residing within
17 the address?

18 MS. BRAMSON: Yes.

19 MR. REESE: Based on the information
20 provided to you by the Department of Planning
21 and Development regarding applicable income
22 level for very low, low and moderate income
23 households, do you qualify as a member of one
24 of these three categories?

1 MS. BRAMSON: Yes.

2 MR. REESE: Thank you very much. Ms.
3 Bramson, are you willing to serve as the
4 public member for the Joint Review Board for
5 the Touhy/Western Tax Increment Financing
6 Redevelopment Project Area?

7 MS. BRAMSON: Yes.

8 MR. REESE: I will enter in a motion
9 that Florence Bramson be selected as the
10 public member. Is there a motion?

11 MR. BRYANT: So moved.

12 MR. REESE: Thank you. All in favor
13 please say aye.

14 (Chorus of ayes.)

15 MR. REESE: Let the record reflect
16 that Florence Bramson has been selected as
17 the public member for the Touhy/Western Tax
18 Increment Financing Redevelopment Project
19 Area.

20 Our next order of business --

21 MS. BARRETT: Question? Does that
22 mean I'm not to vote on this item?

23 MR. REESE: Exactly.

24 MS. BARRETT: Okay.

1 MR. REESE: Thank you very much.

2 MS. BARRETT: I was not informed.

3 MR. REESE: Our next order of -- is
4 that correct, let me just double check. She
5 is serving as the public member from the --

6 MS. BARRETT: I'm the public member
7 of this Board, and I believe there's only one
8 public member?

9 MS. WORTHY: Oh, no, both of these
10 TIF's require public members who actually
11 live inside the district.

12 MS. BARRETT: Got it.

13 MR. REESE: Okay. And you're going
14 to act as the public member for the second
15 one?

16 MS. WORTHY: No, Carolyn Jackson will
17 act as the public member --

18 MS. BARRETT: So you don't need me at
19 this meeting?

20 MS. WORTHY: No.

21 MR. REESE: No, but you're more than
22 welcome to participate all that you want.

23 MS. BARRETT: Okay.

24 MR. REESE: The next order of

1 business is to select a chairperson for the
2 Joint Review Board. Is there any nomination?

3 MS. STONE: I nominate Eric Reese.

4 MR. REESE: Is there a second?

5 MR. BRYANT: Second.

6 MR. REESE: All in favor, please say
7 aye.

8 (Chorus of ayes.)

9 MR. REESE: Let the record reflect
10 that I will serve as chairperson and will now
11 serve as chairperson for the remainder of the
12 meeting.

13 As I mentioned, at this meeting
14 we will be reviewing a plan for the
15 Touhy/Western TIF District proposed by the
16 City of Chicago. The staff of the City's
17 Department of Planning and Development along
18 with other departments and they have
19 reviewed this plan which was introduced by
20 the Community Development Commission on
21 April 11th, 2006.

22 We will listen to a presentation
23 by the consultant. Following the
24 presentation we will address any questions

1 that the members might have for the
2 consultant or city staff. A previous
3 amendment to the TIF Act requires that -- to
4 approve or disapprove the Touhy/Western plan
5 and the designation of the Touhy/Western TIF
6 area on the basis of the area and the plan
7 satisfying the plan requirements.

8 The eligibility criteria are
9 defined in the TIF Act and the objectives of
10 the TIF Act. If the Board approves the plan
11 designation of the area, the Board will then
12 issue an advisory, non-binding
13 recommendation by a voting majority of those
14 members present and voting. Such
15 recommendations shall be submitted to the
16 city within 30 days after the Board meeting.
17 Failure to submit such recommendations shall
18 be deemed to constitute approval from the
19 Board.

20 If the Board disapproves a
21 planned designation of the area they must
22 issue a written report describing why the
23 plan and area failed to meet one or more of
24 the objectives of the TIF Act in both the

1 plan requirements and the eligibility
2 criteria of the TIF act. The city will then
3 have 30 days to resubmit a revised plan.

4 The Board and the city must also
5 confer during this time to try and resolve
6 the issues that led to the Board's
7 disapproval. If such issues cannot be
8 resolved or if the revised plan is
9 disapproved, the city may approve with the
10 plan, may proceed with the plan but the plans
11 can be approved only with 3/5 vote of City
12 Counsel, excluding positions and members who
13 are vacant and those members that are
14 ineligible to vote because of conflict of
15 interest.

16 We will have a presentation for
17 the area presented by the consultants from
18 Louik/Schneider & Associates. Are they
19 present?

20 MR. KNIGHT: My name is Chris Knight,
21 I work for Louik/Schneider & Associates
22 which served as the consultants in the
23 designation of the Touhy/Western TIF
24 District. The area includes approximately

1 243 acres and 335 parcels and is bounded on
2 the west side by Sacramento Avenue from Touhy
3 to the north, down to North Shore Avenue on
4 the south.

5 On Cook Avenue it is bounds by
6 Albany Avenue on the west side down to
7 Western Avenue on the east, and the Western
8 Avenue corridor includes Birchwood Avenue on
9 the north end down to Arthur Avenue on the
10 south. In addition it is also bounded by
11 Warren Park, Phillip Rogers Park and School
12 which is shown on the maps here just west of
13 Western Avenue and north of Touhy.

14 The present land use plan,
15 present land use at the area includes mostly
16 commercial areas and mixed use commercial
17 and residential, both along Touhy and
18 Western Avenues. There's also institutional
19 uses distributed throughout the area that
20 includes public facilities, parks, schools,
21 places of worship. All of these are
22 designated by different color codes on the
23 present land use analysis behind me.

24 The proposed land use will be

1 predominantly mixed use and will include
2 residential and, mixed use residential,
3 commercial and institutional, so it will be
4 incorporating the present institutional uses
5 into the proposed land use.

6 To qualify the area we used the
7 condition of conservation area which
8 includes criteria for the age requirement
9 where at least half the area needs to be of
10 35 years or more. The present condition of
11 the area is, includes a high number of vacant
12 buildings, deteriorated buildings and site
13 improvement, underutilized parcels, general
14 lack of maintenance, lack of parking,
15 traffic congestion along Touhy Avenue,
16 obsolete configuration and high speed
17 traffic.

18 In addition to the age we found
19 the necessary 4 criteria of the 13 to qualify
20 the area as a conservation area. In fact, we
21 did find eight, four of which were found to a
22 major extent and four to a minor.

23 To a major extent we found
24 obsolescence which was present in 173 of the

1 335 parcels which is approximately 52
2 percent; deterioration which was found in
3 220 of the parcels which is approximately 66
4 percent; deleterious land use or layout
5 which was found in 176 of the parcels, which
6 is 53 percent; and lastly lack of EAV growth,
7 which is a criteria where the EAV needs to
8 grow in a negative rate or a rate that is
9 less than the balance of the City of Chicago,
10 and in this instance we found that it was
11 present in four of the last five years.

12 Those years were from 1999 to 2000, 2000 to
13 2001, 2002 to 2003, and 2003 to '04, which
14 was the last year that we were able to find.

15 Now, to a minor extent we found
16 dilapidation, which was found in 12 of the
17 buildings, which is approximately six
18 percent; excessive vacancies, which is in 31
19 of the buildings of which there are a total
20 of 202, and that is approximately 15 percent
21 of the area; excessive land coverage and
22 overcrowding of the structures, which was
23 found in 36 of the 335 parcels, which was
24 approximately 11 percent; and finally a lack

1 of community planning, based on our review
2 and analysis of the area, we found was, in
3 deed, present in the area.

4 To conclude, we did, in fact,
5 were, in fact, able to qualify the area as a
6 conservation area based on the fact that it
7 does incorporate the age requirement and at
8 least 4 of the 13 eligibility factors. And
9 again, to a major extent we did find
10 obsolescence, deterioration, deleterious
11 land use, and lack of EAV growth, and to a
12 minor extent found dilapidation, excessive
13 vacancies, excessive land coverage or
14 layout, and lack of community planning.

15 I'll briefly go over the budget
16 that we constructed for the area. We've
17 projected a generation of increment of
18 approximately \$32 million and \$2006 over the
19 life of the TIF District, and these dollars
20 will be allocated to property assembly, site
21 preparation, public works and improvements,
22 relocation costs, rehabilitation of existing
23 structure, job training, interest subsidies
24 and professional services such as studies,

1 surveys, plans, administrative costs and
2 finally daycare services within the area.

3 MR. REESE: Based on the presentation
4 do any members have any questions?

5 MR. BRYANT: No.

6 MR. REESE: I actually have one.
7 Have any developers been selected to do any
8 of the work or is it still --

9 MR. KNIGHT: Not that I'm aware of,
10 no.

11 MR. REESE: Based on the
12 presentation, actually, if there are no
13 further questions I'll entertain a motion
14 that this Joint Review Board finds that the
15 proposed redevelopment plan, Touhy and
16 Western Tax Increment Financing and
17 Redevelopment Project area satisfies the
18 redevelopment plan requirements under the
19 TIF Act. The eligibility criteria defined in
20 Section 11-74.4-3 of the TIF Act and the
21 objective of the TIF Act, and that based on
22 such findings include such proposed plan
23 designations of such area.

24 Is there a motion?

1 MS. STONE: So moved.

2 MR. REESE: Is there a second?

3 MR. BRYANT: Second.

4 MR. REESE: All in favor please say
5 aye.

6 (Chorus of ayes.)

7 MR. REESE: Let the record reflect
8 the Joint Review Board's approval of the
9 proposed Touhy/Western redevelopment plan
10 designation of the Touhy/Western Tax
11 Increment Financing Redevelopment Project
12 Area as a redevelopment project area under
13 the TIF Act.

14 MR. KNIGHT: Thank you.

15 MR. REESE: This will, I need a
16 motion to adjourn the Touhy/Western Joint
17 Review Board.

18 MR. BRYANT: So moved.

19 MR. REESE: Let's take a 30 second
20 break before our next --

21 (Off the record.)

22 MR. REESE: We're now beginning the
23 73rd and University Joint Review Board
24 Meeting. For the record, my name is Eric

1 Reese, I'm a representative of the Chicago
2 Park District under Section 11-74.4-5 of the
3 Tax Increment Allocation Redevelopment Act,
4 as one of the statutory designated members of
5 the Joint Review Board. Until the election
6 of a chairperson I'll moderate this Joint
7 Review Board meeting.

8 This will be a meeting to review
9 the proposed 73rd and University Tax
10 Increment Financing District. The date of
11 this meeting was announced at and set by the
12 Community Development Commission of the City
13 of Chicago at it's meeting on April 11th,
14 2006. Notice of this meeting of the Joint
15 Review Board was also provided by certified
16 mail to each of the taxing district
17 representatives on the Board, which includes
18 the Chicago Board of Education, Chicago
19 Community Colleges District 508, the Chicago
20 Park District, Cook County and the City of
21 Chicago. Public notice of this meeting was
22 also posted as of Wednesday, May 3rd, 2006 at
23 various throughout City Hall.

24 When a proposed redevelopment

1 plan would result in the displacement of
2 residents of 10 or more inhabited
3 residential units, or would include 75 or
4 more inhabited residential units the TIF Act
5 requires that a public member of the Joint
6 Review Board must reside in the proposed
7 redevelopment project area.

8 In addition, if the Municipality
9 Housing Impact Study determines that the
10 majority of the residential units in a
11 proposed redevelopment project area are to
12 be occupied by very low, low and moderate
13 income households, as defined in Section 3 of
14 the Illinois Affordable Housing Act, the
15 public member must be a person who resides in
16 a very low, low, or moderate income housing
17 within the proposed redevelopment project
18 area.

19 With us today is Ms. Carolyn
20 Jackson, correct?

21 MS. JACKSON: Yes.

22 MR. REESE: Are you familiar with the
23 boundaries of the proposed 73rd and
24 University Tax Increment Financing

1 Redevelopment Project?

2 MS. JACKSON: Yes.

3 MR. REESE: What's the address of
4 your primary residence?

5 MS. JACKSON: 7107 South Ingleside.

6 MR. REESE: Is such address within
7 the boundaries of the proposed area?

8 MS. JACKSON: Yes.

9 MR. REESE: Have you provided
10 representatives of the City of Chicago's
11 Department of Planning and Development with
12 accurate information concerning your income
13 and the income of other members of the
14 household residing at such address?

15 MS. JACKSON: Yes.

16 MR. REESE: Based on the information
17 provided to you by the Department of Planning
18 and Development regarding applicable income
19 levels, very low, low and moderate income
20 households, do you qualify as a member of one
21 of these?

22 MS. JACKSON: Yes.

23 MR. REESE: Ms. Jackson, are you
24 willing to serve as the public member for the

1 Joint Review Board for this 73rd and
2 University Tax Increment Financing and
3 Redevelopment Project Area?

4 MS. JACKSON: Yes.

5 MR. REESE: Thank you very much. --
6 entertain a motion that Ms. Jackson be
7 selected as the public member, is there a
8 motion?

9 MS. STONE: So moved.

10 MR. BRYANT: Second.

11 MR. REESE: Thank you. All in favor
12 please say aye.

13 (Chorus of ayes.)

14 MR. REESE: Let the record reflect
15 that Ms. Jackson has been selected as the
16 public member of the 73rd and University Tax
17 Increment Financing Redevelopment Project
18 Area.

19 Our next order of business is to
20 select a chairperson for the Joint Review
21 Board. Are there any nominations?

22 MS. STONE: I nominate Eric Reese.

23 MR. REESE: Thank you very much, is
24 there a second?

1 MR. BRYANT: Second.

2 MR. REESE: All in favor?

3 (Chorus of ayes.)

4 MR. REESE: Thank you. Let the
5 record reflect that I will remain as
6 chairperson and will now serve as
7 chairperson for the remainder of the
8 meeting.

9 As I mentioned, at this meeting
10 we'll be reviewing a plan for the
11 73rd/University District proposed by the
12 City of Chicago, or proposed by the City of
13 Chicago. The staff of the City's Department
14 of Planning and Development along with other
15 departments have reviewed this plan which
16 was introduced by the City's Community
17 Development Commission on April 11th, 2006.

18 We will listen to a presentation
19 by the consultant on the plan. Following the
20 presentation we will address any questions
21 that the members may have for the consultant
22 or city staff. Previous amendment to the TIF
23 Act requires us to base our recommendation to
24 approve or disapprove the 73rd/University

1 Plan, the designation of the 73rd/University
2 TIF Area on the basis of the area and the --
3 eligibility criteria defined in the TIF Act
4 and the objectives of the TIF Act.

5 If the Board approves a plan and
6 the designation of the area, the Board will
7 then issue an advisory non-binding
8 recommendation by the vote of a majority of
9 those members present and voting. Such
10 recommendation shall be submitted to the
11 City within 30 days of the Board Meeting.
12 Failure to submit such a recommendation
13 shall be deemed to constitute approval by the
14 Board.

15 If the Board disapproves a claim,
16 the designation of the area, the Board must
17 issue a written report describing why the
18 planned area failed to meet one or more of
19 the objectives of the TIF Act in both the
20 Planning Department and the eligible
21 criteria of the TIF Act. The city will then
22 have 30 days to resubmit the revised plan.

23 The Board and the city must also
24 confer during this time to try and resolve

1 the issues that led to the Board's
2 disapproval. If such issues cannot be
3 resolved or if the revised plans are
4 disapproved the city may proceed with the
5 plan but the plan can be approved only with
6 3/5 vote of City Counsel.

7 We will now actually move to a
8 presentation by Louik/Schneider & Associates
9 for 73rd and University.

10 MS. RUFFOLO: Hi, my name is Tricia
11 Marino Ruffolo, I'm here to present the plan
12 prepared by Louik/Schneider & Associates for
13 the 73rd and University Redevelopment
14 Project Area.

15 As you can see in the maps behind
16 me, the study area is bounded by Oakwood
17 Cemetery on the north, 75th Street on the
18 south, the alley west of South Chicago Avenue
19 on the west and the railroad track on the
20 east.

21 As part of the redevelopment
22 plan, a housing impact study was prepared.
23 The existing land uses, the area is primarily
24 composed of residential uses, the second map

1 there is the existing land uses. In yellow
2 are all residential, the white are vacant
3 parcels, blue is institutional -- green is
4 institutional, blue is mixed and the red is
5 commercial.

6 The proposed land use for the
7 redevelopment project area simplifies the
8 land use plan a little bit with all the
9 residential remaining the same, the
10 institutional remaining the same and a mixed
11 for the area along South Chicago Avenue and
12 this parcel right here. The mixed land use
13 allows for residential and/or commercial and
14 institutional to be used within the same
15 parcel.

16 The Redevelopment Project Area
17 contains approximately 135 acres, 31 blocks,
18 808 parcels and 575 buildings. The study
19 area is characterized by the following
20 characteristics; a high number of vacant
21 parcels, over 26 percent; a high number of
22 deteriorated buildings, obsolete
23 configurations throughout, environmental
24 cleanup and concerns, and other

1 deteriorating characteristics.

2 Based on our findings the study
3 area warrants the designation as a
4 conservation area. Specifically the study
5 area meets the statutory criteria for age, 83
6 percent of the buildings are 35 years of age
7 or older, and of the 13 eligibility factors
8 set forth in the act, 8 are present, and only
9 three are needed for a designation.

10 The factors that were found
11 present in the study area include
12 dilapidation, which was found present to a
13 minor extent in 56 of the 575 buildings;
14 obsolescence which was found present to a
15 major extent also in 375 of the 806 parcels;
16 deterioration was found present to a major
17 extent in 77 percent of the parcels;
18 excessive vacancy was found present to a
19 minor extent in 20 percent of the buildings.
20 Inadequate utilities was also found present
21 throughout the area because of the size and
22 age of the water mains, and that was found
23 present to a major extent, deleterious land
24 use and layout was found present to a major

1 extent in 57 percent of the parcels.

2 Environmental cleanup exists in
3 the study area and therefore, in the study
4 area is present to a major extent in 20
5 percent of the parcels. Lack of community
6 planning was also found present because the
7 areas developed prior to the benefit or the
8 guidance of a community plan.

9 Lack of EAV, lack of growth and
10 EAV comparison was also found present. For
11 the three of the last five years the study
12 area has been increasing at a rate that is
13 less than the balance of the community area,
14 as the municipality.

15 Based on our findings the
16 eligibility findings indicate that the study
17 area qualifies as a conservation area and is
18 in need of revitalization.

19 Any questions?

20 MR. BRYANT: Are you going to discuss
21 the plan at all?

22 MS. RUFFOLO: The plan for the area?
23 The redevelopment plan for the area is
24 basically to support what is already there.

1 There are no -- to the residential. Keep
2 the residential development here. As you can
3 see, these parcels here are vacant, the plan
4 is to improve those, and so that you see less
5 of the white, and that you see all the yellow
6 so that the residential infill is completed.
7 And then could develop the commercial,
8 there's a lot of vacancies within the
9 commercial as you can see, there's a lot of
10 vacant buildings and vacant parcels, and
11 these are all vacant buildings here and down
12 here, vacant parcels and vacant buildings
13 throughout.

14 And so it's basically just to
15 improve the area, add in new commercial where
16 appropriate and institutional uses and to
17 provide infill housing.

18 MR. REESE: Are there any other
19 questions?

20 MR. BRYANT: Could we inspect the
21 budget?

22 MS. RUFFOLO: Sure. The budget for
23 the area is \$37 million, and the categories,
24 \$2 million for property assembly, 2 million

1 for site prep, 18 million for public works
2 and improvement, 1 million for relocation, a
3 rehab \$9 million, job training, 1.5 million,
4 income subsidy is another 1.5, professional
5 services \$750,000 and daycare services 1.5
6 million giving you the total of \$37.250 for
7 the life of the TIF. Any other questions?

8 MR. BRYANT: No, I --

9 MR. REESE: Seeing there are no
10 further questions I will entertain a motion
11 that this Joint Review Board finds this
12 proposed redevelopment plan, 73rd/University
13 Tax Increment Financing Redevelopment
14 Project Area satisfies the redevelopment
15 plan requirements under the TIF Act.

16 The eligibility criteria defined
17 in Section 11-74.4-3 of the TIF Act and the
18 objectives of the TIF Act, and that based on
19 such findings approve such proposed plan and
20 the designation of such areas of
21 redevelopment project area under the TIF
22 Act. Is there a motion?

23 MS. STONE: So moved.

24 MR. REESE: All in favor?

1 (Chorus of ayes.)

2 MR. REESE: Let the record reflect
3 the Joint Review Board's approval of a
4 proposed 73rd/University Redevelopment Plan
5 and the designation of the 73rd/University
6 Tax Increment Plan as a redevelopment
7 project area under the TIF Act. This
8 concludes it. May I get a motion to adjourn.

9 MR. BRYANT: So moved.

10 MR. REESE: All in favor?

11 (Chorus of ayes.)

12 MR. REESE: Thank you all for your
13 help today.

14 (Whereupon the above matter
15 was concluded.)

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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, JACK ARTSTEIN depose and say that I am a verbatim reporter doing business in the County of Cook and City of Chicago; that I caused to be transcribed the proceedings heretofore identified and that the foregoing is a true and correct transcript of the aforesaid hearing.

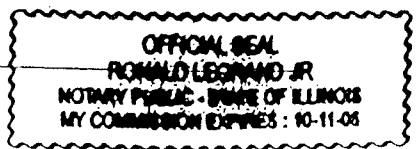


JACK ARTSTEIN

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 10TH DAY OF
MAY, A.D. 2006.



NOTARY PUBLIC



**73rd/University Redevelopment Project Area
2006 Annual Report**

**(8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE
MUNICIPALITY - 65 ILCS 5/11-74.4-5(d)(8)(A)**

During 2006, there were no obligations issued for the Project Area.

**73rd/University Redevelopment Project Area
2006 Annual Report**

(9) ANALYSIS OF DEBT SERVICE - 65 ILCS 5/11-74.4-5(d)(8)(B)

During 2006, there were no obligations issued for the Project Area.

**73rd/University Redevelopment Project Area
2006 Annual Report**

(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)

During 2006, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

73rd/University Redevelopment Project Area 2006 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The 73rd/University Redevelopment Project Area is generally bounded on the north by Oakwood Cemetery (at 67th and 71st Streets), on the south by 75th Street, on the east by the Illinois Central Railroad and on the west by the alley west of South Chicago Avenue. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

