

FY 2022

ANNUAL TAX INCREMENT FINANCE REPORT



STATE OF ILLINOIS COMPTROLLER SUSANA A. MENDOZA

Name of Municipality: City of Chicago Reporting Fiscal Year: 2022
County: Cook Fiscal Year End: 12/31/2022
Unit Code: 016/620/30

FY 2022 TIF Administrator Contact Information-Required

First Name: Maurice D. Last Name: Cox
Address: City Hall, 121 N LaSalle Title: Administrator
Telephone: (312) 744-4190 City: Chicago Zip: 60602
E-mail TIFreports@cityofchicago.org

I attest to the best of my knowledge, that this FY 2022 report of the redevelopment project area(s) in the City/Village of: City of Chicago is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].
Written signature of TIF Administrator Date 6/29/2023

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

Table with 3 columns: Name of Redevelopment Project Area, Date Designated MM/DD/YYYY, Date Terminated MM/DD/YYYY. Lists various project areas like 105th/Vincennes, 107th/Halsted, etc.

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

47th/State	7/21/2004	12/31/2028
51st/Archer	5/17/2000	12/31/2024
51st/Lake Park	11/15/2012	12/31/2036
53rd Street	1/10/2001	12/31/2025
63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
67th/Wentworth	5/4/2011	12/31/2035
71st/Stony Island	10/7/1998	12/31/2034
73rd/University	9/13/2006	12/31/2030
79th Street Corridor	7/8/1998	12/31/2034
79th/Cicero	6/8/2005	12/31/2029
79th/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
95th/Western	7/13/1995	12/31/2031
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2022
Archer/Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2034
Bryn Mawr/Broadway	12/11/1996	12/31/2032
Canal/Congress	11/12/1998	12/31/2034
Central West	2/16/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago/Kingsbury	4/12/2000	12/31/2024
Cicero/Archer	5/17/2000	12/31/2024
Cicero/Stevenson	7/20/2022	12/31/2046
Clark/Montrose	7/7/1999	12/31/2023
Clark/Ridge	9/29/1999	12/31/2023
Commercial Avenue	11/13/2002	12/31/2026
Cortland/Chicago River	4/10/2019	12/31/2043
Devon/Sheridan	3/31/2004	12/31/2028
Devon/Western	11/3/1999	12/31/2023
Diversey/Chicago River	10/5/2016	12/31/2040
Diversey/Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Edgewater/Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	12/31/2025
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Foster/California	4/2/2014	12/31/2038
Foster/Edens	2/28/2018	12/31/2042
Fullerton/Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	12/31/2023

X

Goose Island	7/10/1996	12/31/2032
Greater Southwest Industrial (East)	3/10/1999	12/31/2023
Greater Southwest Industrial (West)	4/12/2000	12/31/2024
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan/Arthington	2/5/1998	12/31/2034
Humboldt Park Commercial	6/27/2001	12/31/2025
Jefferson Park	9/9/1998	12/31/2022
Jefferson/Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	12/31/2034
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
LaSalle Central	11/15/2006	12/31/2030
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Kedzie	2/16/2000	12/31/2024
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026
Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2025
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2036
Montclare	8/30/2000	12/31/2022
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	12/31/2033
North Branch South	2/5/1998	12/31/2022
North Pullman	6/30/2009	12/31/2033
Northwest Industrial Corridor	12/2/1998	12/31/2034
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Peterson/Cicero	2/16/2000	12/31/2022
Peterson/Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2034
Portage Park	9/9/1998	12/31/2022
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Industrial Corridor	6/9/1999	12/31/2035
Randolph/Wells	6/9/2010	12/31/2034
Red Line Extension	12/14/2022	12/31/2058
Red Purple Modernization Phase One (Transit TIF)	11/30/2016	12/31/2052
River West	1/10/2001	12/31/2025
Roosevelt/Cicero Industrial Corridor	2/5/1998	12/31/2034
Roosevelt/Clark	4/10/2019	12/31/2043
Roosevelt/Racine	11/4/1998	12/31/2034
Roosevelt/Union	5/12/1999	12/31/2022
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary and Ship Canal	7/24/1991	12/31/2027
South Chicago	4/12/2000	12/31/2024
Stevenson Brighton	4/11/2007	12/31/2031
Stockyards Southeast Quadrant Industrial	2/26/1992	12/31/2028
Stony Island Commercial/Burnside Industrial	6/10/1998	12/31/2034

Touhy/Western	9/13/2006	12/31/2030
Washington Park	10/8/2014	12/31/2038
West Irving Park	1/12/2000	12/31/2024
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	12/31/2034
Western/Rock Island	2/8/2006	12/31/2030
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	12/31/2023

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

Primary Use of Redevelopment Project Area*: Industrial

*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

If 'Combination/Mixed' List Component Types:

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):

Tax Increment Allocation Redevelopment Act

Industrial Jobs Recovery Law

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A). For redevelopment projects beginning in or after FY2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).		X
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the the nature and term of obligation; projected debt service including required reserves and debt coverage; <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).	X	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).		X

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2022

Name of Redevelopment Project Area:
Kinzie Industrial Corridor

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 214,467,921

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 86,697,996	\$ 585,122,030	99%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ (8,666,080)	\$ 6,598,264	1%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ -	\$ -	0%
Private Sources	\$ -	\$ -	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ 1,136,624	0%

All Amount Deposited in Special Tax Allocation Fund \$ 78,031,916

Cumulative Total Revenues/Cash Receipts \$ 592,856,918 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 24,824,649

Transfers to Municipal Sources \$ 1,024,092

Distribution of Surplus \$ -

Total Expenditures/Disbursements \$ 25,848,741

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 52,183,175

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 266,651,096

*If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

(a) Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the extraordinary administrative burden of developing cumulative City records prior to the City's conversion to its current accounting system in 2003.

**Schedule of "Other" Sources of Revenue/Cash Receipts Deposited in Fund During Reporting FY
(Total and Cumulative Values Carried Forward to Section 3.1)**

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

"Other" Sources	Reporting Year	Cumulative
Cumulative Revenue Prior to 2017		\$ 1,136,624
Note Proceeds		0
Non-compliance Payment		0
Excess Reserve Requirement		0
Build America Bonds Subsidy		0
Collection Returns		0
Credits from Expenditures		0

Total Schedule of "Other" Sources During Reporting Period \$ -

Cumulative Total Schedule of "Other" Sources \$ 1,136,624

SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

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Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
	1,302,694	
		\$ 1,302,694
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
	71,005	
		\$ 71,005
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
	234,291	
		\$ 234,291
6. Costs of the construction of public works or improvements.		
	22,966,019	
		\$ 22,966,019

SECTION 3.2 A

PAGE 2

7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.	178,316	
		\$ 178,316
9. Financing costs.		
		\$ -
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
Costs of interest incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project.	72,324	
Costs of construction of new housing units for low income or very low income households.		
		\$ 72,324
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 24,824,649

Section 3.2 B [Information in the following section is not required by law, but would be helpful in creating fiscal transparency.]

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

Name	Service	Amount
City Staff Costs (1)	Administration	\$ 1,006,613.00
City Program Management Cost	Administration	\$ 227,426.00
Erie Cooperative Ltd, Prtnrshp	Development	\$ 72,324.29
Mintex, Inc.	Job Training	\$ 160,101.86
St. Augustine College	Job Training	\$ 18,214.14
Sebis Direct	Professional Service	\$ 49,340.88
Accurate Group, Inc.	Public Improvement	\$ 569,151.34
Aldridge Electric Inc	Public Improvement	\$ 713,586.10
Alfred Benesch & Co	Public Improvement	\$ 49,942.55
Chicago Department of Transportation	Public Improvement	\$ 84,483.10
CNECT LLC	Public Improvement	\$ 199,652.91
FH Paschen SN Nielsen & Associates LLC	Public Improvement	\$ 12,221,817.36
Globetrotters Engineering Corp	Public Improvement	\$ 71,000.00
John Burns Construction Co	Public Improvement	\$ 1,067,054.12
Metra	Public Improvement	\$ 133,266.04
Pan-Oceanic Engineering Co Inc	Public Improvement	\$ 4,433,494.28
Paul Borg Construction Co Inc	Public Improvement	\$ 370,048.21
Perkins & Will, Inc.	Public Improvement	\$ 86,314.67
Public Building Commission of Chicago	Public Improvement	\$ 193,421.24
Rubinos & Mesia Engineers Inc.	Public Improvement	\$ 1,528,125.93
Sam Schwartz Engineering D. P. C.	Public Improvement	\$ 17,404.66
TranSystems Corporation	Public Improvement	\$ 163,083.76
Somercor 504, Inc.	Rehabilitation Program	\$ 234,290.40

(1) Costs relate directly to the salaries and fringe benefits of employees working solely on tax increment financing districts.

* This table may include payments for Projects that were undertaken prior to 11/1/1999.

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X		Indicate an 'X' if no property was acquired by the Municipality within the redevelopment project area.
Property (1):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (2):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (3):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (4):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (5):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (6):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		
Property (7):		
Street address:		
Approximate size or description of property:		
Purchase price:		
Seller of property:		

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

PAGE 1

Page 1 must be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select **ONE** of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	11

LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 86,999,371	\$ -	\$ 36,624,718
Public Investment Undertaken	\$ 44,114,598	\$ 335,473	\$ 16,923,419
Ratio of Private/Public Investment	1 35/36	-	2 11/67

Project 1: HWUC - Erie Cooperative, Limited Partnership (Project is Ongoing***)

Private Investment Undertaken (See Instructions)	0	-	\$ 16,624,718
Public Investment Undertaken	\$ 719,943	-	\$ 1,000,000
Ratio of Private/Public Investment	0	-	16 5/8

Project 2: NanoInk, Inc. (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 4,940,753	-	\$ -
Public Investment Undertaken	0	-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 3: SBIF - Kinzie Industrial** (Project is Ongoing***)

Private Investment Undertaken (See Instructions)	0	-	\$ 20,000,000
Public Investment Undertaken	\$ 9,870,334	\$ 154,473	\$ 10,000,000
Ratio of Private/Public Investment	0	-	2

Project 4: Greenworks (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 6,129,652	-	\$ -
Public Investment Undertaken	\$ 5,238,679	-	\$ -
Ratio of Private/Public Investment	1 8/47	-	-

Project 5: City Escape Garden (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 2,275,000	-	\$ -
Public Investment Undertaken	\$ 425,000	-	\$ -
Ratio of Private/Public Investment	5 6/17	-	-

Project 6: Coyne American Institute (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 12,626,113	-	\$ -
Public Investment Undertaken	\$ 3,800,357	-	\$ -
Ratio of Private/Public Investment	3 10/31	-	-

Project 7: Greater West Town Training Econ Dev Center (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 7,132,111	-	\$ -
Public Investment Undertaken	\$ 3,434,939	-	\$ -
Ratio of Private/Public Investment	2 1/13	-	-

Project 8: CB2 Relocation (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 12,826,000	-	\$ -
Public Investment Undertaken	\$ 1,963,894	-	\$ -
Ratio of Private/Public Investment	6 43/81	-	-

Project 9: TIFWorks - Kinzie Industr Corridor (Project is Ongoing***)**

Private Investment Undertaken (See Instructions)	0	-	\$ -
Public Investment Undertaken	\$ 7,905,001	\$ 181,000	\$ 5,923,419
Ratio of Private/Public Investment	0	-	-

Project 10: Nelson Mandela Apartments (Project Completed) (1)

Private Investment Undertaken (See Instructions)	\$ 14,181,689	-	\$ -
Public Investment Undertaken (2)	\$ 3,594,476	-	\$ -
Ratio of Private/Public Investment	3 52/55	-	-

Project 11: The Hatchery (Project Completed)

Private Investment Undertaken (See Instructions)	\$ 26,888,053	-	\$ -
Public Investment Undertaken	\$ 7,161,975	-	\$ -
Ratio of Private/Public Investment	3 43/57	-	-

Project 12:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 13:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 14:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 15:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Project 16:

Private Investment Undertaken (See Instructions)		-	\$ -
Public Investment Undertaken		-	\$ -
Ratio of Private/Public Investment	0	-	-

Section 5 Notes

FY 2022

Name of Redevelopment Project Area

Kinzie Industrial Corridor

General Notes

(a) Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenue, and may include interest amounts paid to finance the Public Investment amount. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

(b) Each amount reported here under Public Investment Undertaken, Total Estimated to Complete Project, is the maximum amount of payments financed by tax increment revenue that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Section 3 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions, including interest that may be payable on developer notes as set forth in the Project's operating documents.

Project/Program-Specific Notes

** Depending on the particular goals of this type of program, the City may: i) make an advance disbursement of the entire public investment amount to the City's program administrator, ii) disburse the amounts through an escrow account, or iii) pay the funds out piecemeal to the program administrator or to the ultimate grantee as each ultimate grantee's work is approved under the program.

*** As of the last date of the reporting fiscal year, the construction of this Project was ongoing; the Private Investment Undertaken and Ratio figures for this Project will be reported on the Annual Report for the fiscal year in which the construction of the Project is completed and the total Private Investment figure is available.

(1) This project straddles the Kinzie Industrial Corridor Redevelopment Project Area and the Chicago/Central Park Redevelopment Project Area.

(2) This line reports the amounts, if any, that have been or are anticipated to be funded from increment received from this Area only. The aggregate amount of Public Investment Undertaken for this Project is the sum of these figures, if any, and the corresponding figures from the other Area or Areas that this Project straddles.

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))]

FY 2022

Name of Redevelopment Project Area:
Kinzie Industrial Corridor

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement

* see footnote on following page

** see footnote on following page

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The number increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of approval of the redevelopment agreement

^ see footnote on following page

^ see footnote on following page

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

N/A

Section 6 Notes

FY 2022

Name of Redevelopment Project Area:

Kinzie Industrial Corridor

General Notes

Section 6.2:

* All RDAs shown were entered into during or after FY 2022. The number of jobs is limited to permanent, full-time or full-time-equivalent, jobs that are either required or indicated as aspirational in the RDA and are anticipated to be created or retained at some time during the term of the RDA. Jobs that are part-time, construction, temporary or seasonal are not shown. RDAs are removed once the job covenant ends or the RDA is terminated. RDAs with no jobs covenant are not shown. TIFWorks and similar job training programs are not shown.

** The number of jobs shown is limited to those created or retained, cumulatively, from the year the RDA was entered into through the end of the reporting year.

Section 6.3:

^ All RDAs shown were entered into during or after FY 2022. The amount of increment increase projected is the cumulative amount that is projected to be created for all PINs in the RDA over the term of the RDA. RDAs are removed once the RDA is terminated. RDAs involving tax-exempt properties and those with no increment increase projected by the City over the term of the respective RDA, are not shown.

^^ The amount shown is the increase in cumulative PIN increment collected from the year the RDA was entered into through the end of the reporting year, to the extent the information is available from tax records.

SECTION 7 [Information in the following sections is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

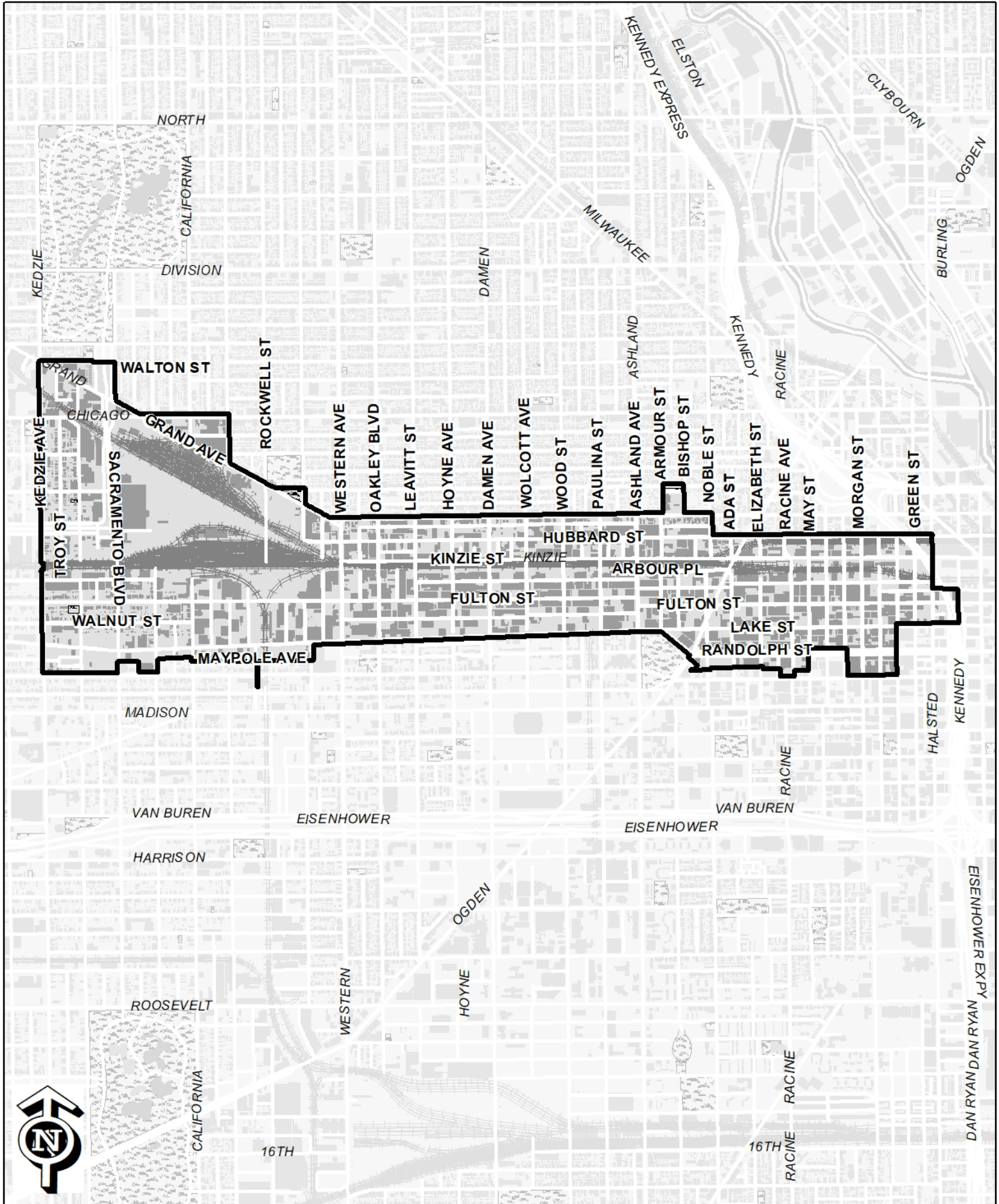
Name of Redevelopment Project Area:

Kinzie Industrial Corridor

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	X

Kinzie Industrial Conservation Area TIF Annual Report



ORDINANCE

WHEREAS, pursuant to ordinances adopted on June 10, 1998, and published in the Journal of Proceedings of the City Council (the "City Council") of the City of Chicago (the "Journal") for such date at pages 70367 to 70520, and under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1 et seq., as amended (the "Act"), the City Council (the "Corporate Authorities") of the City of Chicago (the "City"): (i) approved a redevelopment plan and project (the "Original Plan") for a portion of the City known as the "Kinzie Industrial Conservation Redevelopment Project Area" (the "Area") (the "Original Plan Ordinance"); (ii) designated the Area as a "redevelopment project area" within the requirements of the Act (the "Designation Ordinance"); and (iii) adopted tax increment financing for the Area (the "TIF Adoption Ordinance" and together with the Original Plan Ordinance and the Designation Ordinance, referred to herein collectively as the "TIF Ordinances"); and

WHEREAS, the Original Plan established the estimated dates of completion of the redevelopment project described in the Original Plan and of the retirement of obligations issued to finance redevelopment project costs to be not more than twenty-three (23) years from the date of the adoption of the Designation Ordinance, such ultimate retirement date occurring in the year 2021, and the Corporate Authorities made a finding in the Original Plan Ordinance that such date was not more than twenty-three (23) years from the date of the adoption of the Designation Ordinance in accordance with the provisions of Section 11-74.4-3(n)(3) of the Act in effect on the date of adoption of the TIF Ordinances; and

WHEREAS, Public Act 91-478 (the "1999 Amendatory Act"), which became effective November 1, 1999, amended the Act, among other things, to change the dates set forth in Section 11-74.4-3(n)(3) of the Act by which redevelopment projects must be completed and obligations issued to finance redevelopment project costs must be retired to be no later than December 31 of the year in which the payment to a municipal treasurer as provided in Section 11-74.4-8(b) of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving a redevelopment project area is adopted; and

WHEREAS, the Corporate Authorities amended the Original Plan Ordinance pursuant to an ordinance adopted on May 12, 2010, and published in the Journal for such date at pages 89655 to 89664 ("Amendment No. 1"); and

WHEREAS, Amendment No. 1 amended the estimated dates of completion of the redevelopment project described in the Original Plan, and of the retirement of obligations issued to finance redevelopment project costs to be December 31, 2022; and

WHEREAS, the Original Plan as amended by Amendment No. 1 is herein referred to as the "Plan"; and

WHEREAS, Public Act 102-0675 (the "2021 Amendatory Act"), which became effective November 30, 2021, amended the Act, among other things, to add the Area to the list of authorized redevelopment project areas set forth in Section 11-74.4-3.5(c) of the Act by which redevelopment projects must be completed and obligations issued to finance redevelopment project costs must be retired to be no later than December 31 of the year in which the payment to a municipal treasurer as provided in Section 11-74.4-8(b) of the Act is to be made with respect

to ad valorem taxes levied in the thirty-fifth calendar year after the year in which the ordinance approving a redevelopment project area is adopted; and

WHEREAS, the Corporate Authorities desire further to (i) update the Estimated Redevelopment Project Costs in the Plan; (ii) update the future land use plan in the Plan; (iii) update certain Plan language in accordance with the provisions of the Act; and (iv) extend the estimated date of completion of the Plan by amending and supplementing the Plan to conform to Section 11-74.4-3.5(c) of the Act, as amended by the 2021 Amendatory Act, in accordance with the procedures set forth in Section 11-74.4-3(n)(3) of the Act; and

WHEREAS, the Community Development Commission (the "Commission") of the City has heretofore been appointed by the Mayor of the City with the approval of its City Council (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4-4(k) of the Act; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

WHEREAS, pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Commission, by authority of the Corporate Authorities, called a public hearing (the "Hearing") on October 11, 2022, concerning the approval of "Amendment No. 2 to the Kinzie Industrial Conservation Area Tax Increment Financing Redevelopment Plan and Project" ("Amendment No. 2"); and

WHEREAS, Amendment No. 2 was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act beginning July 29, 2022, being a date not less than 10 days prior to the adoption by the Commission of Resolution 22-CDC-35 (the "Hearing Resolution") on August 9, 2022, fixing the time and place for the Hearing, at the offices of the City Clerk and the City's Department of Planning and Development; and

WHEREAS, pursuant to Section 5/11-74.4-5(a) of the Act, notice of the availability of Amendment No. 2 and of how to obtain the same was sent by mail on August 17, 2022, which is within a reasonable time after the adoption by the Commission of the Hearing Resolution, to: (a) all residential addresses that, after a good faith effort, were determined to be located within the Area, and (b) organizations and residents that were registered interested parties for such Area; and

WHEREAS, due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having taxable property within the Area and to the Department of Commerce and Economic Opportunity of the State of Illinois by certified mail on August 15, 2022, by publication in the Chicago Sun-Times or Chicago Tribune on September 23, 2002, and September 26, 2022, and by certified mail to taxpayers within the Area on September 26, 2022; and

WHEREAS, a meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due notice on September 1, 2022, at 10:00 a.m., to review the matters properly coming before the Board and to allow it to provide its advisory recommendation regarding the approval of Amendment No. 2, and other matters, if any, properly before it; and

WHEREAS, the Commission has forwarded to the City Council a copy of Resolution 22-CDC-56, attached hereto as Exhibit B, recommending to the City Council approval of the Amendment No. 2, among other related matters; and

WHEREAS, the Corporate Authorities have reviewed Amendment No. 2, testimony from the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof.

SECTION 2. Approval of Amendment Number 2 to the Plan. Amendment No. 2, a copy of which is attached hereto as Exhibit A, is hereby approved.

SECTION 3. Finding. The Corporate Authorities hereby find that the estimated dates of completion of the redevelopment project described in the Plan and of the retirement of obligations issued to finance redevelopment project costs set forth in the Plan, as amended by Amendment No. 2, conform to the provisions of Section 11-74.4-3(n)(3), Section 11-74.4-8(b) and Section 11-74.4-3.5(c) of the Act.

SECTION 4. Invalidity of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 5. Superseder. All ordinances (including, without limitation, the TIF Ordinances), resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflicts.

SECTION 6. Effective Date. This ordinance shall be in full force and effect immediately upon its passage and approval.

EXHIBIT A

AMENDMENT NO. 2 TO KINZIE INDUSTRIAL CONSERVATION AREA
TAX INCREMENT FINANCING REDEVELOPMENT PLAN AND PROJECT

[see attached]

**KINZIE INDUSTRIAL CONSERVATION AREA
TAX INCREMENT FINANCING
REDEVELOPMENT PLAN AND PROJECT**

Adopted Plan: June 10, 1998
Amendment No. 1: May 12, 2010

Amendment No. 2
July 29, 2022

City of Chicago
Lori E. Lightfoot, Mayor

Department of Planning and Development
Maurice D. Cox, Commissioner

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Prepared by:

Johnson Research Group, Inc.
105 W Madison, Suite 406
Chicago, IL 60602

**Kinzie Industrial Conservation Area
Tax Increment Financing Redevelopment Plan and Project
Amendment No. 2**

AMENDMENT NO. 2 EXECUTIVE SUMMARY

The Illinois General Assembly passed the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act") to provide municipalities with the mechanism to address blighted conditions, encourage private investment and to restore and enhance the tax base through development and redevelopment of project areas. To induce redevelopment pursuant to the Act, the Chicago City Council adopted three ordinances on June 10, 1998 approving the Kinzie Industrial Conservation Area Tax Increment Industrial Conservation Redevelopment Project and Plan (the "Original Plan"); designating the Kinzie Industrial Conservation Project Area (the "Original Redevelopment Project Area"); and adopting tax increment financing for the Original Redevelopment Project Area.

The Original Plan was amended on May 12, 2010, to allow for a 24th year thereby extending the Original Redevelopment Project Area to December 31, 2022, ("Amendment No. 1").

The Original Plan is being further amended to extend its term by 12 years for a completion date of December 31, 2034, amend the redevelopment project estimated costs, bring the Original Plan up to current City ordinance and policy standards, and identify updates to the General Land Use plan.

On and after November 1, 1999, no existing redevelopment plan may be amended if the redevelopment plan causes the displacement of residents from 10 or more inhabited residential units unless the municipality undertakes a housing impact study or certifies that such displacement will not result from the plan. The City hereby certifies that there will not be displacement of 10 or more inhabited units within the redevelopment project area. As such, a housing impact study is not required as part of Amendment No. 2.

The primary purposes of Amendment No. 2 are to update the vision and land use plan of the redevelopment project area and extend the term of the TIF to implement necessary public infrastructure and private investment projects. The adoption of Amended Plan No. 2, in tandem with other City of Chicago ("City") initiatives and plans, is intended to promote the development of a stable and predictable environment for a modern industrial employment center.

The Amended Plan No. 2 summarizes the analyses and findings of the consultant's work, which, unless otherwise noted, is the responsibility of Johnson Research Group, Inc. (the "Consultant"). The Consultant has prepared this Amended Plan No. 2 with the understanding that the City would rely: 1) on the findings and conclusions of the Amended Plan No. 2 to implement the Amended Plan, and 2) on the fact that the Consultant has obtained the necessary information so that the Amended Plan will comply with the Act.

MODIFICATIONS TO THE ORIGINAL PLAN AND PROJECT

The changes to the Original Plan are presented section by section and follow the format of the Original Plan. Changes to the Original Plan are prefaced in italics and followed with the appropriate changes and replacement text. This document, entitled the Kinzie Industrial Conservation Area TIF Redevelopment Project and Plan - Amendment No. 2 ("Amendment No. 2") serves as a supplement to the sections of the Original Plan that remain unchanged.

1. INTRODUCTION

The following paragraph is added after paragraph two.

Since the Original Plan was adopted, the Project Area east of Ogden Ave, known as the Fulton Market Innovation District, has experienced a significant shift in employment trends away from traditional heavy manufacturing uses and moving and storage of goods to new job categories of information, technology and business support services. In recognition of these shifts and in an effort to preserve existing jobs, the City has developed a new vision for the Fulton Market Innovation District where traditional and innovative businesses coexist with mixed income residential uses that allows for new development while preserving the urban and historic character assets that make the area unique.

2. REDEVELOPMENT PROJECT AREA DESCRIPTION

The following paragraphs are added at the end of the subsection entitled, Current Land Use and Zoning:

Current land uses for the Project Area are illustrated in Figure 4d: Existing Land Use Update West: 2022 and Figure 4e: Existing Land Use Update West: 2022. Since the development of the Original Plan, industrial uses have given way to commercial and mixed-uses across more than half of the Fulton Market portion of the Kinzie TIF. These non-industrial uses are located largely east of Aberdeen Street while commercial uses are overtaking industrial uses in large numbers along Randolph Street. In 2016, downtown zoning was expanded to include the area east of Ogden Avenue and the Kinzie Corridor overlay district regulations which allow residential uses north of Lake Street were established in 2017 and subsequently amended in 2021.

The following text is added at the end of the subsection entitled, Access:

Since the adoption of the Original Plan, the City has invested over \$100 million on access-related improvement projects focused on increasing multi-modal access and connectivity. The most notable are the completion of a new Chicago Transit Authority ("CTA") Green Line Station at Lake Street and Morgan, the active construction of a new CTA Green Line station at Lake Street and Damen Avenue and exploration and planning of a new Metra station in the Kinzie Industrial Corridor. Additional infrastructure plans and projects address pedestrian access and include sidewalk and at-grade crossing improvements, American with Disabilities Act ("ADA") upgrades, bicycle path development, and viaduct improvements.

3. ELIGIBILITY OF THE PROJECT AREA FOR DESIGNATION AS A CONSERVATION AREA

No changes to this subsection.

4. COMMUNITY PLANNING OBJECTIVES/REDEVELOPMENT PLAN GOALS AND OBJECTIVES

Section 4 is deleted in its entirety and replaced with the following:

In an effort to respond to changing industrial demands and maintain Chicago's place as a globally competitive manufacturing center, the City undertook an update of industrial land use policies in 2016. Through a series of studies, initiatives, plans and policies, the City hopes to activate the potential of select industrial corridors based on their individual characteristics, infrastructure requirements and market strengths.

The Amended Plan No. 2 is consistent with the City's most current plans and policies including Kinzie Industrial Corridor Framework Plan (2019), Fulton Market Innovation District Plan Update (2021), Planned Manufacturing District No. 4 as amended, Kinzie Corridor Overlay (2017), Fulton Market – Randolph Landmark District (2015), Transportation Vision Zero Action Plan, Fulton Market Flex Street Study (2021), Kinzie Industrial Corridor Infrastructure Study (2019), West Loop Design Guidelines (2017), the Central Area Plan (2009) and We Will Chicago (ongoing).

Redevelopment Plan Goals and Objectives

The goals for the Amended Plan are presented below.

1. Maintain and grow the Kinzie Industrial Corridor as an important economic engine and job center that provides vital support to local, regional, national and global businesses.
2. Support improvements to the multi-modal transportation network so it more efficiently serves industrial users, area employees and residents.
3. Protect and enhance historical and cultural assets through the reuse of existing buildings in efficient and sustainable ways and ensure that new development complements the character of the corridor.
4. Promote mixed-use and mixed-income developments that strive to achieve 30% affordability where required, and 20% elsewhere, while meeting design excellence and urban design best practices.
5. Employ residents living in and surrounding the Redevelopment Project Area with jobs located in the Redevelopment Project Area and adjacent redevelopment project areas.
6. Enhance the tax base of the City and other taxing districts.

The following objectives have been established in furtherance of these goals:

Land Use

- Support mixed-income developments through continued development and improvement of City-supported affordability programs including but not limited to the Affordable Housing Ordinance.
- Allow new mixed-use, residential uses north of Lake Street that foster a pedestrian-friendly environment.
- Develop a coordinated system of linear parks, landscaped rights-of-way, and pocket parks to serve the needs of residents and employees, and unite the various parts of the community.
- Assemble under-utilized, obsolete and deteriorated property to create industrial sites that meet contemporary industrial development standards for existing business expansion and new development.
- Prepare brownfield sites for redevelopment through acquisition, screening, demolition and clearance, and site preparation.
- Strengthen the physical identity of the Redevelopment Project Area and provide a range of business support services that companies expect to find in a modern mixed-use environment.

Urban Design, Building and Site Development

- Promote creative building design and high-quality urban design for projects that undergo formal review and approval.
- Evaluate all public and private projects on the basis of the five key themes of DPD's Design Excellence Working Group including Equity, Innovation, Sense of Place, Sustainability, and Communication.
- Support the rehabilitation and adaptive reuse of contributing buildings within the Fulton Randolph Market Landmark District as well as landmark buildings outside the District to create an interesting dynamic between old and new structures.
- Promote the dining, arts, and cultural scene in the Fulton Market Innovation District to enhance the mixed-use vibrancy.
- Eliminate blighting conditions such as abandoned buildings, deleterious land uses and poorly maintained property within the Redevelopment Project Area.
- Better secure the physical environment in order to prevent vandalism and protect property, residents, employees and customers from theft and other crimes.

Transportation, Circulation and Infrastructure

- Ensure infrastructure coordination between public and private entities including between multiple public agencies.
- Prioritize pedestrian safety and experience through public infrastructure projects both small and large.

- Improve multi-modal transit options with infrastructure and transit improvements that improve traffic circulation and consider alternative modes of transportation including biking, walking or scooters.
- Explore the multi-modal potential of Randolph Street to address safety, congestion, curbside management, bicycle infrastructure, and pedestrian experience.
- Provide the public infrastructure needed to accommodate modern production facilities, distribution centers and transportation hubs.
- Target capital improvement funding to projects that ensure utility improvements are undertaken to provide the capacity needed to serve existing, new and expanding industrial users; upgrade viaducts to maintain adequate clearances; rebuild streets to industrial standards; and provide sufficient parking to meet the needs of the area.
- Provide an industrial street pattern that provides access, separation from incompatible land uses, and the ability to control security.
- Improve expressway feeder arterials with signage, viaduct clearances and roadway geometry designs to assure easy access to the Kinzie Industrial Corridor, Fulton Market and Randolph Street.
- Improve the condition of and access to commuter rail stations.

Equity, Diversity and Sustainability

- Encourage equity, diversity and resiliency practices in public and private projects that intentionally promote building wealth for historically marginalized communities.
- Strengthen linkages between companies and job training/placement agencies and continue to target local residents for workforce development initiatives.
- Establish job readiness and job training programs to provide residents living in and around the Redevelopment Project Area with the skills necessary to secure jobs in the Redevelopment Project Area and adjacent redevelopment project areas.
- Secure commitments from employers in the Redevelopment Project Area and adjacent redevelopment project areas to interview graduates of the Redevelopment Project Area's job readiness and job training programs.
- Foster employee training and the attraction of employees from adjacent neighborhoods.

5. REDEVELOPMENT PLAN

Numbered sentence 3 is deleted and replaced as follows:

3. Providing public improvements and facilities that may include, but are not limited to utilities, viaduct improvements, transit station and facility improvements, sidewalk and bicycle system improvements, lighting, signalization, parking and surface right-of-way improvements, and streetscape enhancements.

The following numbered sentence is added after numbered sentence 7:

8. Funds may be provided to developers for up to 50 percent of the cost of construction, renovation 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.

6. REDEVELOPMENT PROJECT DESCRIPTION

Paragraph eight of this Section is deleted and replaced with the following paragraph:

The City requires that developers who receive TIF assistance for market rate housing set aside at least 20 percent of the units, unless otherwise specified, to meet affordability criteria established by the City's Department of Planning and Development or any successor agency. Some areas have a goal of 30% affordable units. 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. From time to time, the City changes the affordability requirements and thresholds, and developers seeking TIF assistance or zoning changes will be required to comply with the City's affordability requirements in force at the time of commencing their project.

The subsection entitled Development Strategies/Redevelopment Activities within Section 6 is deleted in its entirety and replaced with the following:

The City proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques including, but not limited to, tax increment financing, to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The City also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

1. Property 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 or other programs and may be for the purpose of: (a) sale, lease or conveyance to private developers; or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

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.

2. Relocation

Relocation assistance may be provided in order to facilitate redevelopment of portions of the Project Area and to meet other City objectives. Business 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.

3. Provision of Public Works or Improvements

The City may provide (or assist other public bodies in providing) public improvements and facilities that are necessary to service the Project Area in accordance with this 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 and Utilities*

A range of individual roadway, utility and related improvement projects, from repair and resurfacing to major construction or reconstruction, may be undertaken.

b) *Pedestrian Safety and Experience*

Projects that enhance safety and the pedestrian experience may include improvements to at-grade crossings, viaduct underpasses as well as continuity and completeness of the sidewalk system, on-street bicycle lane system, as well as additional bicycle/scooter rental stations to increase transportation options and recreational opportunities within the community.

c) *Parks and Open Space*

Improvements to existing or development of future parks, open spaces and public plazas may be provided, including the construction of pedestrian walkways, stairways, lighting, landscaping and general beautification improvements may be provided for the use of the general public.

d) *Transportation Infrastructure*

Improvements and/or expansion of existing or future CTA Rapid Transit Stations, Metra commuter stations, and bus stops in the Redevelopment Project Area may be provided to support the increased demand resulting from future development within the Redevelopment Project Area.

4. Rehabilitation of Existing Buildings

The City will encourage the rehabilitation of public and private buildings that are basically sound or historically or architecturally significant. This includes properties individually designated as Chicago Landmarks, contributing properties to Chicago Landmark Districts, properties individually listed to the National Register of Historic Places, contributing properties to National Register of Historic Places-listed historic districts, and

properties identified as either "orange" or "red" in the Chicago Historic Resources Survey.

5. Job Training and Related Educational Programs

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

6. Taxing Districts Capital Costs

The City may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Redevelopment Plan.

7. Interest Subsidies

Funds may be provided to developers for a portion of interest costs incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project, subject to the limitations outlined in the next section.

8. Affordable Housing

Funds may be provided to developers for up to 50 percent of the cost of construction, renovation 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.

9. Analysis, Administration, Studies, Surveys, Legal, etc.

Under contracts that will run for three years or less (excluding contracts for architectural and engineering services which are not subject to such time limits) the City and/or private developers 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 this Redevelopment Plan.

7. GENERAL LAND USE PLAN AND MAP

The following paragraphs are added after the first paragraph of this Section.

The Amended Plan No. 2 builds upon land uses outlined in the Original Plan and incorporates updates drawn from Kinzie Industrial Corridor Framework Plan (2019), Fulton Market Innovation District Plan Update (2021), Planned Manufacturing District No. 4 ("PMD No. 4") as amended, Kinzie Corridor Overlay (2017), Fulton Market – Randolph Landmark District (2015), Transportation Vision Zero Action Plan, Fulton Market Flex Street Study (2021), Kinzie Industrial Corridor Infrastructure Study (2019), Central Area Plan (2009), and We Will Chicago (ongoing).

PMD No. 4 has been modified twice since the adoption of the Kinzie TIF. In 2017, the boundaries of PMD No. 4 were amended, moving the eastern edge of the PMD from Hasted Street to Odgen Avenue. PMD No. 4 was amended again in 2019 to amend its subdistricts, creating distinctions between the more intense industrial uses of Subdistrict A west of Ashland Avenue and general industrial, office and business support service uses of Subdistrict B, east of Ashland Avenue.

Since the original adoption of the Kinzie TIF, downtown zoning was expanded in 2016 to include the eastern portion of the project area (east of Ogden Avenue), the Kinzie Corridor overlay district regulations were established in 2017 and subsequently amended in 2021 to allow residential uses north of Lake Street.

In recognition of significant changes to zoning and planning policies since the 1998 adoption of the Original Plan, the General Land Use Plan of this Amended Plan No. 2 reflects an updated guide for future land uses, developments, and improvements within the Project Area. While industrial land uses remain the predominant land use category within the Redevelopment Project Area, the Amended Plan is intended to encourage growth and development as a modern industrial corridor. The general land uses for the Amended Plan are described below and illustrated in Figure 8. General Land Use Plan – 2022 Update.

The five bullet points in Section 7 are replaced with the following four bullets:

- **Heavy Industrial:** Allows for general to intense industrial and manufacturing uses as permitted within PMD No. 4 (a) and the underlying zoning districts. Commercial uses are limited to frontages on arterial streets including Western, Ashland, Ogden and portions of Grand avenues.
- **Light Industrial:** Allows for light industrial uses, office, and business support service uses as permitted under PMD No. 4 (b).
- **Downtown Mixed-Use:** The area coincides largely with the Fulton Market Innovation District in which traditional and innovative businesses and buildings coexist in a dynamic downtown environment. Land uses accommodate office, commercial, public, institutional and residential development.

In addition to uses allowed by the underlying Downtown Mixed-Use zoning, the area generally bounded by West Hubbard Street on the north, North Halsted Street on the east, West Wayman Street and West Carroll Avenue on the south and North Ogden Avenue on the west is subject to regulations of the Kinzie Corridor Overlay district. This district is intended to guide land use transitions from the area's former PMD zoning to a compatible mix of modern manufacturing and industrial uses with office and commercial uses.

- **Transitional Mixed-Use:** Located on the western end of the Redevelopment Project Area, this category is intended to transition from intense manufacturing and industrial activities of PMD No. 4 (A) to neighborhood residential and commercial uses. This category also applies to a single block at Grand Avenue between Armour and Bishop. A variety of uses may be appropriate under this category. The nature of these development projects will depend largely on market demand over the life of the Redevelopment Plan and Project. The intent is to eliminate existing land use conflicts and allow more cohesive land use patterns to evolve through redevelopment activities, with appropriate community support uses such as schools, places of worship, parks and open space.

8. DESIGN CONTROLS AND CRITERIA

The first five bullets of Section 8 are deleted and replaced with the following bullets:

- Ensure that new development within the Redevelopment Project Area complies with the Zoning Ordinance, adopted plans and policies, and other applicable City development regulations.
- Restructure Redevelopment Project Area zoning to reflect the City's economic land use policy, focusing land-intensive and more noxious development in areas that are buffered from nearby residential areas.
- Foster design excellence in all public and private projects using the principles of equity and inclusion, innovation, sense of place, sustainability, and communication.
- Design buildings with a flexible approach to infrastructure delivery and interior systems, allowing buildings to support multiple uses over time.
- Prioritize infill and transit-oriented sites to promote density, urban activity, and efficient mobility.
- Promote creative building design in the FMID that incorporates mixed-use, mixed-income development that complements existing historic structures and preserves the unique urban character of the area.

9. REDEVELOPMENT PLAN AND PROJECT FINANCING

This first two paragraphs of Section 9 shall be deleted and replaced with the following:

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 Amended Plan No. 2 (the "Redevelopment Project Costs.")

In the event the Act is amended after the date of the approval of this Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs, 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 Amended Plan No. 2 shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the Amended Plan No. 2, 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 Amended Plan No. 2, 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 Amended Plan No. 2.

Eligible Redevelopment Costs

This subsection shall be deleted and replaced with the following:

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this 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 cost 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 cost 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; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
- e) Costs of the construction of public works or improvements including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification 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;
- 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 and project;
- i) An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;

- j) 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;
- k) Payment in lieu of taxes, as defined in the Act;
- l) 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 3-40.1 of the Public Community College Act, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;
- m) 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, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
 5. The cost limits set forth in paragraphs 2 and 4 above shall be modified to permit payment of up to 75 percent of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- n) Instead of the eligible costs provided for in (m) 2, 4 and 5 above, the City may pay up to 50 percent of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment

project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act;

- o) The cost 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;
- p) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- q) 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 Project Area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Estimated Project Costs

This subsection shall be deleted in its entirety and replaced with the following:

A range of redevelopment activities and improvements will be required to implement this Redevelopment Plan. The activities and improvements and their estimated costs are set forth in **Table 1. Estimated Redevelopment Project Costs - 2022 Update**. All estimates are based on 2022 dollars. Funds may be moved from one line item to another or to an eligible cost category described in this Redevelopment Plan at the City's discretion.

Redevelopment Project Costs described in this Redevelopment Plan are intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Redevelopment Plan.

Table 1 shall be deleted in its entirety and replaced with the following:

**Table 1
ESTIMATED REDEVELOPMENT PROJECT COSTS – 2022 UPDATE**

Eligible Expense	Estimated Cost
Analysis, Administration, Studies, Surveys, Legal, Marketing, etc.	\$6,000,000
Property Assembly including Acquisition, Site Preparation and Demolition, Environmental Remediation	\$108,000,000
Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements, Affordable Housing Construction and Rehabilitation Costs	\$496,000,000
Public Works & Improvements, including streets and utilities, transit infrastructure, parks and open space, public facilities (schools and other public facilities) ^[1]	\$671,700,000
Relocation Costs	\$18,000,000
Job Training, Retraining, Welfare-to-Work	\$100,000
Day Care Services	100,000
Interest Subsidy	100,000
TOTAL REDEVELOPMENT COSTS ^{[2] [3]}	\$1,300,000,000 ^[4]

^[1] 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 Amended Plan No. 2.

^[2] Total Redevelopment Project Costs represent an upper limit on expenditures that are to be funded using tax increment revenues and 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. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act.

^[3] 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.

^[4] All costs are in 2022 dollars and may be increased by five percent (5%) after adjusting for inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U.S. Department of Labor.

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.

Sources of Funds to Pay Redevelopment Project Costs

This subsection shall be deleted in its entirety and replaced with the following:

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

The Project Area may be contiguous to or separated by only a public right-of-way from other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the Project Area, made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Amended Plan No. 2.

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the Project Area, the City may determine that it is in the best interests of the City and the furtherance of the purposes of the Amended Plan No. 2 that net revenues from the Project Area be made available to support any such redevelopment project areas, and vice versa. The City therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 1 of this Amended Plan No. 2.

Issuance of Obligations

This subsection shall be deleted in its entirety and replaced with the following:

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 obligations 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 **thirty-fifth** calendar year following the year in which the ordinance approving the Project Area is adopted (i.e., December 31, 2034, assuming City Council approval of the Amended Plan in 2022). 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 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.

Anticipated Equalized Assessed Valuation

This subsection shall be deleted in its entirety and replaced with the following:

Once the project has been completed and the property is fully assessed, the equalized assessed valuation ("EAV") of real property within the Redevelopment Project Area is estimated at \$2,121,370,596. This estimate has been calculated assuming that the Redevelopment Project Area will be developed in accordance with amended general land use plan described in Figure 8: General Land Use Plan: 2022 of this Amendment No. 2.

The EAV assumes that the assessed value of property within the study area will increase substantially as a result of new development within the Redevelopment Project Area.

Calculation of the projected EAV is based on several other assumptions, including: 1) redevelopment of the Redevelopment Project Area will occur in a timely manner; 2) the application of a State Equalization Factor for Cook County of 3.2234 to the projected assessed value of property within the study area; and 3) an annual inflation rate of 3.0 percent. The projected tax rate and State Equalization Factor for Cook County are based on the actual most recent values for assessment year 2020.

Financial Impact on Taxing Districts

The following paragraph shall be added at the end of this subsection entitled "Financial Impact on Taxing Districts":

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 Amended Plan No. 2 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.

Completion of the Redevelopment Project and Retirement of Obligations to Finance Redevelopment Projects Costs

This subsection shall be deleted in its entirety and replaced with the following paragraph:

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 **thirty-fifth** calendar year following the year in which the ordinance approving the Redevelopment Project Area was adopted."

11. CITY OF CHICAGO COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

This section shall be 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 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 26 percent Minority Business Enterprises and 6 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.

MODIFICATIONS TO ORIGINAL PLAN FIGURES

Changes to Figures included the Original Plan are prefaced in italics and noted below following each original figure title. The Amended Plan No. 2 figures are found on the following pages.

1. Redevelopment Project Area

No changes.

2. Kinzie & Near West Redevelopment Project Area Interface

No changes.

3. Planning Subdistricts

Figure 3 of the Original Plan is deleted and replaced with the following:

Figure 3. Planning Subdistricts: 2022.

4. Existing Land Use

Figure 4a, 4b, and 4c of the Original Plan will remain and the following figures will be added:

Figures 4d. Existing Land Use West: 2022, and

Figure 4e. Existing Land Use East: 2022.

5. Existing Zoning

Figure 5a, 5b, and 5c of the Original Plan will remain and the following figures will be added:

Figures 5d. Existing Zoning West: 2022; and

Figure 5e. Existing Zoning East: 2022.

6. Proposed PMD Boundary

Figure 6. of the Original Plan is deleted and replaced with the following:

Figure 6. PMD-4 Boundary and Subdistricts: 2022.

7. Industrial Circulation System

No changes.

8. General Land Use Plan

Figure 8. of the Original Plan is deleted and replaced with the following:

Figure 8. General Land Use Plan: 2022.

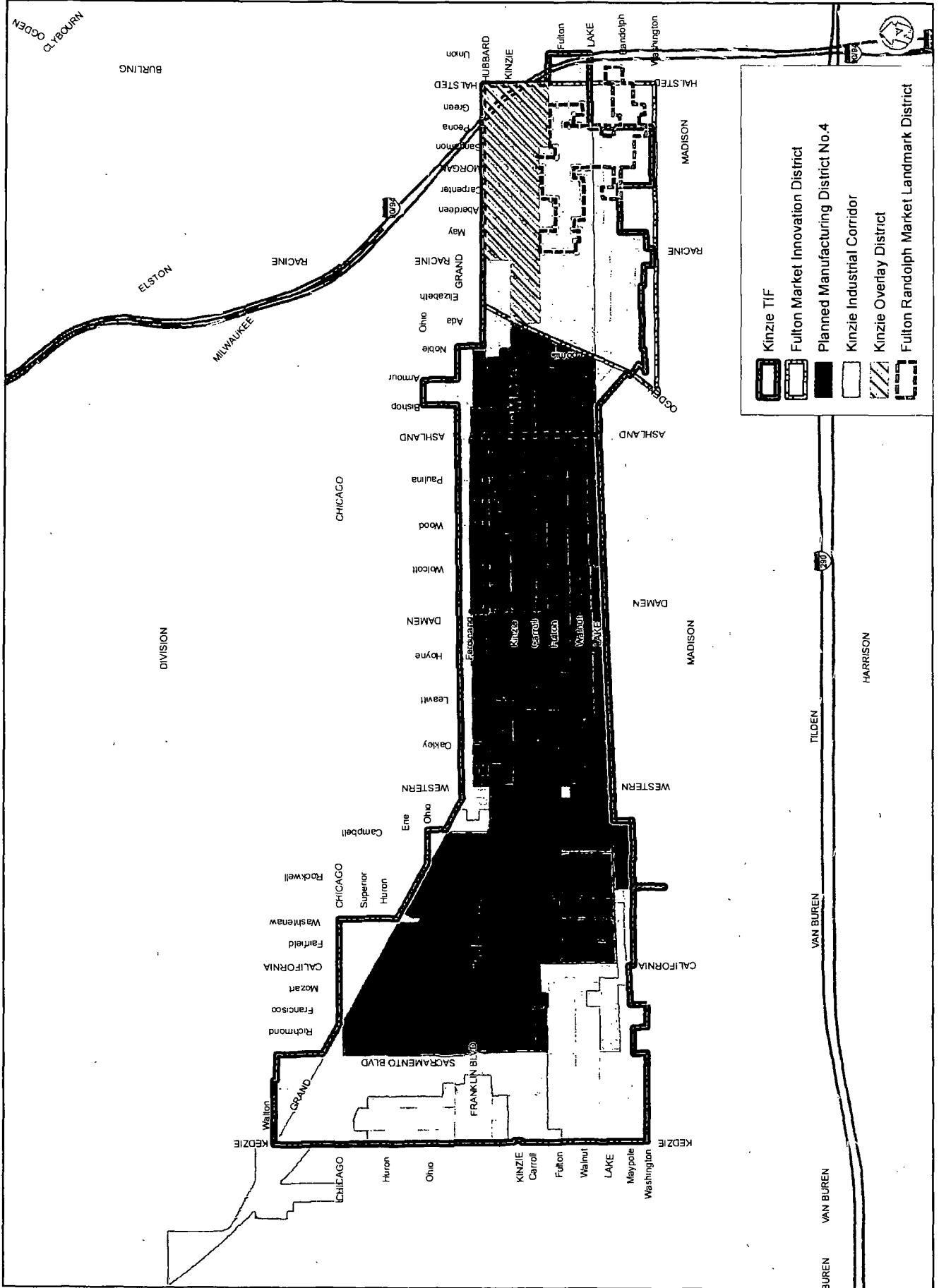


Figure 3: Planning Subdistricts: 2022

KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT No. 2

Prepared by JRG/GCA

JULY 2022

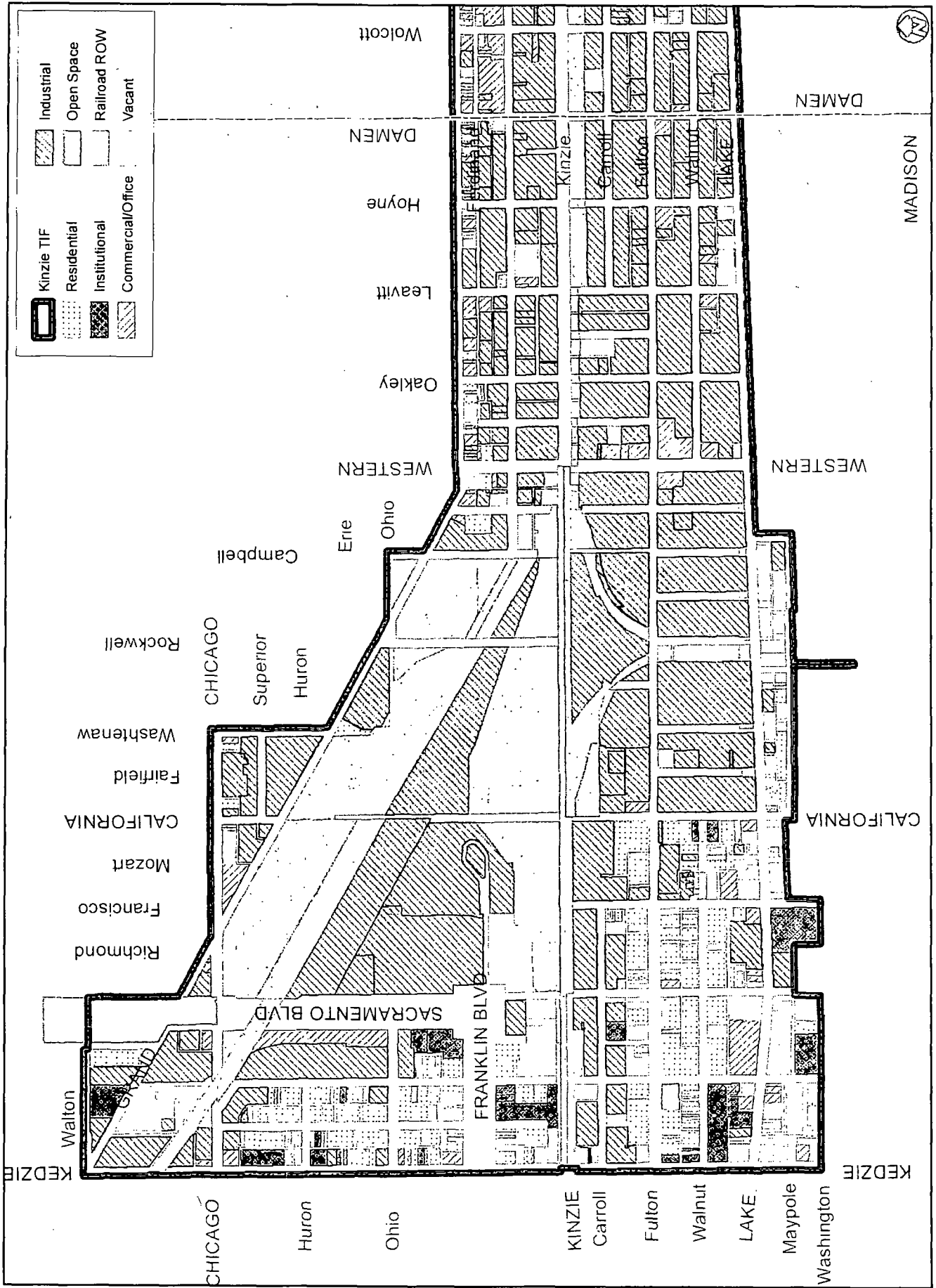


Figure 4D. Existing Land Use West: 2022

KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT NO. 2

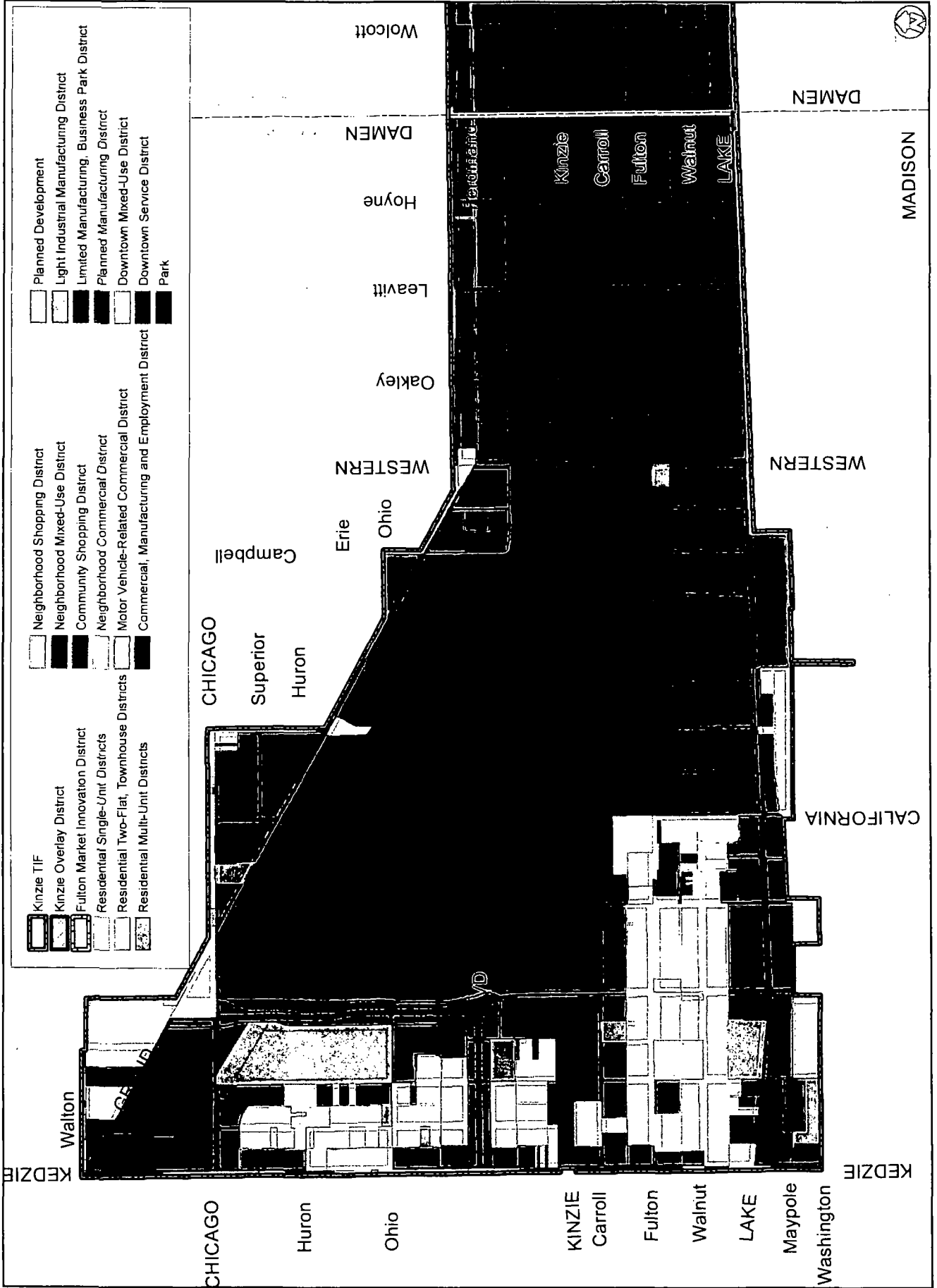


Figure 5D. Existing Zoning West: 2022
KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT NO. 2
 Prepared by JRG/GCA
 JULY 2022

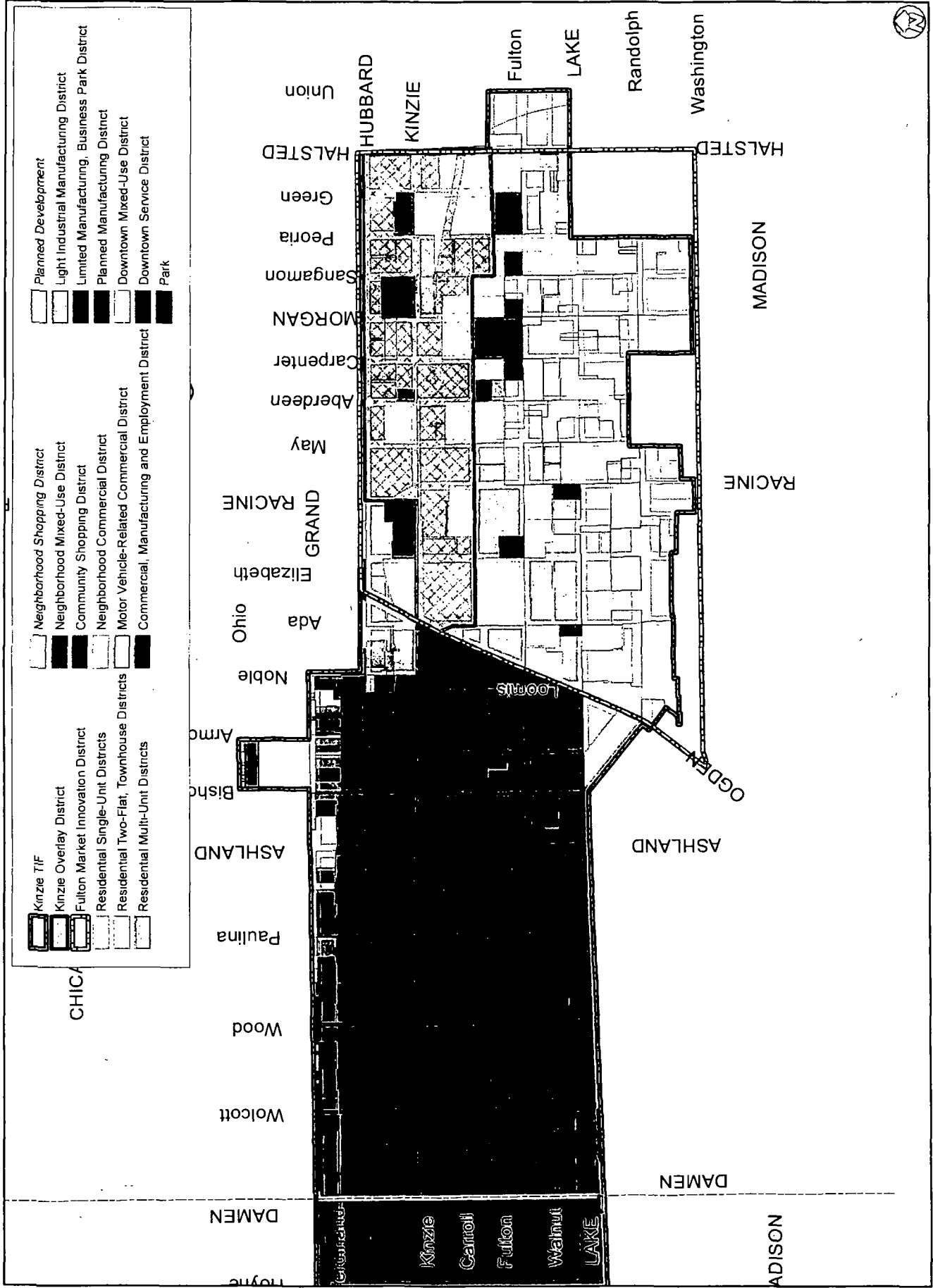


Figure 5E. Existing Zoning East: 2022
KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT No. 2
 Prepared by JRG/GCA
 JULY 2022

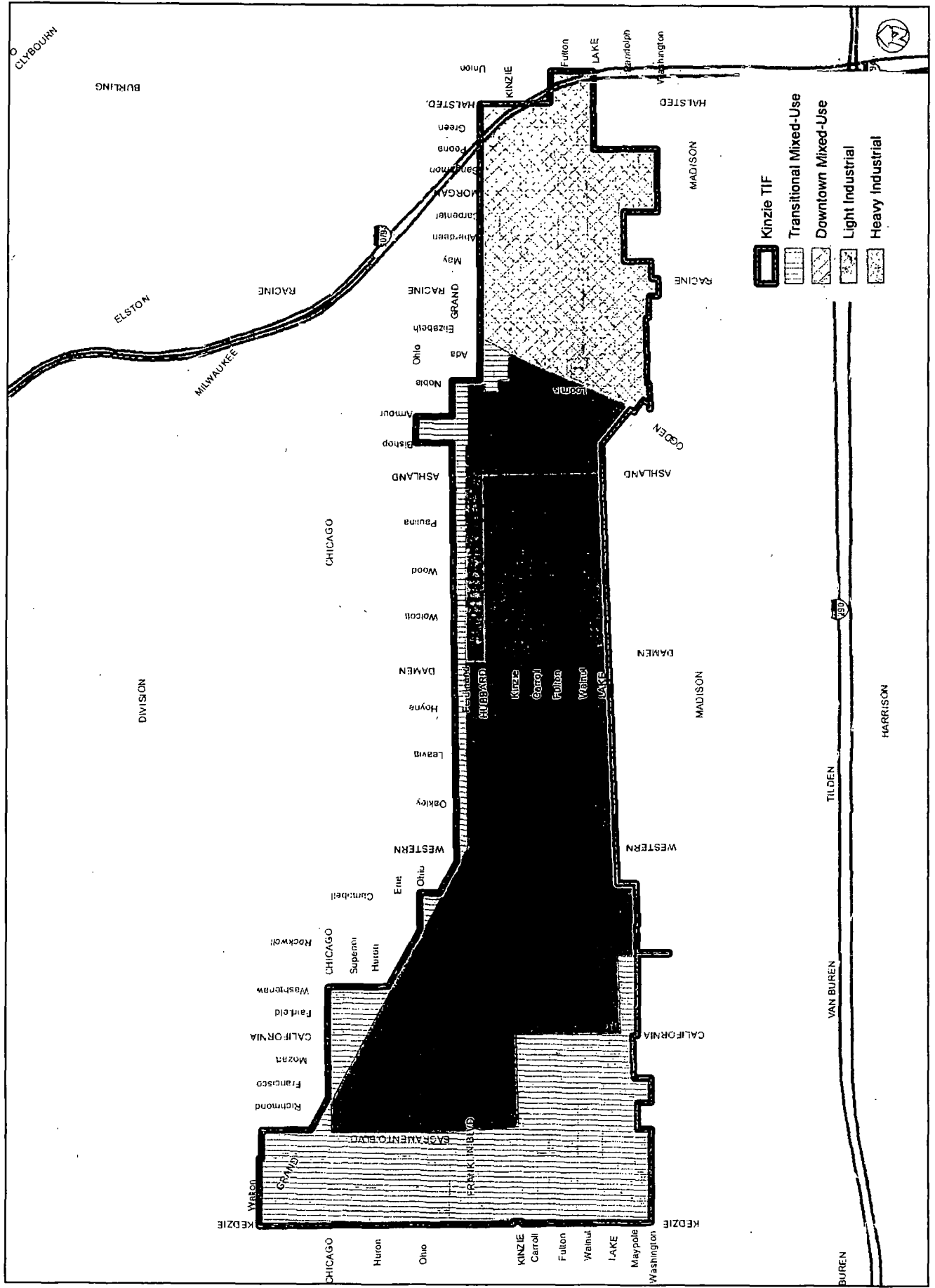


Figure 8: General Land Use Plan: 2022
KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT NO. 2
 Prepared by JRG/GCA
 June 2022

EXHIBIT B

COMMUNITY DEVELOPMENT COMMISSION RESOLUTION


[see attached]

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Robert McKenna, the duly authorized and qualified Assistant Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting held on the 11th Day of October 2022 with the original resolution adopted at said meeting, and noted in the minutes of the Commission, and do hereby certify that said copy is a true, correct, and complete transcript of said Resolution.

Dated this 11th Day of October 2022



ASSISTANT SECRETARY

Robert McKenna

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION 22 -CDC- 56

**RECOMMENDING TO THE CITY COUNCIL OF
THE CITY OF CHICAGO
FOR THE PROPOSED
KINZIE INDUSTRIAL CONSERVATION AREA AMENDMENT NO. 2
REDEVELOPMENT PROJECT AREA:**

**APPROVAL OF AMEDMENT NO. 2 TO THE
REDEVELOPMENT PLAN AND PROJECT**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council ("City Council," referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers set forth in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

WHEREAS, staff of the City's Department of Planning and Development has conducted or caused to be conducted certain investigations, studies and surveys of the Kinzie Industrial Conservation Area Redevelopment Project Area Amendment No. 2, the street boundaries of which are described on Exhibit A hereto (the "Area"), to determine the eligibility of the Area as a redevelopment project area as defined in the Act (a "Redevelopment Project Area") and for tax increment allocation financing pursuant to the Act ("Tax Increment Allocation Financing"), and previously has presented the following documents to the Commission for its review:

Kinzie Industrial Conservation Area Redevelopment Plan and Project Amendment No. 2 (the "Plan"); and

WHEREAS, prior to the adoption by the Corporate Authorities of ordinances approving a redevelopment plan, designating an area as a Redevelopment Project Area or adopting Tax Increment Allocation Financing for an area, it is necessary that the Commission hold a public hearing (the "Hearing") pursuant to Section 5/11-74.4-5(a) of the Act, convene a meeting of a joint review board (the "Board") pursuant to Section 5/11-74.4-5(b) of the Act, set the dates of such Hearing and Board meeting and give notice thereof pursuant to Section 5/11-74.4-6 of the Act; and

WHEREAS, a public meeting (the "Public Meeting") was held in accordance and in compliance with the requirements of Section 5/11-74.4-6(e) of the Act, on July 26, 2022 at 6:00PM via Zoom webinar, (this date being more than 14 business days before the scheduled mailing of the notice of the Hearing [hereinafter defined], as specified in the Act), pursuant to notice from the City's Commissioner of the Department of Planning and Development, given on July 8, 2022, (this date being more than 15 days before the date of the Public Meeting, as specified in the Act), by certified mail to all taxing districts having real property in the proposed Area and to all entities requesting that information that have taken the steps necessary to register to be included on the interested parties registry for the proposed Area in accordance with Section 5/11-74.4-4.2 of the Act and, with a good faith effort, by regular mail, to all residents and to the last known persons who paid property taxes on real estate in the proposed Area (which good faith effort was satisfied by such notice being mailed to each residential address and to the person or persons in whose name property taxes were paid on real property for the last preceding year located in the proposed Area); and

WHEREAS, the Report and Plan were made available for public inspection and review since July 29, 2022, being a date not less than 10 days before the Commission meeting at which the Commission adopted Resolution 22-CDC-35 on August 9, 2022 fixing the time and place for the Hearing, via Zoom webinar, in the following offices: City Clerk, Room 107 and Department of Planning and Development, Room 1000; and

WHEREAS, notice of the availability of the Report and Plan, including how to obtain this information, were sent by mail on Kinzie Industrial Conservation Area which is within a reasonable time after the adoption by the Commission of Resolution on August 17, 2022 to: (a) all residential addresses that, after a good faith effort, were determined to be (i) located within the Area and (ii) located outside the proposed Area and within 750 feet of the boundaries of the Area (or, if applicable, were determined to be the 750 residential addresses that were outside the proposed Area and closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

WHEREAS, notice of the Hearing by publication was given at least twice, the first publication being on September 23, 2022 a date which is not more than 30 nor less than 10 days prior to the

WHEREAS, the Commission has reviewed the Report and Plan, considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other matters or studies as the Commission deemed necessary or appropriate in making the findings set forth herein and formulating its decision whether to recommend to City Council approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; now, therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby makes the following findings pursuant to Section 5/11-74.4-3(n) of the Act or such other section as is referenced herein:

- a. The Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;
- b. The Plan:
 - (i) conforms to the comprehensive plan for the development of the City as a whole; or
 - (ii) the Plan either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land uses that have been approved by the Chicago Plan Commission;
- c. The Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 5/11-74.4-8 of the Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year following the year of the adoption of the ordinance approving the designation of the Area as a redevelopment project area and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than 20 years;
- d. To the extent required by Section 5/11-74.4-3(n) (6) of the Act, the Plan incorporates the housing impact study, if such study is required by Section 5/11-74.4-3(n)(5) of the Act;

- e. The Plan will not result in displacement of residents from inhabited units.
- f. The Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefited by proposed Plan improvements, as required pursuant to Section 5/11-74.4-4(a) of the Act;
- g. As required pursuant to Section 5/11-74.4-3(p) of the Act:
 - (i) The Area is not less, in the aggregate, than one and one-half acres in size; and
 - (ii) Conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a blighted area as defined in the Act;
- h. If the Area is qualified as a “blighted area”, whether improved or vacant, each of the factors necessary to qualify the Area as a Redevelopment Project Area on that basis is (i) present, with that presence documented to a meaningful extent so that it may be reasonably found that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part or vacant part, as applicable, of the Area as required pursuant to Section 5/11-74.4-3(a) of the Act;
- i. If the Area is qualified as a “conservation area” the combination of the factors necessary to qualify the Area as a redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area; [and]

Section 3. The Commission recommends that the City Council approve the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area as a Redevelopment Project Area pursuant to Section 5/11-74.4-4 of the Act.

Section 5. The Commission recommends that the City Council adopt Tax Increment Allocation Financing within the Area.

Section 6. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: Oct 11, _____, 2022

List of Attachments:

Exhibit A: Street Boundary Description of the Area

EXHIBIT A

Street Boundary Description of the
Kinzie Industrial Conservation Area Tax Increment Financing
Redevelopment Project Area

The area is generally bounded by Grand Avenue to the north, the Kennedy Expressway to the east, Washington Boulevard on the south, and Kedzie Avenue to the west.



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

November 16, 2022

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the second amendment to the Kinzie Industrial Conservation Area TIF redevelopment project and area.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor

CHICAGO December 14, 2022

To the President and Members of the City Council:

Your Committee on Finance having had under consideration a communication recommending a proposed ordinance regarding the authority to enter into and execute the Second Amendment to Kinzie Industrial Conservation Redevelopment Project regarding project completion dates and retirement of Tax Increment Financing (TIF) funds debt obligations.

O2022-3798

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed

This recommendation was concurred in by viva voce vote of members of the committee with _____ 0 _____ dissenting vote(s).

Respectfully submitted,

(signed)

A handwritten signature in black ink, appearing to read "Scott W. Guapack", written over a horizontal line.

Chairman

APPROVED



CORPORATION COUNSEL

DATED: 12/20/22

APPROVED



MAYOR

DATED: 12/20/22


Attachment B

2. During the preceding fiscal year of the City, being January 1 through December 31, 2022, 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 Acting 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 June 29, 2023.



Brandon Johnson, Mayor
City of Chicago, Illinois



DEPARTMENT OF LAW

CITY OF CHICAGO

June 29, 2023

Susana Mendoza
Comptroller of the State of Illinois
555 W. Monroe Street, 1400S-A
Chicago, Illinois 60661
Attention: Rosanna Barbaro-Flores,
Director of Local Government

Daryl Okrzesik, Treasurer
City Colleges of Chicago
3901 South State Street
Chicago, Illinois 60609

Xochitl Flores, Bureau Chief
Cook County Bureau of Economic Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

Damon Howell, Chief Financial Officer
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Pedro Martinez, Chief Executive Officer
Chicago Board of Education
42 West Madison Street
Chicago, Illinois 60602

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

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

Rosa Escareno, General Superintendent & CEO
Chicago Park District
541 North Fairbanks, 7th Floor
Chicago, Illinois 60611

Re: Kinzie Industrial Corridor Redevelopment Project Area
(the "Redevelopment Project Area")

Dear Addressees:

I am the Acting Corporation Counsel of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of the City's Law Department. 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.

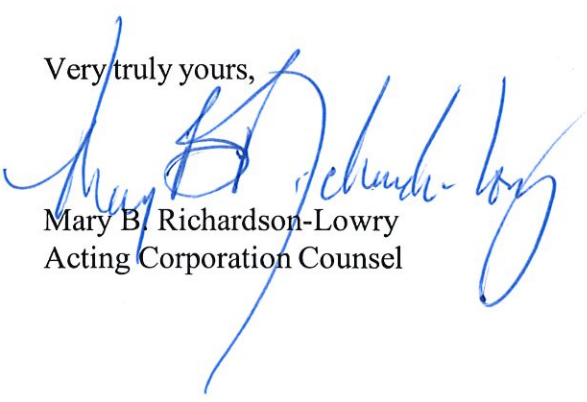
Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following 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 Finance and Office of Budget and Management (collectively, the "City Departments"), have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such City Departments 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 Acting Corporation Counsel, I have relied on the factual certification of the Commissioner of the Department of Planning and Development attached hereto as Schedule 1, along with 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.

Based on the foregoing, it is my 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,


Mary B. Richardson-Lowry
Acting Corporation Counsel

SCHEDULE 1

June 29, 2023

CERTIFICATION

Commissioner
Department of Planning and Development
City of Chicago

I, Maurice D. Cox, am the Commissioner of the Department of Planning and Development ("DPD") of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of DPD. I am also the TIF Administrator for the City for purposes of the Report (defined below). In such capacity, I am providing this Certification for the Corporation Counsel of the City to rely upon in connection with the opinion required by either 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"), or by Section 11-74.6-22(d)(4) of the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1 et seq. (the "Law"), as the case may be, in connection with the submission of an annual report for calendar year 2022 (the "Report") containing the information required by Section 11-74.4-5(d) of the Act or Section 11-74.6-22(d) of the Law for each of the Redevelopment Project Areas listed in Section 1 of the Report and hereby incorporated into this Certification (the "Redevelopment Project Areas").

I hereby certify the following to the Corporation Counsel of the City:

1. DPD has overall responsibility for and is familiar with the activities in each of the Redevelopment Project Areas. DPD personnel are familiar with the requirements of the Act and the Law and are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the City's Department of Law with respect to legal issues that may arise from time to time regarding the requirements of, and compliance with, the Act and the Law.
2. DPD personnel have monitored compliance with the requirements of the Act and the Law during the previous fiscal year under my supervision and to my reasonable satisfaction in connection with each of the Redevelopment Project Areas.

Based on the foregoing, I hereby certify to the Corporation Counsel of the City that, in all material respects, DPD has taken the appropriate actions to ensure that the City is in compliance with the provisions and requirements of the Act and the Law in effect and then applicable at the time actions were taken from time to time with respect to each of the Redevelopment Project Areas.

This Certification is given in an official capacity and not personally, and no personal liability shall derive herefrom. Further, this Certification may be relied upon only by the Corporation Counsel of the City in providing the required legal opinion in connection with the Report, and not by any other party.

Very truly yours,


Maurice D. Cox, Commissioner
Department of Planning and Development

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MEETING OF THE
JOINT REVIEW BOARD

Kinzie Industrial Conservation Area
Amendment 2

Videoconference via Zoom

Thursday, September 1, 2022
10:00 a.m.

BOARD MEMBERS:

- Beth O'Reilly, Chairperson, Park District
- Tricia Marino Ruffolo, Cook County
- Trasjuan Creed, Chicago Public Schools
- John Zukosky, City Colleges of Chicago
- Brendan White, City of Chicago
- Tony Manno, Chicago Metropolitan Agency for Planning

PRESENT:

- Ryan Slattery, DPD
- Tim Jeffries, DPD
- JoAnn Worthy, DPD

- Ann Moroney, JRG
- Ralph Kinser, JRG

Reported by: Donna M. Urlaub, CSR No. 084-000993

1 MS. O'REILLY: So I'd like to open the
2 meeting for the beginning of the Kinzie Industrial
3 Conservation Area and Amendment 2 JRB meeting.

4 I would like to have the JRB members
5 introduce themselves, please.

6 I am Beth O'Reilly at the Chicago
7 Park District.

8 MS. CREED: Tracey Creed, Chicago Public
9 Schools.

10 MS. RUFFOLO: Tricia Ruffolo, Cook County.

11 MR. ZUKOSKY: John Zukosky, City Colleges of
12 Chicago.

13 MR. WHITE: Brendan White, City of Chicago.

14 MR. MANNO: Tony Manno, Chicago Metropolitan
15 Agency for Planning.

16 MS. O'REILLY: Is that it, Ryan?

17 MR. SLATTERY: Yeah, that's it for Kinzie.

18 MS. O'REILLY: Okay. Perfect.

19 We'll start again.

20 The purpose of this meeting is to
21 review the Proposed Amendment No. 2 for the Kinzie
22 Industrial Conservation Area TIF.

23 For the record, my name is Beth
24 O'Reilly. I am the representative of the Chicago

1 Park District which, under Section 11-74.4-5 of
2 the Tax Increment Allocation Redevelopment Act, is
3 one of the statutorily designated members of the
4 Joint Review Board.

5 Until election of a chairperson,
6 I will moderate this Joint Review Board meeting.

7 For the record, this will be a
8 meeting to review the proposed Amendment No. 2 to
9 the Kinzie Industrial Conservation Area.

10 The date of this meeting was
11 announced at and set by the Trinity Development
12 Commission of the City of Chicago at its meeting on
13 July 14, 2022.

14 Notice of this meeting of the Joint
15 Review Board was also provided by certified mail
16 to each of the taxing district represented on
17 the board, which includes the Chicago Board of
18 Education, the Chicago Community Colleges
19 District 508, Chicago Park District, Cook County,
20 the City of Chicago, and the public member.

21 Public notice of this meeting was
22 also posted as of Tuesday, August 30th, 2022, in
23 various locations throughout City Hall.

24 Our next order of business is to

1 select a chairperson for this Joint Review Board.

2 Are there any nominations?

3 MR. ZUKOSKY: I nominate Beth O'Reilly.

4 MR. WHITE: I second that nomination.

5 MS. O'REILLY: Are there any other

6 nominations?

7 (No response.)

8 Let the record reflect that there
9 were no other nominations.

10 All in favor of the nomination,
11 please vote by saying aye.

12 (Chorus of ayes.)

13 All opposed, please vote by saying
14 no.

15 (No response.)

16 CHAIRPERSON O'REILLY: Let the record reflect
17 that Beth O'Reilly has been elected as chairperson,
18 and will now serve as chairperson for the remainder
19 of this meeting.

20 As I mentioned, at this meeting we
21 will be reviewing a plan for the Proposed Amendment
22 No. 2 to the Kinzie Industrial Conservation Area by
23 the City of Chicago.

24 Staff of the City's Department

1 of Planning and Development, and Law, as other
2 departments, have reviewed this plan amendment
3 which was introduced to the City Community
4 Development Commission on July 14, 2022.

5 We will listen to a presentation
6 by the consultant on the plan. Following the
7 presentation, we can address any questions that
8 the members might have for the consultant or city
9 staff.

10 Following the question period for
11 board members, I will call upon board members --
12 upon members of the public who have used raise-
13 your-hand feature to be recognized. However, due
14 to the capacity limitations and of the available
15 technology, a limit of 15 members of the public may
16 be called upon to speak, and will be limited to
17 three minutes each.

18 An amendment to the TIF Act requires
19 us to base our recommendations to approve or
20 disapprove the proposed Kinzie Industrial
21 Conservation Area Amendment 2 on the basis of the
22 area and the plan satisfying the plan requirements,
23 the eligibility criteria defined in the TIF Act,
24 and the objectives of the TIF Act.

1 If the Board approves the plan,
2 the Board will then issue an advisory nonbinding
3 recommendation by the vote of the majority of those
4 members present and voting. Such recommendation
5 shall be submitted to the City within 30 days after
6 the board meeting.

7 Failure to submit such recommendation
8 shall be deemed to constitute approval by the Board.

9 If the Board disapproves of the
10 proposed plan, the Board must issue a written
11 report describing why the plan and area failed to
12 meet one or more of the objectives of the TIF Act
13 and both the plan requirements and eligibility
14 criteria of the TIF Act. The City will then have
15 30 days to resubmit a revised plan.

16 The Board and the City must also
17 confer during this time to try to resolve the
18 issues that led to the Board's disapproval. If
19 such issues cannot be resolved, or if the revised
20 plan is disapproved, the City may proceed with the
21 plan. But the plan can be approved only with
22 three-fifths vote of the City Council, excluding
23 positions of members that are vacant and those
24 members that are ineligible to vote because of

1 conflicts of interest.

2 I would like now to offer Johnson
3 Research the opportunity to present on the Kinzie
4 Industrial Conservation Amendment No. 2.

5 MR. SLATTERY: Thanks, Beth. I'm going to go
6 ahead and do the presentation for today. I'll go
7 ahead and share my screen.

8 Are you able to see it? Yep? Okay,
9 great.

10 Good morning, all. My name is Ryan
11 Slattery. I'm a project manager with the City of
12 Chicago's Department of Planning and Development.

13 I'm here today with Tim Jeffries,
14 as well as the consultants of JRG, Ann Moroney and
15 Ralph Kinser.

16 We're here today to discuss
17 the proposed extension of the existing Kinzie
18 Industrial Conservation Area TIF District for an
19 additional 12 years to ensure an ongoing financial
20 resource in order to ensure that 30 percent or
21 more of the residential uses are affordable in the
22 Fulton Market Innovation District -- or FMID -- to
23 support economic development, including industrial
24 uses west of Ogden Avenue, and improve aging

1 infrastructure throughout the entire district.

2 As part of the extension process, we
3 are proposing to amend the termination date, revise
4 the budget, update the land use plan, and make
5 minor changes to the plan language.

6 The Kinzie Industrial Conservation
7 Area TIF District is generally bounded by Grand
8 Avenue to the north, Kinzie Avenue to the west,
9 Washington Boulevard to the south, and the Kennedy
10 Expressway to the east.

11 As you can see in the map, there
12 are multiple overlay districts within the area,
13 including the FMID, the PMD-4, the Kinzie
14 Industrial Corridor, the Kinzie Overlay District,
15 and the Fulton Randolph Market Landmark District.

16 The Kinzie TIF District was
17 designated on June 10, 1998, and absent this
18 extension would set to expire on December 31st of
19 this year.

20 In November 2021, the City received
21 state authority to extend the life of the Kinzie
22 Industrial Conservation Area TIF District for an
23 additional 12 years to allow for the continued
24 redevelopment of the area.

1 This extension really builds on many
2 of the planning studies that have been completed
3 in recent years. The extension has either been
4 directly contemplated in documents or identified
5 work that could be supported should Kinzie be
6 extended.

7 The first of these was the Kinzie
8 Industrial Corridor Framework Plan that was adopted
9 in May of 2019 that made reference to the Kinzie
10 TIF District as a financial incentive that could be
11 used within the area.

12 The Kinzie Industrial Corridor
13 infrastructure Study that was published in August
14 of 2020 included multiple short- and long-term
15 infrastructure projects, including at-grade Metra
16 train crossing projects, viaduct improvements,
17 transportation improvements, water usage needs, and
18 electricity improvements that are within the TIF
19 District and that could use TIF as a resource.

20 The 2021 update of the Fulton Market
21 Innovation District include multiple projects that
22 could use Kinzie TIF as a financial resource, and
23 specifically says would be needed to be extended
24 for those projects to use the TIF funds.

1 The Affordable Requirements
2 Ordinance, or ARO, that was approved in City
3 Council in April of 2021.

4 The City is also committed to
5 provide a menu of options for support and
6 incentives to bring affordable dwelling units in
7 the FMID area and to create a mixed income
8 community that exceeds the goals of ARO, with a
9 target of 30 percent units within the FMID area.

10 The Connected Communities Ordinance
11 was approved by the City Council in July of 2022,
12 which creates and connects jobs and encourages more
13 homes and businesses near transit by expanding the
14 existing TOD incentives more equitably across the
15 city. It also improves the safety of our streets
16 and sidewalks, new transit for Chicagoans while
17 they walk and bike.

18 Also as part of this amendment, DPD
19 is updating the general Land Use Plan for the TIF
20 District which reflects the current zoning. The
21 land use map aligns with the Kinzie Industrial
22 Corridor Framework Plan that was approved by the
23 Chicago Plan Commission in May of 2019, as well as
24 the subsequent revisions to the zoning codes.

1 The goals and objectives of Kinzie
2 include encouraging 30 percent affordable housing
3 in the FMID area, support ongoing economic
4 development, including industrial uses, west of
5 Ogden Avenue, and modernize and enhance aging
6 infrastructure throughout the entire TIF District.

7 Sorry, I did not realize I was
8 projecting the wrong screen.

9 Okay, I apologize.

10 So, as I stated, the additional goals
11 include replacing or repairing infrastructure,
12 including sidewalks, streets, curbs, gutters, and
13 underground water and sanitary systems, where
14 needed;

15 Rehabilitate and upgrade existing
16 structures in accordance with land uses to support
17 the retention of population, and commercial,
18 public, and institutional employments within the
19 neighborhood;

20 Facilitate assembly, preparation,
21 and marketing of improved and vacant sites for
22 large-scale commercial, retail, and limited
23 residential development, as well as supporting
24 off-street parking areas;

1 Eliminating blighting influences,
2 and remediate environmental problems to provide
3 additional land for commercial development and/or
4 residential development, as appropriate;

5 And, finally, to facilitate the
6 enhancement improved -- improved of the area's mass
7 transit facilities.

8 In order to advance these goals,
9 the City has approved TIF funds for the following
10 projects within the district:

11 The Hatchery at 3100 West Lake
12 Street for food entrepreneur incubator office
13 space.

14 The Small Business Improvement
15 Fund -- or SBIF -- has been used 154 times within
16 the TIF District to allocate almost \$10 million of
17 TIF funds.

18 The Morgan Street Green Line
19 station was fully funded by the Kinzie TIF, using
20 \$50 million of TIF funds.

21 Grand Avenue improvements
22 from Racine to Chicago Avenue have allocated
23 \$25.8 million, and Lake Street improvements from
24 Halsted to Chicago Avenue has allocated \$24 million.

1 Nelson Mandela Apartments, located
2 in both Kinzie and Chicago Central Park TIF
3 districts, include construction of 72 units of
4 affordable rental housing on eight sites. The
5 project received \$6.4 million in TIF assistance.

6 And then, finally, \$500,000 of
7 TIF funds have been allocated for the Morton
8 Elementary, and \$400,000 in TIF funds have been
9 allocated for the Beidler Elementary turf field.

10 MR. WHITE: Ryan, you're not displaying your
11 presentation.

12 MR. SLATTERY: I'm so sorry, guys. How is
13 this? Can you see it? Great. Sorry again.
14 Apologies.

15 MR. WHITE: I think it's fine. Slide the
16 next slide thing over and just proceed.

17 MR. SLATTERY: All right. So the amended
18 budget reflects an additional increment that will
19 result from the additional 12 years for the TIF
20 District. Please note the line item dollars for
21 each of these categories are for planning purposes.
22 The only amount that can't change without City
23 Council approval is the total redevelopment project
24 cost line item.

1 We anticipate that the future TIF
2 funded projects in the area to include both pending
3 and potential future projects if the extension is
4 approved.

5 For the pending projects that are
6 currently moving, we have CTA Damen Station and
7 track improvements, Otis and Cather Elementary
8 School improvements, the Metra viaduct improvements,
9 Covenant House, and SBIF, which will have an
10 allocation being introduced to City Council in
11 September.

12 The potential future projects
13 include additional transit enhancements of the
14 Green Line and Metra, public infrastructure
15 improvements defined in the Kinzie Industrial
16 Corridor Infrastructure Study, and residential
17 buildings with 30 percent or more affordable units
18 in the FMID area.

19 Thank you for your time this
20 morning. And we are happy to take any questions
21 you may have.

22 And I will stop sharing.

23 CHAIRPERSON O'REILLY: Based on the
24 presentation, do any members of the Joint Review

1 Board have any questions?

2 MS. RUFFOLO: Yes. It's Tricia. I just have
3 one question.

4 Is the original study going to be
5 attached to the amendment?

6 MR. SLATTERY: We don't have it attached
7 right now. We have it as an addition. So we
8 can -- we can attach it within the plan on the TIF
9 portal. I can put it behind it.

10 MS. RUFFOLO: Okay.

11 MR. MANNO: This is Tony from CMAP.

12 I'm sorry if you said this earlier,
13 but did you get any submitted questions or comments
14 from anybody, any of the residents in the area?

15 MR. SLATTERY: We had a public meeting back
16 in July 27th, I believe. So we had a pretty big
17 turnout; there was over 100 to 150 people that
18 showed up for it.

19 So there was quite a few comments,
20 questions. A lot of the questions that came up
21 were geared towards infrastructure west of Ogden
22 and the needs for a lot of repairs on the streets.
23 So it's -- it's geared towards what we're planning
24 on doing in the future. So it was a good telling

1 tale that we have -- we are doing that work, you
2 know, correctly, and it's something that we're
3 looking at. So the additional 12 years will help
4 us be able to continue with the infrastructure
5 needs within the area.

6 MR. MANNO: Thanks.

7 MR. SLATTERY: John, have you got one?

8 MR. ZUKOSKY: Yes, please. Thank you.

9 I think it's interesting on the
10 overlap in the connectors. So we have different
11 boundaries that are overlapping each other. Could
12 you explain that a little more? And how does that
13 affect kind of the expiration?

14 It seems like this gets pretty
15 complicated for your team.

16 MR. SLATTERY: So the TIF District is its
17 own -- like, we are not changing that at all. The
18 overlay districts are based off of other studies
19 that we have. So the -- you know, there's -- it
20 really is kind of -- Ogden Avenue to the west is
21 predominantly the PMD-4 -- there's an A and B --
22 and then to the east of it is the Kinzie Overlay
23 District and the Kinzie -- the Fulton Randolph
24 Market Landmark District, and with the Innovation

1 first one to raise his hand, so I'll go ahead and
2 promote him to speak.

3 CHAIRPERSON O'REILLY: Okay.

4 MR. SLATTERY: One second, please.

5 MR. ROMANELLI: Hi. This is Roger.

6 CHAIRPERSON O'REILLY: Hi, Roger. You may
7 begin. You have three minutes for your public
8 testimony.

9 MR. ROMANELLI: Thank you. Roger Romanelli,
10 Fulton Market Association and Westside
11 Infrastructure Coalition.

12 We're calling on Mayor Lightfoot and
13 City Council to rethink and restate their sudden
14 proposal to extend the Kinzie TIF for 12 years.

15 This is a mammoth decision for our
16 city, county, schools, colleges, and parks. It
17 cannot be rushed by City Hall, which they are
18 trying to do now.

19 This morning, when thousands of
20 residents are working to pay their taxes, thousands
21 who live in the TIF, or next to the TIF, where
22 funds can be ported, these residents can't
23 participate in this hearing, and it's unfair.

24 The mayor's process must be slowed

1 and given at least three more nighttime hearings
2 to clarify and vet her proposal.

3 At the only nighttime hearing on
4 July 26th, the mayor's team did not detail how City
5 Hall will spend TIF funds to directly improve the
6 lives of impoverished West Side residents, which
7 fails to satisfy the alleviation of poverty
8 standard of the Illinois TIF Statute.

9 Also the presentation, and again
10 today, gave controversial facts, and until these
11 following issues are resolved, the proposed TIF
12 extension amendment must be tabled.

13 One, all controversial facts
14 presented by city officials must be vetted. The
15 Morgan Station is a specific example; there was
16 federal money involved there. That was not stated
17 today.

18 Next, a TIF oversight committee must
19 be set for the future, meeting at night, when the
20 public can vet proposed expenses over 50,000.
21 Today the TIF has a balance of over 270 million,
22 and there's no transparent or inclusive public
23 process to make decisions.

24 Far higher TIF funds must be used

1 to eliminate crime, such as paying impoverished
2 residents to enroll in job placement or community
3 college, more funding for substance addiction and
4 mental health to reduce demand for drugs; restore
5 the CTA Lake Street bus, ending the Green Line
6 being the only rail line without a parallel bus;
7 build a Green Line western station, ending this
8 being the only rail line without a western stop;
9 renovate the 19th century Metra station lacking
10 access for disabled people.

11 Finally, fix the 19th century Lake
12 Street columns from Talman to Kedzie to end the
13 most dangerous street in America. These columns
14 have caused needless fatal accidents and destroyed
15 hundreds of trucks.

16 But east of Talman, City Hall
17 relocated the columns to the sidewalks, and the
18 same must happen west of Talman to ensure equitable
19 distribution of TIF funds to impoverished West Side
20 residents and bring economic development to the
21 West Side.

22 Since none of these urgent essential
23 projects are specified by the mayor's proposal, and
24 some facts presented are controversial or wrong,

1 the proposed amendment must be tabled today for
2 further public involvement, especially at night,
3 when tax-paying residents can participate.

4 Thank you.

5 CHAIRPERSON O'REILLY: Thank you for your
6 comments.

7 MR. SLATTERY: I think we have another hand up.

8 Justina Winfrey.

9 CHAIRPERSON O'REILLY: Welcome, Justina. You
10 have three minutes to state your public comments,
11 please.

12 MS. WINFREY: Thank you.

13 I concur with Roger Romanelli from
14 the Fulton Market Association.

15 I am the founder of the Workforce
16 Innovation Network, and we are a national
17 registered apprenticeship training program. We are
18 a consortium of subject matter experts nationally,
19 and we're currently in seven states, including
20 Illinois.

21 One of the opportunities that I had
22 not that long ago was to speak with Mayor Lightfoot
23 on the matter of workforce training development
24 in -- particularly in the wards in the city of

1 Chicago.

2 "Justina Winfrey: So, just to
3 follow up, would you be willing to pass an
4 ordinance that insures 50 percent of the
5 residents on TIF development projects funded
6 through our TIF dollars in each ward,
7 50 percent of the employees on those projects
8 are residents of that ward?

9 "Mayor Lightfoot: Well, I think
10 that there are already some things in place
11 now that require that kind of neighborhood
12 participation; they're just not enforced.
13 So I'm happy to do everything I can to make
14 sure that we -- in any development where
15 there's tax dollars, we maximize the number
16 of people from that area that are actually
17 working on those jobs. So for me, it's all
18 about wealth creation. It has to be. And
19 there's lots of different ways in which we
20 can do that. Of course, employing people as
21 carpenters and laborers and other workers on
22 these projects is critically important, and we
23 have to focus on making sure that we're giving
24 opportunity for the people in those

1 neighborhoods. So I support that.

2 "Justine Winfrey: Forgive me.

3 Meaning that you insure that a developer has
4 an adequate workforce training program in
5 place before they even place a bid on that
6 project?

7 "Mayor Lightfoot: It would be --
8 for me, it would be a requirement in the
9 scope. Absolutely."

10 MS. WINFREY: So, unfortunately, I didn't
11 hear anything regarding the actual staff and
12 employees and what that would look like on this
13 12-year plan for the Kinzie TIF project.

14 How will the City of Chicago work
15 with the community in insuring that 50 percent of
16 the residents -- or, rather, 50 percent of the
17 employee staff on that particular project are from
18 that particular ward and community?

19 We need to -- please, anyone, if you
20 all have an answer for that, it's very similar to
21 the Obama Library situation, where I understand
22 that the goal is to insure that 50 percent of the
23 employees on that particular project are from --
24 are residents of the city of Chicago.

1 How are you all enforcing and
2 insuring that residents from the community will
3 actively participate and be included in the
4 workforce training development of the TIF?

5 Thank you.

6 CHAIRPERSON O'REILLY: Thank you for your
7 comments.

8 If there are no further questions,
9 I will entertain a motion that this Joint Review
10 Board finds that the proposed Kinzie Industrial
11 Conservation Area Amendment 2 satisfies the
12 redevelopment plan requirements under the
13 TIF Act, and the eligibility criteria defined in
14 Section 11-74.4-3 of the TIF Act and the objectives
15 of the TIF Act, and that based on such findings,
16 approve such proposed plan amendment under the
17 TIF Act.

18 Is there a motion?

19 MS. CREED: I motion. This is Tracey Creed.

20 CHAIRPERSON O'REILLY: Great. Thanks, Tracey.

21 Is there a second for the motion?

22 MS. RUFFOLO: This is Tricia Ruffolo. I'll
23 second the motion.

24 CHAIRPERSON O'REILLY: Great.

1 Is there any further discussion?

2 (No response.)

3 If not, all in favor, please vote by
4 saying aye.

5 (Chorus of ayes.)

6 CHAIRPERSON O'REILLY: All opposed, please
7 vote by saying no.

8 (No response.)

9 CHAIRPERSON O'REILLY: Let the record reflect
10 that the Joint Review Board's approval of the
11 proposed Kinzie Industrial Conservation Area
12 Amendment No. 2 under the TIF Act has passed.

13 I'd like to adjourn the meeting for
14 Kinzie Industrial Conservation Area Amendment No. 2
15 by the JRB Board.

16 (JRB Kinzie Industrial
17 Conservation Area Amendment
18 No. 2 meeting adjourned.)

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REPORTER'S CERTIFICATE

Kinzie Industrial Conservation Area
Amendment 2

I, Donna M. Urlaub, do hereby certify that I reported in shorthand the proceedings of said hearing as appears from my stenographic notes so taken and transcribed under my direction.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Chicago, Illinois, this 22nd day of September 2022.


Illinois CSR No. 084-000993

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CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2022

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

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INDEPENDENT AUDITOR'S REPORT

The Honorable Brandon Johnson, Mayor
Members of the City Council
City of Chicago, Illinois

Opinion

We have audited the accompanying financial statements of the Kinzie Industrial Corridor Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Project's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Kinzie Industrial Corridor Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Chicago, Illinois, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 1, the financial statements of the Kinzie Industrial Corridor Redevelopment Project, City of Chicago, Illinois, are intended to present the financial position and the changes in financial position, of only that portion of the special revenue funds of the City of Chicago, Illinois that is attributable to the transactions of the Kinzie Industrial Corridor Redevelopment Project. They do not purport to, and do not, present the financial position of the City of Chicago, Illinois, as of December 31, 2022 and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Chicago's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

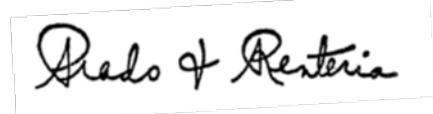
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Kinzie Industrial Corridor Redevelopment Project's basic financial statements. The Schedule of Expenditures by Statutory Code is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



June 29, 2023

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the Kinzie Industrial Corridor Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2022. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements*. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net position includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net position and how they have changed. Net position – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

Governmental Fund Financial Statements

The governmental fund financial statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental fund financial statements. The notes to the financial statements follow the basic financial statements.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

Condensed Comparative Financial Statements

The condensed comparative financial statements are presented on the following page.

Analysis of Overall Financial Position and Results of Operations

Property tax revenue for the Project was \$99,227,405 for the year. This was an increase of 33 percent over the prior year. The change in net position (including other financing uses) produced an increase in net position of \$64,712,584. The Project's net position increased by 24 percent from the prior year making available \$256,462,626 (net of surplus distribution) of funding to be provided for purposes of future redevelopment in the Project's designated area. Expenses increased this year due to the Project's formulation of a redevelopment plan or necessary funding was substantially complete and available.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Concluded)

Government-Wide

	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Total assets	\$ 344,567,631	\$ 276,845,523	\$ 67,722,108	24%
Total liabilities	<u>8,615,005</u>	<u>5,605,481</u>	<u>3,009,524</u>	54%
Total net position	<u>\$ 335,952,626</u>	<u>\$ 271,240,042</u>	<u>\$ 64,712,584</u>	24%
Total revenues	\$ 90,561,325	\$ 75,106,959	\$ 15,454,366	21%
Total expenses	<u>24,824,649</u>	<u>16,600,391</u>	<u>8,224,258</u>	50%
Other financing uses	<u>1,024,092</u>	<u>13,048,800</u>	<u>(12,024,708)</u>	-92%
Changes in net position	<u>64,712,584</u>	<u>45,457,768</u>	<u>19,254,816</u>	42%
Ending net position	<u>\$ 335,952,626</u>	<u>\$ 271,240,042</u>	<u>\$ 64,712,584</u>	24%

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2022

<u>ASSETS</u>	<u>Governmental</u> <u>Fund</u>	<u>Adjustments</u>	<u>Statement</u> <u>of</u> <u>Net Position</u>
Cash and investments	\$ 62,465,290	\$ -	\$ 62,465,290
Property taxes receivable	94,068,793	-	94,068,793
Accrued interest receivable	637,678	-	637,678
Due from other City funds	<u>187,395,870</u>	<u>-</u>	<u>187,395,870</u>
Total assets	<u>\$ 344,567,631</u>	<u>\$ -</u>	<u>\$ 344,567,631</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Vouchers payable	\$ 7,291,132	\$ -	\$ 7,291,132
Due to other City funds	<u>1,323,873</u>	<u>-</u>	<u>1,323,873</u>
Total liabilities	<u>8,615,005</u>	<u>-</u>	<u>8,615,005</u>
Deferred inflows	<u>69,301,530</u>	<u>(69,301,530)</u>	<u>-</u>
<u>FUND BALANCE/NET POSITION</u>			
Fund balance:			
Restricted for surplus distribution (Note 2)	79,490,000	(79,490,000)	-
Restricted for future redevelopment project costs	<u>187,161,096</u>	<u>(187,161,096)</u>	<u>-</u>
Total fund balance	<u>266,651,096</u>	<u>(266,651,096)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 344,567,631</u>		
Net position:			
Restricted for surplus distribution (Note 2)		79,490,000	79,490,000
Restricted for future redevelopment project costs		<u>256,462,626</u>	<u>256,462,626</u>
Total net position		<u>\$ 335,952,626</u>	<u>\$ 335,952,626</u>

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance - governmental fund	\$ 266,651,096
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<u>69,301,530</u>
Total net position - governmental activities	<u>\$ 335,952,626</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 86,697,996	\$ 12,529,409	\$ 99,227,405
Interest income (loss)	(8,666,080)	-	(8,666,080)
Total revenues	78,031,916	12,529,409	90,561,325
Expenditures/expenses:			
Economic development projects	24,824,649	-	24,824,649
Excess of revenues over expenditures	53,207,267	12,529,409	65,736,676
Other financing uses:			
Operating transfers out (Note 3)	(1,024,092)	-	(1,024,092)
Excess of revenues over expenditures and other financing uses	52,183,175	(52,183,175)	-
Change in net position	-	64,712,584	64,712,584
Fund balance/net position:			
Beginning of year	214,467,921	56,772,121	271,240,042
End of year	<u>\$ 266,651,096</u>	<u>\$ 69,301,530</u>	<u>\$ 335,952,626</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental fund	\$ 52,183,175
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<u>12,529,409</u>
Change in net position - governmental activities	<u>\$ 64,712,584</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In June 1998, the City of Chicago (City) established the Kinzie Industrial Corridor Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the special revenue funds of the City.

The financial statements present only the activities of the Kinzie Industrial Corridor Tax Increment Redevelopment Project and do not purport to present the financial position and the changes in financial position of any other special revenue funds of the City of Chicago, Illinois, as of December 31, 2022 and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(b) *Accounting Policies*

The accounting policies of the Project are based upon accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

(c) *Government-wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) and the governmental fund financial statements (i.e., the balance sheet and the statement of governmental fund revenues, expenditures and changes in fund balance) report information on the Project. See Note 1(a).

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting* with only current assets and liabilities included on the balance sheet. Under *the modified accrual basis of accounting*, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to follow subsequent private-sector guidance.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Continued)

(d) *Measurement Focus, Basis of Accounting and Financial Statements Presentation (Concluded)*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

(e) *Assets, Liabilities and Net Position*

Cash and Investments

Cash being held by the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned and fair market value adjustments on pooled investments are allocated to participating funds based on their average combined cash and investment balances. Since investment income is derived from pooled investments, the fair value measurement and fair value hierarchy disclosures of GASB 72 will not be separately presented in a note disclosure.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are recognized at amortized cost. In 2022, due to fair value adjustments, investment income is showing a loss.

Deferred Inflows

Deferred inflows represent deferred property tax revenue amounts to be recognized as revenue in future years in the governmental fund financial statements.

Capital Assets

Capital assets are not capitalized in the governmental fund but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net position and the statement of activities) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e., infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental fund as the City nor Project will retain the right of ownership.

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Concluded)

Note 1 – Summary of Significant Accounting Policies (Concluded)

(f) *Stewardship, Compliance and Accountability*

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

Reimbursements

Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection. Refer to Note 4 for reimbursements paid to the developer.

Note 2 – Surplus Distribution

In December 2022, the City declared a surplus within the fund balance of the Project in the amount of \$79,490,000. In March 2023, the surplus funds were sent to the Cook County Treasurer's Office to be redistributed to the various taxing agencies.

Note 3 – Operating Transfers Out

During 2022, in accordance with State statutes, the Project transferred \$1,024,092 to the contiguous Chicago/Central Park Redevelopment Project to fund debt service for Phase II of the Modern Schools Across Chicago Bonds, Series 2010.

Note 4 – Tax Abatement Payments

Under the terms of the redevelopment agreements, the Project paid the developers \$72,324 during the year ended December 31, 2022.

Note 5 – Commitments

The City has pledged certain amounts solely from available excess incremental taxes to provide financial assistance to a developer under the terms of a redevelopment agreement for the purpose of paying costs of certain eligible redevelopment project costs.

As of December 31, 2022, the Project has various outstanding service and construction projects with encumbrances for approximately \$7,008,568.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
KINZIE INDUSTRIAL CORRIDOR REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

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	\$ 1,302,694
Costs of property assembly, 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	71,005
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures	234,291
Costs of the construction of public works or improvements	22,966,019
Costs of job training and retraining projects	178,316
Costs of interest incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project	<u>72,324</u>
	<u><u>\$ 24,824,649</u></u>



INDEPENDENT AUDITOR'S REPORT

The Honorable Brandon Johnson, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Kinzie Industrial Corridor Redevelopment Project of the City of Chicago, Illinois, which comprise the statement of net position and governmental fund balance sheet as of December 31, 2022, and the related statement of activities and governmental fund revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated June 29, 2023.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the Kinzie Industrial Corridor Redevelopment Project of the City of Chicago, Illinois.

However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Project's noncompliance with the above referenced regulatory provisions, insofar as they relate to accounting matters.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.

Prado & Renteria

June 29, 2023