
1998 Annual Report

**North Branch (South)
Redevelopment Project Area**



**Pursuant to Mayor's
Executive Order 97-2**

JUNE 30, 1999



City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Christopher R. Hill
Commissioner

121 North LaSalle Street
Chicago, Illinois 60602

(312) 744-4190

(312) 744-2271 (FAX)

<http://www.ci.chi.il.us>

June 30, 1999

The Honorable Mayor Richard M. Daley, Members
of the City Council, and Citizens of the City of Chicago
City of Chicago
121 N. LaSalle Street
Chicago, Illinois 60602

Ladies and Gentlemen:

The attached information for the North Branch (South) Redevelopment Project Area, along with 63 other individual reports, is presented pursuant to the Mayoral Executive Order 97-2 (Executive Order) regarding annual reporting on the City's tax increment financing (TIF) districts. The City's TIF program has been used to finance neighborhood and downtown improvements, leverage private investment, and create and retain jobs throughout Chicago.

Pursuant to the Executive Order, the Annual Report, presented in the form of the attached, will be filed with the City Clerk for transmittal to the City Council and be distributed in accordance with the Executive Order.

Sincerely,

Christopher R. Hill
Commissioner
Department of Planning and Development

Walter K. Knorr
Chief Financial Officer



June 30, 1999

Mr. Christopher R. Hill
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Commissioner Hill:

Enclosed is the required annual report for the North Branch (South) Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to the Mayor's Executive Order 97-2. The contents are based on information provided to us by the Chicago Departments of Planning and Development, Finance, and Law Department. We have not audited, verified, or applied agreed upon procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

The report includes the City's data methodology and interpretation of Executive Order 97-2 in addition to required information. The tables in this report use the same lettering system as the Executive Order in order to allow the reader to locate needed information quickly.

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

Very truly yours,

Ernst & Young LLP

Ernst & Young LLP

North Branch (South) Redevelopment Project Area 1998 Annual Report

TABLE OF CONTENTS

ANNUAL REPORT - NORTH BRANCH (SOUTH) REDEVELOPMENT PROJECT AREA IN COMPLIANCE WITH SECTION (4) OF THE MAYOR'S EXECUTIVE ORDER 97-2

	PAGE
PURPOSE OF REPORT.....	1
METHODOLOGY	1
(a) GENERAL DESCRIPTION.....	7
(b) DATE OF DESIGNATION AND TERMINATION	8
(c) COPY OF REDEVELOPMENT PLAN	8
(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS	8
(e) DESCRIPTION OF TIF PROJECT(S)	9
(f) DESCRIPTION OF TIF DEBT INSTRUMENTS	10
(g) DESCRIPTION OF CITY CONTRACTS	11
(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY	12
(i) DESCRIPTION OF PROPERTY TRANSACTIONS.....	13
(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER.....	14
(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS.....	15
(l) CERTAIN CONTRACTS OF TIF CONSULTANTS.....	16
(m) COMPLIANCE STATEMENT PREPARED BY AN INDEPENDENT PUBLIC ACCOUNTANT	17
(n) ATTACHMENT - REDEVELOPMENT PLAN.....	18

North Branch (South) Redevelopment Project Area 1998 Annual Report

(d) Description of Intergovernmental and Redevelopment Agreements

Table D describes agreements related to the Project Area which are either intergovernmental agreements between the City and another public entity or redevelopment agreements between the City and private sector entities interested in redeveloping all or a portion of the Project Area. The date of recording of agreements executed by the City in 1998 and filed with the Cook County Recorder of Deeds is included in Table D (if applicable).

(e) Description of TIF Projects

Table E describes each TIF project in the Project Area that has already received approval by the Community Development Commission, and which received TIF financing during 1998. Those projects in discussion, pre-proposal stage with a developer, or being reviewed by Community Development Commission staff are not "projects" for purposes of the Report. The amount budgeted for project costs and the estimated timetable were obtained from the Project Area's intergovernmental or redevelopment agreements, if such agreements exist. Table E specifically notes:

- 1) the nature of the project;
- 2) the budgeted project cost and the amount of TIF assistance allocated to the project;
- 3) the estimated timetable and a statement of any change in the estimate during the prior calendar year;
- 4) total City tax increment project expenditures during the prior calendar year and total City tax increment project expenditures to date;
- 5) a description of all TIF financing, including type, date, terms, amount, project recipient, and purpose of project financing.

North Branch (South) Redevelopment Project Area 1998 Annual Report

(f) Description of all TIF Debt Instruments

Table F describes all TIF debt instruments related to the Project Area in 1998. It should be noted that debt instruments issued without a security pledge of incremental taxes or direct payments from incremental taxes for principal and interest are not included in Table F, as such instruments do not qualify as TIF debt instruments as defined by the Executive Order. Table F includes:

- 1) the principal dollar amount of TIF debt instruments;
- 2) the date, dollar amount, interest rate, and security of each sale of TIF debt instruments and type of instrument sold;
- 3) the underwriters and trustees of each sale;
- 4) the amount of interest paid from tax increment during the prior calendar year (1998);
- 5) the amount of principal paid from tax increment during the prior calendar year (1998).

(g) Description of City Contracts

Table G provides a description of City contracts related to the Project Area, executed or in effect during 1998 and paid with incremental tax revenues. In addition, the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid is included in the table. Table G does not apply to any contract or contract expenditure reported under (e)(5) of Section 4 of the Executive Order.

City contracts related to the Project Area are defined as those contracts paid from TIF funds, not related to a specific TIF project, and not elsewhere reported. Items include, but are not limited to, payments for work done to acquire, dispose of, or lease property within a Project Area, or payments to appraisers, surveyors, consultants, marketing agents, and other professionals. These services may affect more than one project in a Project Area and are not otherwise reported. Table G does not report such noncontractual cost items as Recorder of Deeds filing fees, postage, telephone service, etc. City contracts include term agreements which are city-wide, multi-year contracts that provide goods or services for various City departments.

North Branch (South) Redevelopment Project Area 1998 Annual Report

(h) Summary of Private and Public Investment Activity

Table H describes each TIF project in the Project Area that has been executed through an intergovernmental or redevelopment agreement in 1998, or that has been approved by the Community Development Commission in 1998.

To the extent this information is available to the Commissioner of Planning and Development on a completed project basis, the table provides a summary of private investment activity, job creation, and job retention within the Project Area and a summary for each TIF project within the Project Area.

Table H contains the final ratio of private/public investment for each TIF project. The private investment activity reported includes data from the intergovernmental or redevelopment agreement(s) and any additional data available to the Commissioner of Planning and Development. Other private investment activity is estimated based on the best information available to the Commissioner of Planning and Development.

(i) Description of Property Transactions

Information regarding property transactions is provided in Table I to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. Specifically, the Executive Order requires descriptions of the following property transactions occurring within the Project Area during 1998:

- 1) every property acquisition by the City through expenditure of TIF funds, including the location, type and size of property, name of the transferor, date of transaction, the compensation paid, and a statement whether the property was acquired by purchase or by eminent domain;
- 2) every property transfer by the City as part of the redevelopment plan for the Project Area, including the location, type and size of property, name of the transferee, date of transaction, and the compensation paid;
- 3) every lease of real property to the City if the rental payments are to be made from TIF funds. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount;

North Branch (South) Redevelopment Project Area 1998 Annual Report

- 4) every lease of real property by the City to any other person as part of the redevelopment plan for the Project Area. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount.

(j) Financial Summary Prepared by the City Comptroller

Section (j) provides a 1998 financial summary for the Project Area audited by an independent certified public accounting firm. These statements were prepared in accordance with generally accepted accounting principles. These statements include:

- 1) the balance in the fund for the Project Area at the beginning of the prior calendar year;
- 2) cash receipts by source and transfers deposited into the fund during the prior calendar year;
- 3) transfer credits into the fund for the Project Area during the prior calendar year;
- 4) expenditures and transfers from the fund, by statutory category, for the Project Area during the prior calendar year;
- 5) the balance in the fund for the Project Area at the conclusion of the prior calendar year.

(k) Description of Tax Receipts and Assessment Increments

Table K provides the required statement of tax receipts and assessment increments for the Project Area as outlined in the Executive Order. The amount of incremental property tax equals the incremental EAV from the prior year multiplied by the applicable property tax rates. Actual receipts may vary due to delinquencies, sale of prior years' taxes, and payment of delinquencies. See the financial report for actual receipts. Table K provides the following information:

- 1) for a sales tax Project Area, the municipal sales tax increment and state sales tax increment deposited in the fund during the prior calendar year;

North Branch (South) Redevelopment Project Area 1998 Annual Report

- 2) for a utility tax Project Area, the municipal utility tax increment and the net state utility tax increment amount deposited in the special allocation fund during the prior calendar year;
- 3) for a property tax Project Area, (A) the total initial equalized assessed value of property within the Project Area as of the date of designation of the area, and (B) the total equalized assessed value of property within the Project Area as of the most recent property tax year;
- 4) the dollar amount of property taxes on property within the Project Area attributable to the difference between items (3)(A) and (3)(B) above.

All terms used in Table K relating to increment amounts and equalized assessed value (EAV) are construed as in Section 9 of the Illinois Tax Increment Allocation and Redevelopment Act or the Illinois Industrial Jobs Recovery Law. Unless otherwise noted, the EAV and property tax information were obtained from the Cook County Clerk's Office. All sales tax information was obtained from the City of Chicago.

(l) Certain Contracts of TIF Consultants

Table L provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Table L are based on responses to a mail survey. This survey was sent to every consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City in 1998. The Executive Order specifically applies to contracts that the City's tax increment advisors or consultants, if any, have entered into with any entity that has received or is receiving payments financed by tax revenues produced by the same Project Area.

(m) Compliance Statement Prepared by an Independent Public Accountant

As part of the audit procedures performed by independent accountants, certain compliance tests were performed related to the Project Area. Included in the Annual Report is an audit opinion indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. Section (m) provides this statement.

North Branch (South) Redevelopment Project Area 1998 Annual Report

(b) DATE OF DESIGNATION AND TERMINATION

The Project Area was designated by the Chicago City Council on February 5, 1998. The Project Area may be terminated no later than February 5, 2021.

(c) COPY OF REDEVELOPMENT PLAN

The Redevelopment Plan for the Project Area, as amended (if applicable), is contained in this Report (Attachment).

(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS

During 1998, no new agreements were executed in the Project Area.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(e) DESCRIPTION OF TIF PROJECT(S)

During 1998, there were no tax increment project expenditures within the Project Area.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(f) DESCRIPTION OF TIF DEBT INSTRUMENTS

During 1998, there were no TIF debt instruments outstanding for the Project Area.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(g) DESCRIPTION OF CITY CONTRACTS

During 1998, there were no City contracts relating to the Project Area.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY

During 1998, there was no information available regarding public or private investment activity in the Project Area.

North Branch (South) Redevelopment Project Area 1998 Annual Report

(i) DESCRIPTION OF PROPERTY TRANSACTIONS

During 1998, the City did not take or divest title to real property within the Project Area. Additionally, the City was not a lessor or lessee of real property within the Project Area during 1998.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER

During 1998, no financial activity occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

North Branch (South) Redevelopment Project Area 1998 Annual Report

(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS

TABLE K
DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1997 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1997</u>
1998	N.A. (1)	N.A. (1)	N.A. (1)	N.A. (1)	\$ 43,683,329 (2)	N.A. (3)	N.A. (3)

(1) N.A. - not applicable.

(2) Source - North Branch (South) Redevelopment Plan and Project.

(3) N.A. - not available. As of December 31, 1998, the certified EAV had not been established. Therefore, incremental property taxes could not be calculated.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

(I) CERTAIN CONTRACTS OF TIF CONSULTANTS

During 1998, no TIF consultant was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area.

**North Branch (South) Redevelopment Project Area
1998 Annual Report**

**(m) COMPLIANCE STATEMENT PREPARED BY AN INDEPENDENT PUBLIC
ACCOUNTANT**

During 1998, there were no tax increment expenditures within the Project Area. Therefore, no compliance statement was provided for this section.

**ATTACHMENT
REDEVELOPMENT PLAN**

CITY OF CHICAGO

NORTH BRANCH (SOUTH) REDEVELOPMENT PROJECT AREA

TAX INCREMENT FINANCE PROGRAM

REDEVELOPMENT PLAN AND PROJECT

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

**DECEMBER 1997
CORRECTED FROM
OCTOBER 1997 VERSION**

**PREPARED BY
LOUIK/SCHNEIDER & ASSOCIATES, INC.**

**REDEVELOPMENT PLAN AND PROJECT FOR
NORTH BRANCH (SOUTH) REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCING PROGRAM**

TABLE OF CONTENTS

I. INTRODUCTION	1
A. OVERVIEW OF LAND USE PATTERNS	3
B. EXISTING LAND USE AND ZONING CHARACTERISTICS	5
C. TAX INCREMENT ALLOCATION REDEVELOPMENT ACT	5
II. REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION	8
III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES	9
IV. BLIGHTED AREA CONDITIONS	
EXISTING IN THE REDEVELOPMENT PROJECT AREA	14
SUMMARY OF ELIGIBILITY FACTORS	14
V. NORTH BRANCH (SOUTH) REDEVELOPMENT PLAN AND PROJECT	19
A. GENERAL LAND USE PLAN	19
B. REDEVELOPMENT PLAN AND PROJECT	20
C. ESTIMATED REDEVELOPMENT PROJECT ACTIVITIES AND COSTS	25
D. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS	31
F. MOST RECENT EQUALIZED ASSESSED VALUATION OF PROPERTIES IN THE REDEVELOPMENT PROJECT AREA	33
G. ANTICIPATED EQUALIZED ASSESSED VALUATION	33
H. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE	33
I. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT	34
J. DEMAND ON TAXING DISTRICT SERVICES	35
K. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS	36
L. PROVISION FOR AMENDING ACTION PLAN	36
M. FAIR EMPLOYMENT PRACTICES, AFFIRMATIVE ACTION PLAN AND PREVAILING WAGE AGREEMENTS	36
N. PHASING AND SCHEDULING OF REDEVELOPMENT	37
APPENDIX	38
TABLE 1 - ESTIMATED REDEVELOPMENT PROJECT COSTS	39
TABLE 2 - 1996 EQUALIZED ASSESSED VALUATION	40
EXHIBIT 1 - LEGAL DESCRIPTION	51
EXHIBIT 2 - BUILDING PERMIT REQUESTS	53
EXHIBIT 3 - MAP LEGEND	55
EXHIBIT 4 - ELIGIBILITY STUDY	56

I. INTRODUCTION

The North Branch (South) Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area") is located on the north side of the city of Chicago, approximately two miles from the central business district. The Redevelopment Project Area is comprised of approximately 287.40 acres and includes 52 (full and partial) blocks. The north branch of the Chicago River naturally separates the Redevelopment Project Area into areas which include the property located between the Chicago River on the east, the Chicago and Northwestern railroad right-of-way and the Kennedy Expressway on the west, Cortland Avenue on the north, and Chicago Avenue on the south; and the property located between Clybourn Avenue and Kingsbury Street on the east, the Chicago River on the west, Lakewood Avenue on the north, and Evergreen Avenue on the south. The boundaries of the Redevelopment Project Area are shown on Map 1, *Boundary Map*.

The Redevelopment Project Area is located within a broader area that has been undergoing a transformation in land uses, and continues to experience tensions between industrial and nonindustrial redevelopment. To address these land use tensions and maintain a diversified economy for the general welfare of its residents, the City of Chicago established industrial planning areas and created special zoning districts to preserve existing industrial uses and to attract new industrial activities. As reflected in Map 1-A, *Planned Manufacturing Districts*, almost all of the Redevelopment Project Area is encompassed within the City's North Branch Industrial Corridor as well as the Clybourn Corridor and Elston Corridor Planned Manufacturing Districts (PMD).

Within the Redevelopment Project Area, the existing primary land use is industrial and the underlying zoning throughout is industrial-oriented. In contrast, the current market forces affecting development within the surrounding areas are residential and commercial retail in nature. These pressures act to drive up land and operating costs within the Redevelopment Project Area beyond that which are feasible for continued industrial development. To allow for adequate buffer areas between industrial and residential development and to minimize or prevent conflicts between these generally incompatible land uses, portions of the Redevelopment Project Area are proposed for mixed-use industrial and commercial. However, residential and most types of commercial retail uses are not allowed to be developed within the majority of the Redevelopment Project Area under existing zoning and current City plans. Consequently, the nonindustrial market forces affecting the broader community cannot eradicate existing blighting conditions because such development is not allowed within the Redevelopment Project Area under current zoning and is not in conformance with existing City plans. Additionally, the consequences of heavy industrial activities make portions of the Redevelopment Project Area prohibitively expensive to redevelop for nonindustrial uses. Without the use of tax increment financing, the trend toward blight within the Redevelopment Project Area will endure as industrial disinvestment occurs in relation to the pressures of nonindustrial development within the surrounding area.

Despite the surrounding nonindustrial development pressures, the Redevelopment Project Area continues to be well suited for industrial land uses given the existing land use patterns, current zoning, and its close proximity to an excellent local and regional transportation network which is attractive to a variety of industrial users. The Redevelopment Project Area is situated directly east of the Kennedy Expressway (Interstate 90/94) which links it to the overall interstate highway network in Chicago including the Dan Ryan Expressway (Interstate 90/94), the Stevenson Expressway (Interstate 55), the Eisenhower Expressway (Interstate 290), and the Edens Expressway (Interstate 94). Additionally, the Redevelopment Project Area is accessible by water.

The major local surface transportation access routes serving the Redevelopment Project Area include Cortland Avenue, North Avenue, and Division Street (east-west); and Clybourn and Elston Avenues (northwest-southeast). The Redevelopment Project Area is also well served by public transportation making the site easily accessible to the local work force. The 41 Elston/Clybourn, 70 Division, 72 North, and 73 Armitage CTA bus lines service the Redevelopment Project Area directly. The three major north/south CTA bus lines (8 Halsted, 9 Ashland and the 50 Damen) adjacent to the Redevelopment Project Area are just a short ride via any of the previously mentioned CTA lines that run through the Redevelopment Project Area. Directly west (approximately 1/4-1 mile) of the Redevelopment Project Area is the CTA Blue Line (O'Hare-Congress-Dougllass) with stops at Chicago, División, Damen and Western. Directly east (approximately 1/4-1 mile) are the Brown Line (Ravenswood), the Red Line (Howard-Dan Ryan) and Purple Line Express (Evanston Express) CTA transit line with stops at Chicago, Clark/Division, North/Clybourn and Armitage. The Redevelopment Project Area is also serviced by the Chicago & North Western/North Line. The Chicago & North Western/North Line's Clybourn Station is located approximately two blocks northwest of the Redevelopment Project Area at Armitage and Ashland Avenues.

Much of the Redevelopment Project Area is characterized by:

- deteriorated and dilapidated buildings and site improvements;
- difficult and inadequate ingress and egress;
- current and past obsolescence;
- inadequate infrastructure; and
- other blighting characteristics.

The Redevelopment Project Area represents an opportunity for the City to implement its current plans to preserve, retain, redevelop and expand industry within an area that has traditionally been industrial in nature but is now experiencing pressure from adjacent nonindustrial development. Few locations such as the Redevelopment Project Area within the City offer a solid industrial history, diverse transportation systems (expressways as well as public transportation), and an accessible industrial workforce, which are the kind of factors that are important in the locational decision-making of manufacturing, industrial, storage and distribution-

related industries. To ensure that the City maintains a balanced and viable economy, it is necessary to preserve and enhance its existing hubs of industrial activity.

Recognizing the Redevelopment Project Area's continuing potential as an industrial center, the City of Chicago is taking action to facilitate its revitalization, following on its previous actions to stabilize industrial land uses and support industrial expansion and attraction. The City recognizes that the trend of physical deterioration, obsolescence, depreciation and other blighting influences will continue to weaken the Redevelopment Project Area unless the City itself becomes a leader and a partner with the private sector in the revitalization process. Consequently, the City wishes to encourage private development activity by using tax increment financing as a prime implementation tool.

The purpose of this North Branch (South) Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project (hereafter the "Plan") is to create a mechanism to allow for the following: development of new industrial and industrial-support facilities on existing vacant or underutilized land; the adaptive reuse of vacant and underutilized structures to new and growing industries; the expansion of existing industrial businesses; the improvement of the physical environment and infrastructure; and better access to the riverfront by employees and the public which does not compromise safety, security, and liability issues of private property owners.

This Plan summarizes the analyses and findings of the consultants' work, which, unless otherwise noted, is the responsibility of Louik/Schneider and Associates, Inc.; and was completed with the assistance of the Cityworks Planning Group, Inc. The City of Chicago is entitled to rely on the findings and conclusions of this Plan in designating the Redevelopment Project Area as a redevelopment project area under the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"). Louik/Schneider and Associates, Inc. has prepared this Plan and the related eligibility study with the understanding that the City would rely 1) on the findings and conclusions of the Plan and the related eligibility study in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Plan, and 2) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information so that the Plan and the related eligibility study will comply with the Act.

A. OVERVIEW OF LAND USE PATTERNS

The Redevelopment Project Area is located within the broader area of the North Branch Industrial Corridor which is one of Chicago's oldest, largest and most diverse industrial corridors on the North Side according to City plans. Historically, much of the Redevelopment Project Area has been occupied by industrial and industrial-related uses which located along the North Branch of the Chicago River for a variety of reasons.

According to the City's *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side*, the North Branch area became a popular location for tanneries, distilleries, and brickyards during the second half of the 19th century. "Large industrial plants began to cluster along the North Branch of the Chicago River in the 1880s . . . Industrial development along the North Branch paralleled influxes of immigrant workers to the area and continued through World War I. By the second World War, . . . heavy industry had become the dominant activity in the area, served by excellent river, rail, and later, expressway access."

In more recent times, industries along the North Branch of the Chicago River have been facing intense land use pressures from nonindustrial development resulting from the revitalization of the surrounding communities such as Lincoln Park and the Near North Side. According to the North Side industrial corridor plan, ". . . parts of the North Branch Corridor have experienced land use pressures from nonindustrial redevelopment . . . because it is near downtown and the revitalized neighborhoods of the near North Side . . . Multi-story loft buildings that were once home to [industrial uses] have been particularly attractive candidates for conversion to commercial and residential uses."

As a result of this continuing process, the Chicago Plan Commission adopted the *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side* to preserve and enhance existing areas of industrial character in Chicago, and to focus and coordinate the City's economic development efforts in its industrial employment centers. The City Council of Chicago followed up on the industrial corridor planning initiative by adopting legislation creating a new zoning classification, referred to as the planned manufacturing district, to preserve existing industrial development and to attract new industrial activities to the City.

While much of the Redevelopment Project Area still reflects the influences of its early development as an industrial center, it is experiencing intense land use pressures which are threatening the continuation of industrial activities, and the existence of the corresponding jobs. Land costs are increasing beyond the threshold of affordability for industrial users. Operating industrial businesses is becoming increasingly more difficult as residential and commercial retail neighbors object to the negative impacts associated with industrial uses.

The continuing decline of the City's industrial base and the loss of its industrial jobs threatens the health of Chicago's economy and the public's welfare. Without the use of tax increment financing, the trend toward blight within the Redevelopment Project Area will endure as industrial disinvestment occurs in relation to the pressures of nonindustrial development within the surrounding area. These pressures act to drive up land and operating costs within the Redevelopment Project Area beyond that which is feasible for continued industrial development. Additionally, the consequences of heavy industrial activities make portions of the Redevelopment Project Area prohibitively expensive to redevelop for nonindustrial uses.

B. EXISTING LAND USE AND ZONING CHARACTERISTICS

The Redevelopment Project Area continues to reflect the industrial land use patterns first evidenced along the North Branch of the Chicago River during the 19th century. At the present time, the existing land uses are predominantly industrial in nature. In addition to industry, the Study Area is home to a smattering of residential and commercial uses. These land use patterns are reflective of the underlying zoning. The majority of property within the Redevelopment Project Area is zoned for light to medium industrial uses (M1-1, M1-2, M2-2, M2-3) and is located within the southern portion of the North Branch Industrial Corridor. Additionally, most of the Redevelopment Project Area is situated within either the Elston Corridor PMD or the Clybourn Corridor PMD. Within the City's PMDs, land uses are restricted primarily to industrial-oriented activities although certain types of commercial uses are permitted. New residential uses are not allowed within a PMD. Following is a listing of the other zoning districts incorporated within the Redevelopment Project Area.

- A commercial planned development (CPD No. 475) is located on the east bank of the Chicago River along the north side of North Avenue.
- Two sections of the Redevelopment Project Area are zoned M3-4 Heavy Manufacturing District.
- C1-2 zoned property is located on the western edge of the Study Area.

C. TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

An analysis of conditions within this area indicates that it is appropriate for designation as a Redevelopment Project Area under the Act. The Redevelopment Project Area is characterized by conditions which warrant its designation as an improved "Blighted Area" within the definitions set forth in the Act.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project," to redevelop blighted and conservation areas by pledging the increase in tax revenues generated by public and private redevelopment. This increase in tax revenues is used to pay for upfront costs that are required to stimulate private investment in new redevelopment and rehabilitation, or to reimburse private developers for eligible costs incurred in connection with any redevelopment. Municipalities may issue obligations to be repaid from the stream of real property tax increment revenues that are generated within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (EAV) or the Certified EAV Base for all real estate located within the district and the current year EAV. The EAV is the assessed value of the property multiplied by the state multiplier. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

This Plan has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the Redevelopment Plan and Project.

This Plan also specifically describes the Redevelopment Project Area. This area meets the eligibility requirements of the Act (see North Branch (South) - Tax Increment Finance Program - Eligibility Study attached as Exhibit 4). The Redevelopment Project Area boundaries are described in the introduction of this Plan and shown in Map 1, Boundary Map.

After approval of the Plan, the City Council may then formally designate the Redevelopment Project Area.

The purpose of this Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that blighted area factors are eliminated; and
3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government.

Regardless of when the Redevelopment Plan and Project is adopted, it will include land uses that have already been approved by the Chicago Plan Commission.

There has been no major investment in the Redevelopment Project Area for at least the last five years. The adoption of the Plan will make possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area, an area which cannot reasonably be anticipated to be developed without the adoption of this Plan. Public investments will create the appropriate environment to attract the level of private investment required for rebuilding the area.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take advantage of the real estate tax increment revenues attributed to the Redevelopment Project Area as provided in accordance with the Act.

II. REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Redevelopment Project Area is located on the north side of the City of Chicago, Illinois located approximately two miles from the City's Central Business District. The Redevelopment Project Area is comprised of 287.40 acres and consists of 52 (full and partial) city blocks. The North Branch of the Chicago River naturally separates the Redevelopment Project Area which includes the property located between the Chicago River on the east, the Chicago and Northwestern railroad right-of-way and the Kennedy Expressway on the west, Cortland Avenue on the north, and Chicago Avenue on the south; and the property located between Clybourn Avenue and Kingsbury Street on the east, the Chicago River on the west, Lakewood Avenue on the north, and Evergreen Avenue on the south. The boundaries of the Redevelopment Project Area are shown on Map 1, Boundary Map, and the existing land uses are identified on Map 2. The Redevelopment Project Area includes only those contiguous parcels of real property that are expected to be substantially benefited by the Redevelopment Plan.

The legal description of the Redevelopment Project Area is attached to this plan as Exhibit 1 - Legal Description.

III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

Comprehensive goals and objectives are included in this Plan to guide the decisions and activities that will be undertaken to facilitate the redevelopment of the Redevelopment Project Area. Many of them can be achieved through the effective use of local, state and federal mechanisms.

These goals and objectives generally reflect existing City policies affecting all or portions of the Redevelopment Project Area as identified in the following plans and regulations:

- *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side* (Adopted by the Chicago Plan Commission on November 10, 1993)
- *Industrial Corridor Capital Investment 1995: A Guide to Industrial Improvement Projects*
- *City of Chicago Capital Improvements Program: 1996 - 2000*
- *1996 Chicago Zoning Ordinance*
(Planned Manufacturing District Regulations)

Certain goals and objectives of these plans and regulations are listed below. Additionally, the goals and objectives take into account the riverfront policies that the City is currently exploring through a variety of studies being internally conducted.

Finally, the goals and objectives take into consideration the desires of the local community as expressed by the Local Economic & Employment Development (LEED) Council in their draft model corridor plan for the North Branch Industrial Corridor. The LEED Council is the Local Industrial Retention Initiative (LIRI) group designated by the City to oversee industrial development and retention for their designated area. Through the LIRI program, the City provides funding, training and information resources to not-for-profit industrial service and development organizations. The LIRI organizations' responsibilities are to focus on industrial retention and development in specific industrial corridors by responding to individual business needs and addressing area-wide issues through planning, implementation and management activities.

EXISTING CITY POLICIES

1993 Corridors of Industrial Opportunity Plan for the North Side

- Create and preserve jobs

- "Encourage economic diversity"
- "Provide opportunities for synergy between related industrial activities"
- "Minimize the conflicts between industrial and other land uses"
- "Maximize the benefits of public investment in capital programming related to industrial investment"
- "Enhance transportation access in the North Branch Corridor"

1995 Industrial Corridor Capital Investment Guide

- Retain and expand the City's economic base by shaping a modern industrial environment out of the existing industrial foundation.
- "Create a competitive physical environment within each industrial corridor"
- Provide well-maintained infrastructure within industrial corridors that "accommodates modern production facilities, distribution centers and transportation hubs"
- Ensure that industrial corridor street patterns provide access
- Separate land uses that are incompatible with industrial activities within industrial corridors
- Promote physical streetscaping amenities within industrial corridors
- "Improve transportation access to and within [industrial] corridors"

City of Chicago Capital Improvement Program 1996 - 2000

- "Enhance the City's economic vitality"
- "Support development efforts and objectives of an adopted plan"
- "Encourage expansion or additional industrial development"
- "Encourage private investment"
- Improve the City's tax base
- Encourage the retention and creation of jobs

1996 Chicago Zoning Ordinance (Planned Manufacturing District (PMD) Regulations)

- "Foster the City's industrial base and . . . maintain the City's diversified economy"
- "Strengthen existing manufacturing areas which are suitable in size, location and character and which the City Council deems may benefit from designation [as a PMD]"
- "Encourage industrial investment, modernization, and expansion by providing a stable and predictable industrial environment"
- Allow limited nonindustrial activities, except residential, within PMDs that are compatible with an industrial environment to serve as a buffer between intense industrial activities and nonindustrial land uses

GENERAL GOALS

In order to redevelop the Redevelopment Project Area in a planned manner, the establishment of goals is necessary. The following goals are meant to guide the development and/or the review of all future projects that will be undertaken in the Redevelopment Project Area.

- Preserve, retain, redevelop and expand industry in the Redevelopment Project Area.
- Improve the quality of life in Chicago by revitalizing the Redevelopment Project Area to enhance its importance by helping to make it a more secure, functional, attractive, marketable, suitable and competitive modern urban industrial park environment.
- Enhance the Redevelopment Project Area's tax base.
- Create and preserve job opportunities in the Redevelopment Project Area.
- Employ residents within and surrounding the Redevelopment Project Area in jobs in the Redevelopment Project Area and in adjacent redevelopment project areas.
- Encourage participation of minorities and women in the redevelopment of the Redevelopment Project Area.

REDEVELOPMENT OBJECTIVES

To achieve the general goals of this Plan, the following redevelopment objectives have been established.

- Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area.
- Encourage private investment, through incentives, in new and rehabilitated industrial development that will enhance the Redevelopment Project Area's tax base and create job opportunities.
- Facilitate the development of vacant land, through the assembly of property and other mechanisms, and the redevelopment of underutilized properties for industrial uses.
- Eliminate unnecessary streets, alleys, and railroad rights-of-way to increase the amount of land available for private investment and redevelopment for industrial activities.
- Provide public and private infrastructure improvements and other relevant and available assistance necessary to the successful operation of a modern urban industrial park.
- Minimize tensions between industrial and other land uses within and adjacent to the Redevelopment Project Area.
- Promote the implementation of security measures throughout the Redevelopment Project Area.
- Use City programs, where appropriate, to create a unified identity for the industrial portions of the Redevelopment Project Area to enhance the industrial marketability of the Redevelopment Project Area.
- Support the elimination of existing environmental contamination through the remediation of affected sites in order to promote new industrial development.
- Develop properties in a manner which will not adversely affect traffic patterns.
- Establish job training and job readiness programs to provide residents within and surrounding the Redevelopment Project Area with the skills necessary to secure jobs in the Redevelopment Project Area and in 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.

DESIGN OBJECTIVES

Although overall goals and redevelopment objectives are important in the process of redeveloping such a large and important industrial area, the inclusion of design guidelines is necessary to ensure that redevelopment activities result in the development of an attractive, functional and modern urban industrial park environment. The following design objectives give a generalized and directive approach to the development of specific redevelopment projects.

- Establish a pattern of land use activities arranged according to modern urban industrial park standards which can include groupings to increase efficiency of operation and economic relationships of industry in a compact area.
- Encourage coordinated development of parcels and structures in order to achieve attractive and efficient building design, unified off-street parking, adequate truck and service facilities, and appropriate access to nearby arterial streets.
- Achieve development which is integrated both functionally and aesthetically with adjacent and nearby existing development.
- Ensure a safe and functional traffic circulation pattern, adequate ingress and egress, and capacity in the Redevelopment Project Area.
- Encourage high standards of building and streetscape design to ensure the high quality appearance of buildings, rights-of-way and open spaces.
- Ensure that necessary security, screening, and buffering devices are attractively designed and are compatible with the overall design of the Redevelopment Project Area.
- Use signage and other devices to create a unified industrial identity for the Redevelopment Project Area to facilitate the marketability of property.
- Design the improvement and development of the riverfront on public and private property that would be aesthetically appropriate, easily accessible and safe/secure for use and enjoyment by employees and the public.

IV. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

The Act states that a "Blighted Area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of five or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare." All factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City.

Based upon surveys, site inspections, research and analysis by Louik/Schneider & Associates, Inc., the Redevelopment Project Area qualifies as an improved Blighted Area as defined by the Act. A separate report, entitled "City of Chicago North Branch (South) Tax Increment Finance Program Eligibility Study" dated October 1997 (the "Eligibility Report"), is attached as Exhibit 4 to this Plan and describes in detail the surveys and analyses undertaken and the basis for the finding that the Redevelopment Project Area qualifies as an improved Blighted Area.

The Redevelopment Project Area is characterized by the presence of 11 eligibility factors as listed in the Act. Summarized below are the findings of the Eligibility Report.

SUMMARY OF ELIGIBILITY FACTORS

The Redevelopment Project Area (also referred to in this Plan as the "Study Area") consists of 52 (full and partial) blocks and 424 parcels. There are 163 buildings in the Study Area of which 96 (58.9%) are used as industrial buildings, 52 (31.9%) are commercial and 15 (9.2%) are residential. The Study Area contains 24 parking lots and 77 vacant lots.

Throughout the Redevelopment Project Area, 11 of the 14 blighted area eligibility criteria are present in varying degrees. Eight (8) factors are present to a major extent and three (3) are present to a minor extent. The 11 factors that have been identified in the Redevelopment Project Area are as follows:

- | | |
|--------------|---|
| Major extent | <ul style="list-style-type: none">• age• dilapidation• obsolescence• deterioration• overcrowding of structures and community facilities |
|--------------|---|

- excessive land coverage
 - deleterious land use or layout
 - depreciation of physical maintenance
- Minor extent
- excessive vacancies
 - structures below minimum code
 - lack of community planning

The conclusions for each of the factors that are present within the Redevelopment Project Area are summarized below.

1. AGE

Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures which are at least 35 years old. In the Redevelopment Project Area, age is **present to a major extent** and was found in 128 of the 163 (78.5%) buildings and in 40 of the 52 blocks.

2. DILAPIDATION

Dilapidation refers to an advanced state of disrepair of buildings and improvements. In the Redevelopment Project Area, dilapidation is **present to a major extent** and was found in 59 of the 163 (36.1%) buildings which are severely damaged and/or neglected, are structurally substandard and may require removal. Dilapidation is present in 22 of the 52 blocks.

3. OBSOLESCENCE

Obsolescence, both functional and economic, includes vacant and dilapidated structures and industrial buildings that are difficult to reuse by today's standards. In the Redevelopment Project Area, obsolescence is **present to a major extent** and was found in 131 of the 163 (80.3%) buildings, 255 of the 424 (60.1%) parcels and 45 of the 52 blocks.

4. DETERIORATION

Deterioration is present in structures with physical deficiencies or site improvements requiring major treatment or repair. In the Redevelopment Project Area, deterioration is **present to a major extent** and was found in 126 of the 163 (77.3%) buildings, in 253 of the 424 (59.6%) parcels and in 40 of the 52 blocks.

5. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS

Structures below minimum code standards are **present to a minor extent**. Structures below minimum code standards have been identified in 56 of the 163 (34.3%) buildings in the Redevelopment Project Area.

6. EXCESSIVE VACANCIES

Excessive vacancy refers to buildings or sites, a large portion of which are unoccupied or underutilized and which exert an adverse influence on the area because of the frequency,

duration or extent of vacancy. In the Redevelopment Project Area, excessive vacancies are **present to a minor extent** and were found in 22 of the 163 (13.4%) buildings, and 25 of the 52 blocks.

7. OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES

Overcrowding of structures and community facilities refers to utilization of public or private buildings, facilities, or properties beyond their reasonable or legally permitted capacity. Overcrowding of structures and community facilities is found to be **present to a major extent** in the Redevelopment Project Area.

8. EXCESSIVE LAND COVERAGE

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. In the Redevelopment Project Area, excessive land coverage is **present to a major extent** and was found in 79 of the 163 (48.4%) buildings and in 32 of the 52 blocks.

9. DELETERIOUS LAND USE OR LAYOUT

Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable. In the Redevelopment Project Area, deleterious land use and layout is **present to a major extent** and was found in 287 of the 424 (67.6%) parcels and in 43 of the 52 blocks.

10. DEPRECIATION OF PHYSICAL MAINTENANCE

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures. In the Redevelopment Project Area, depreciation of physical maintenance is **present to a major extent** and was found in 135 of 163 (82.8%) buildings, 335 of the 424 (79.0%) parcels, and in 47 of the 52 blocks.

11. LACK OF COMMUNITY PLANNING

Lack of community planning may be a factor if the proposed redevelopment area was developed prior to or without the benefit of a community plan. In the Redevelopment Project Area, lack of community planning is **present to a minor extent** and was found in 53 of the 424 (12.5%) parcels and in seven (7) of the 52 blocks.

CONCLUSION

The conclusion of Louik/Schneider & Associates, Inc. is that the number, degree and distribution of factors as documented in this report warrant the designation of the Redevelopment Project Area as an improved Blighted Area as set forth in the Act. Specifically:

- Of the 14 eligibility factors for a Blighted Area set forth in the Act, 11 are present in the Redevelopment Project Area, eight (8) to a major extent and three (3) to a minor extent; only five (5) are necessary for designation as a Blighted Area.

- The eligibility factors that are present are reasonably distributed throughout the Redevelopment Project Area.
- All areas within Redevelopment Project Area show the presence of Blighted Area eligibility factors.

The eligibility findings indicate that the Redevelopment Project Area contains factors which qualify it as a Blighted Area in need of revitalization and that designation as a redevelopment project area will contribute to the long-term well being of the City. The distribution of Blighted Area eligibility factors throughout the Study Area must be reasonable so that a basically good area is not arbitrarily found to be a Blighted Area simply because of proximity to an area with Blighted Area eligibility factors.

Additional research indicates that the Redevelopment Project Area on the whole has not been subject to growth and development as a result of investments by private enterprise, and will not be developed without action by the City. Specifically:

- Exhibit 2 - Building Permit Requests contains a summary of the building permit requests for new construction and major renovation from the City of Chicago. Building permit requests for new construction and renovation for the Study Area from 1992-1996 totaled \$2,303,335. On an annual basis for 1992-1996, this represents an average of 2.3% of assessed value in the Study Area or approximately \$466,940. The total for 1997 are 4 building permits totaling \$216,849. Of the 31 permits issued, seven (7) permits totaling \$1,539,535 (61%) represent two buildings within the Study Area. Additionally, there were two (2) demolition permits issued during the same time period.
- The Redevelopment Project Area is comprised primarily of commercial and industrial uses with some residential and vacant land. The equalized assessed value (EAV) for all property in the City of Chicago increased from \$27,964,127,826 in 1992 to \$30,773,301,521 in 1996, a total of 10.05% or 2.51% per year. Over the last four years, from 1992 to 1996, the Study Area has experienced an overall decrease of 15.33%, from \$51,591,888 in 1992 to \$43,683,329 in 1996, an average decrease of 3.83% per year.

The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc.

The surveys, research and analysis conducted include:

1. Exterior surveys of the conditions and use of the Redevelopment Project Area;

2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Comparison of current land uses to current zoning ordinance and the current zoning maps;
4. Historical analysis of site uses and users;
5. Analysis of original and current platting and building size layout;
6. Review of previously prepared plans, studies and data;
7. Analysis of building permits from 1992-1997 and building code violations from 1992 - 1997 requested from the Department of Buildings for all parcels in the Study Area; and
8. Evaluation of the equalized assessed values in the Redevelopment Project Area from 1992 to 1996.

Based upon the findings of the Eligibility Study for the North Branch (South) Redevelopment Project Area, the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this Redevelopment Plan.

V. NORTH BRANCH (SOUTH) REDEVELOPMENT PLAN AND PROJECT

A. GENERAL LAND USE PLAN

The Land-Use Plan, Map 4, identifies the proposed land uses that will be in effect upon adoption of this Plan. The major land use categories for the Redevelopment Project Area include industrial (91%), commercial (3%), mixed-use industrial/commercial (3%), and institutional (3%). The primary land use is industrial with the remaining land uses proposed in limited areas. The location of all major thoroughfares and major street rights-of-way are subject to change and modification as specific redevelopment projects are undertaken.

Almost all of the Redevelopment Project Area is located within the boundaries of the North Branch Industrial Corridor as delineated in the City's *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side*. Part of the City's intent with regard to the formulation of the North Branch Industrial Corridor as well as the other industrial corridor plans was to create a comprehensive, citywide industrial land use policy in order to focus and coordinate its economic development efforts in Chicago's existing industrial employment centers.

To strengthen these policies, the City's legislative body also adopted the planned manufacturing district (PMD) ordinance which allows it to tailor land uses within PMDs, through zoning, in order to preserve and enhance an area's industrial character. To date, the City has approved three PMDs, which are located within the North Branch Industrial Corridor. The majority of the Redevelopment Project Area is included within either the Clybourn Corridor PMD or the Elston Corridor PMD.

This Plan, and the proposed projects described herein, will be approved by the Chicago Plan Commission prior to its adoption by the City Council, and is consistent with the City's *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side* as well as the planned manufacturing district regulations for the Clybourn Corridor and Elston Corridor PMDs. Following is a discussion of the rationale supporting the determination of the major land uses.

INDUSTRIAL

The primary land use proposed within the Redevelopment Project Area is industrial in support of the City's industrial-oriented policies and regulations for the general area. The specific types of industrial land uses proposed for the industrial portions of the Redevelopment Project Area reflect the uses allowed under the zoning regulations for both PMDs as presented in the *1996 Chicago Zoning Ordinance*.

COMMERCIAL

To allow for adequate buffer areas between industrial and residential development and to minimize or prevent conflicts between these generally incompatible land uses, portions of the Redevelopment Project Area are proposed for commercial. The specific types of commercial land uses proposed for the commercial portions of the Redevelopment Project Area reflect the

uses allowed under the zoning regulations for both PMDs and under CPD No. 475 zoning in the Redevelopment Project Area as presented in the *1996 Chicago Zoning Ordinance*.

MIXED-USE (INDUSTRIAL AND COMMERCIAL)

To allow for adequate buffer areas between industrial and residential development and to minimize or prevent conflicts between these generally incompatible land uses, portions of the Redevelopment Project Area are proposed for mixed-use industrial and commercial. The specific types of industrial and commercial land uses proposed for the mixed-use portions of the Redevelopment Project Area reflect the uses allowed under the zoning regulations for the PMDs and under C1-2 zoning for parcels already zoned as such as presented in the *1996 Chicago Zoning Ordinance*.

INSTITUTIONAL

Institutional land uses include property utilized by public agencies, departments or governments for their own use. Existing institutional land uses within the Redevelopment Project Area include a City of Chicago fleet maintenance facility, truck storage and a fleet fueling facility. It is anticipated that as a result of the age and location of these facilities, they will continue to operate into the foreseeable future. The specific types of land uses proposed for the institutional portions of the Redevelopment Project Area reflect the uses allowed under the zoning regulations for the PMDs in the Redevelopment Project Area as presented in the *1996 Chicago Zoning Ordinance*.

B. REDEVELOPMENT PLAN AND PROJECT

The primary intent of this Redevelopment Plan and Project is to build upon the work that the City has already undertaken within the broader North Branch Industrial Corridor to preserve and enhance existing industrial areas from encroachment by nonindustrial uses. The Redevelopment Plan and Project will allow the City to proactively implement its policies to protect, attract and support industrial investment within the Redevelopment Project Area. Additionally, the Redevelopment Plan and Project will help to eliminate those existing blighting conditions within the Redevelopment Project Area.

It is the City's intention to promote new industrial development as well as the protection and enhancement of existing industries. However, some commercial development is proposed as part of this Plan, in limited locations, to serve as a buffer or transition between the industrial areas within the Redevelopment Project Area and those areas outside of the Redevelopment Project Area that are already dominated by commercial or residential uses.

This Redevelopment Plan and Project incorporates the use of tax increment revenues to stimulate or stabilize the Redevelopment Project Area through the planning and programming of improvements. The underlying Plan strategy is to develop a public improvement program using tax increment financing, as well as other funding sources available to the City, that

reinforces and encourages further private investment. This public improvement program can basically be categorized as follows:

- improving the functionality of the Redevelopment Project Area's physical environment through infrastructure improvements,
- enhancing the marketability of the Redevelopment Project Area as an industrial center by creating an industrial identity, beautifying the physical environment, and improving the attractiveness of the Redevelopment Project Area, and
- strengthening the Redevelopment Project Area's competitiveness as an industrial location by assisting new and existing industrial businesses in locating, expanding, or modernizing their facilities within the Redevelopment Project Area.

Specific public and private redevelopment strategies to achieve the purpose, goals and objectives of this Redevelopment Plan and Project are described in the following sections.

IMPROVING FUNCTIONALITY

While the Redevelopment Project Area is ideally situated from a transportation standpoint given its proximity to the Kennedy Expressway, its location on the Chicago River, its accessibility to rail lines, and its nearness to downtown, there are numerous impediments which impact traffic flow. These impediments include low viaducts, inadequate connections across the Chicago River, insufficient lanes to accommodate traffic, inadequate roadway surfaces for industrial traffic, insufficient turning radii for truck traffic at certain intersections, lack of separation between industrial traffic versus commercial and residential traffic, and traffic signalization problems. In addition to the traffic problems, the Redevelopment Project Area also suffers from inadequate land use buffers to efficiently and effectively separate industrial, commercial and residential uses. To address these problems, the following redevelopment strategies are recommended.

Public Strategies

- Work with Metra through the appropriate City agencies to prioritize, coordinate, and/or facilitate railroad viaduct reconstruction or replacement, including any related roadway or intersection improvements, for problematic locations within the Redevelopment Project Area to eliminate or ameliorate traffic congestion.
- Facilitate the reconstruction of the North Avenue bridge across the Chicago River to transform the structure from a two-lane to a four-lane connection.

- Improve turning radii at problem intersections, or reconfigure such intersections, along major arterials to better accommodate industrial-oriented traffic to, from, and within the Redevelopment Project Area.
- Install turning lanes and/or turn signals, where applicable and feasible, at busy intersections along heavily traveled streets within the Redevelopment Project Area to ease traffic congestion.
- Install traffic lights along Elston Avenue in appropriate locations to facilitate the merging of traffic onto the street.
- Reconstruct and/or resurface applicable streets and curbs within the Redevelopment Project Area to accommodate industrial-oriented traffic.
- Relocate light poles and fire hydrants in appropriate locations to facilitate the maneuvering of truck traffic within the Redevelopment Project Area.
- Vacate or cul-de-sac streets dominated by industrial-oriented traffic within the Redevelopment Project Area where it makes planning sense to assemble larger tracts of land for industrial-oriented uses or to separate industrial traffic from commercial or residential traffic.
- Upgrade non-roadway infrastructure where applicable.
- Work with the various transit agencies, through the appropriate City departments, to facilitate access to public transit and the installation of transit-related amenities such as bus shelters.
- Improve the visibility of pedestrian crossings at problem locations to ensure the pedestrian safety.
- Facilitate the provision of public parking by reconfiguring existing, applicable public streets to accommodate angle parking.

Private Strategies

- Encourage alternative forms of transportation to ease traffic congestion within the Redevelopment Project Area.
- Provide sufficient off-street parking for visitors and employees.

ENHANCING MARKETABILITY AS AN INDUSTRIAL CENTER

Given that the Redevelopment Project Area is located in a part of the City that has been experiencing substantial residential and commercial redevelopment, it is important to distinguish the industrial portions of the Redevelopment Project Area as a unified industrial center. Additionally, to compete with modern, attractive suburban industrial parks, the Redevelopment Project Area's physical character must be enhanced within the industrial portions. To achieve this, the following redevelopment strategies are recommended.

Public Strategies

- Establish a unified and attractive system of identifiable gateways at key locations within the industrial portions of the Redevelopment Project Area that clearly reflect the area's industrial nature.
- Use a variety of methods such as banners, streetscaping, and lighting to carry forward the unifying industrial theme throughout the Redevelopment Project Area.
- Improve the attractiveness of the public areas within the Redevelopment Project Area through landscaping and other means.
- Create scenic overlooks and/or public access points to the Chicago River at street ends or at bridge crossings, where such treatment does not interfere with any viable industrial activities in the adjacent areas.
- Maintain, on a regular basis, aesthetic improvements made to public areas.
- Facilitate the improvement of the river edge on private property for passive recreational use by the public, in accordance with the City's various riverfront design policies, as redevelopment occurs where such improvement is feasible and practical and where it does not negatively impact private industrial investment in the overall piece of property.

Private Strategies

- Use existing organizations and resources to market the industrial property within the Redevelopment Project Area as a unified modern urban industrial park.
- Promote the Redevelopment Project Area's amenities that are well-suited to industrial development and redevelopment.
- Create a physical environment on private property that is conducive to encouraging industrial development and redevelopment within the Redevelopment Project Area.

- Create scenic overlooks or indoor/outdoor break areas for use by employees employed in workplaces with direct access to the riverfront.
- Consider utilizing existing public programs such as special service financing to provide a higher level of public services or special services not provided by the public sector.

STRENGTHENING THE PROJECT AREA'S COMPETITIVENESS AS AN INDUSTRIAL CENTER

Given the constraints affecting industrial development within the Redevelopment Project Area such as competition from modern suburban industrial parks and the constant pressures of nonindustrial redevelopment occurring in the surrounding area, the attractiveness of the industrial portion of the Redevelopment Project Area as an industrial location must be strengthened in order for it to be competitive as an industrial center. Towards achieving this end, the following strategies are recommended.

Public Strategies

- Facilitate the assembly of vacant land and underutilized properties to create redevelopment sites for industrial users.
- Encourage the adaptive reuse of existing vacant or underutilized industrial buildings to create incubator space or other uses compatible with the existing industrial development.
- Facilitate the rehabilitation and/or reuse of vacant or outmoded industrial buildings for new industrial uses through the use of established public programs and other relevant assistance.
- Discourage new nonindustrial uses within the industrial portions of the Redevelopment Project Area through the use of governmental mechanisms.
- Ensure that large-scale vacant and underutilized properties throughout the industrial portion of the Redevelopment Project Area are reserved for industrial activities through the use of appropriate governmental land use controls.
- Ensure that private development is well designed and occurs in a planned and cohesive manner through the use of governmental tools.
- Facilitate the remediation of the environment if contaminants are present.
- Facilitate the repair or reconstruction of seawalls where such repair or reconstruction increases the developable area of a parcel for industrial uses, or allows for better access by employees or the public to the riverfront.

- Demolish existing buildings that are unsuitable or infeasible for redevelopment.
- Facilitate the creation of job training opportunities to assist the City's work force in obtaining the skills needed to fill available jobs generated by companies located within the Redevelopment Project Area.

Private Strategies

- Buffer unsightly areas located on private property through the use of aesthetic screening.
- Buffer adjacent nonindustrial areas from any negative impacts resulting from industrial activities.
- Support public agencies in the creation of job training programs to enhance the skills of the city's work force that are necessary to obtain jobs generated by companies within the Redevelopment Project Area.
- Provide on-the-job training, job training, job readiness training and/or other skill enhancing programs for employees.
- Provide adequate security measures to facilitate the protection of employees and visitors on private property.
- Maintain and enhance private property in an attractive manner.

C. ESTIMATED REDEVELOPMENT PROJECT ACTIVITIES AND COSTS

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking certain activities and incurring certain costs. Such activities may include some or all of the following:

1. **ANALYSIS, ADMINISTRATION, STUDIES, LEGAL, ET AL.** Funds may be used by the City or provided for activities including the long-term management of the Redevelopment Plan and Project as well as the costs of establishing the program and designing its components. Funds may be used by the City or provided for costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan, including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, environmental or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.

2. **ASSEMBLAGE OF SITES.** To achieve the renewal of the Redevelopment Project Area, the City of Chicago is authorized to acquire property, clear the property of any and all improvements, if any, engage in other site preparation activities and either (a) sell, lease or convey such property for private redevelopment or (b) sell, lease or dedicate such property for construction of public improvements or facilities. Land assemblage by the City may be by purchase, exchange, donation, lease or eminent domain. The City may pay for a private developer's cost of acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land. Acquisition of land for public rights-of-way may also be necessary for the portions of said rights-of-way that the City does not own.

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 Plan, the City will follow its customary and otherwise required 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.

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary use until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the City may deem appropriate.

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 Plan, the City will follow its customary and otherwise required 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.

3. **REHABILITATION COSTS.** The costs for rehabilitation, reconstruction, or repair or remodeling of existing public or private buildings or fixtures including, but not limited to, provision of facade improvements for the purpose of improving the facades of privately held properties may be funded.
4. **PROVISION OF PUBLIC IMPROVEMENTS AND FACILITIES.** Adequate public improvements and facilities may be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
- a. Provision for streets, public rights-of-ways and public transit facilities
 - b. Provision of utilities necessary to serve the redevelopment
 - c. Public landscaping
 - d. Public landscape/buffer improvements, street lighting and general beautification improvements in connection with public improvements
 - e. Public open space

5. **JOB TRAINING AND RELATED EDUCATIONAL PROGRAMS.** Funds may be used by the City or made available for programs to be created for Chicago residents so that they may take advantage of the employment opportunities in the Redevelopment Project Area.
6. **FINANCING COSTS.** 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 under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto, may be funded.
7. **CAPITAL COSTS.** All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the municipality by written agreement accepts and approves such costs, may be funded.
8. **PROVISION FOR RELOCATION COSTS.** Funds may be used by the City or made available for the relocation expenses of public facilities and for private property owners and tenants of properties relocated or acquired by the City (or a developer) for redevelopment purposes.
9. **PAYMENT IN LIEU OF TAXES.**
10. **COSTS OF JOB TRAINING.** Funds may be provided for costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs a) 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 companies located in a redevelopment project area; and b) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act (as defined in the Act) and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code (as defined in the Act).
11. **INTEREST COSTS.** Funds may be provided to developers or redevelopers for a portion of interest costs incurred in the construction of a redevelopment project. Interest costs

incurred by a developer or redeveloper related to the construction, renovation or rehabilitation of a redevelopment project may be funded provided that:

- a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
- b) such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the developer or the redeveloper with regard to the redevelopment project during that year;
- c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
- d) the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total of 1) costs paid or incurred by the developer or redeveloper for the redevelopment project plus 2) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act.

12. NEW CONSTRUCTION COSTS. Funds **may not** be used by the City for the construction of new privately-owned buildings.

13. REDEVELOPMENT AGREEMENTS. The City may enter into redevelopment agreements with private developers or redevelopers, which may include but not be limited to, terms of sale, lease or conveyance of land, requirements for site improvements, public improvements, job training and interest subsidies. In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

To undertake these activities, redevelopment project costs will be incurred. "Redevelopment project costs" (hereafter referred to as the "Redevelopment Project Costs") mean the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Plan pursuant to the Act.

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

Table 1 - (Estimated Redevelopment Project Costs) represents those eligible project costs in the Act. These upper limit expenditures are potential costs to be expended over the maximum 23-year life of the Redevelopment Project Area. These funds are subject to the number of projects, the amount of TIF revenues generated and the City's willingness to fund proposed projects on a project by project basis.

TABLE 1 - ESTIMATED REDEVELOPMENT PROJECT COSTS

<u>Program Action/Improvements</u>	<u>Costs</u>
Planning, Legal, Professional, Administration	\$ 2,000,000
Assemblage of Site	\$20,000,000
Rehabilitation Costs	\$ 8,000,000
Public Improvements	\$31,500,000
Job Training	\$ 8,500,000
Relocation Costs	\$ 2,000,000
Interest Costs	\$ 3,000,000
Site Preparation/Environmental Remediation/Demolition	\$30,000,000
 TOTAL REDEVELOPMENT PROJECT COSTS*	 \$105,000,000 (1)(2)

*Exclusive of capitalized interest, issuance costs and other financing costs .

(1) All costs are 1997 dollars. In addition to the above stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

(2) The total estimated Redevelopment Project Costs amount does not include private redevelopment costs. Total Redevelopment Project Costs are inclusive of redevelopment project costs incurred in contiguous redevelopment project areas or those separated only by a public right of way that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area, but do not include redevelopment project costs incurred in the Redevelopment Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated only by a public right of way.

D. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Redevelopment Project Costs are to be derived principally from tax increment revenues, proceeds of municipal obligations which are secured principally by tax increment revenues, and/or possible tax increment revenues from adjacent redevelopment projects areas created under the Act. There may be other sources of funds that the City may elect to use to pay for Redevelopment Project Costs or other obligations issued to pay for such costs; these sources include, but are not limited to, state and federal grants, developer contributions and land disposition proceeds generated from the Redevelopment Project Area. The City may incur Redevelopment Project Costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

The tax increment revenue that may be used to secure municipal obligations or pay for eligible Redevelopment Project Costs shall be the incremental real property tax revenue. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such property in the Redevelopment Project Area. Without the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be anticipated to be developed.

The North Branch (South) Redevelopment Project Area is contiguous or separated only by a public right of way from, the North Branch (North) Redevelopment Project Area, the Goose Island Redevelopment Project Area, and the Near North Tax Increment Redevelopment Project Area, and may be or become contiguous to other redevelopment project areas created under the Act. If the City finds that the goals, objectives and financial success of contiguous redevelopment project areas or those separated only by a public right of way, are interdependent, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Act that net revenues from each or any such redevelopment project area be made available to support the other. The City therefore proposes to utilize net incremental revenues received from the Redevelopment Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, and vice versa. The amount of revenue from the North Branch (South) Redevelopment 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 North Branch (South) Redevelopment Project Area, shall not at any time exceed the total Redevelopment Project Costs described in Table 1 of this Redevelopment Plan.

The Redevelopment 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 Redevelopment Project Area, the City may determine that

it is in the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the Redevelopment 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 Redevelopment 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 Redevelopment Project Area and such areas. The amount of revenue from the Redevelopment Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Redevelopment 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 Plan.

E. ISSUANCE OF OBLIGATIONS

To finance Redevelopment Project costs, the City may issue general obligation bonds or obligations secured by the anticipated tax increment revenue generated within the Redevelopment Project Area, or the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers to secure such obligations. In addition, a municipality may pledge toward payment of such obligations any part or any combination of the following: 1) net revenues of all or part of any redevelopment project; 2) taxes levied and collected on any or all property in the municipality; 3) the full faith and credit of the municipality; 4) a mortgage on part or all of the Redevelopment Project Area; or 5) any other taxes or anticipated receipts that the municipality may lawfully pledge.

All obligations issued by the City pursuant to this Plan and the Act shall be retired within 23 years (by the year 2020) from the adoption of the ordinance approving the Redevelopment Project Area. 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. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds (including ad valorem taxes) as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Tax increment revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and Redevelopment Project Costs, and, to the extent that real property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

F. MOST RECENT EQUALIZED ASSESSED VALUATION OF PROPERTIES IN THE REDEVELOPMENT PROJECT AREA

The total 1996 equalized assessed valuation for the entire Redevelopment Project Area is \$43,683,329. After verification by the County Clerk of Cook County, this amount will serve as the "Initial Equalized Assessed Valuation" from which all incremental property taxes in the Redevelopment Project Area will be calculated by the County. The 1996 EAV of the Redevelopment Project Area is summarized by permanent index number (PIN) in Table 2 - 1996 Equalized Assessed Valuation of this Redevelopment Plan.

G. ANTICIPATED EQUALIZED ASSESSED VALUATION

By the year 2010 when it is estimated that the projected development, based on currently known information, will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$85,000,000 and \$105,000,000. These estimates are based on several key assumptions, including: 1) all currently projected industrial development will be completed in 2010; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Plan and Project; 3) the most recent State Multiplier of 2.1517 as applied to 1996 assessed values will remain unchanged; 4) for the duration of the project, the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1996 level; and 5) growth from reassessments of existing properties will be at a rate of 2.5% per year with a reassessment every three years. Although development in the Redevelopment Project Area is likely to occur after 2010, it is not possible to estimate with accuracy the effect of such future development on the EAV for the Redevelopment Project Area. In addition, as described in Section N of the Plan, "Phasing and Scheduling of Redevelopment", public improvements may be necessary in furtherance of the Plan throughout the 23 year period that the Plan is in effect.

H. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in the Blighted Area Conditions Section of this Redevelopment Plan, the Redevelopment Project Area as a whole is adversely impacted by the presence of numerous factors, and these factors are reasonably distributed throughout the Redevelopment Project Area. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. The lack of private investment is evidenced by continued existence of the factors referenced above and the lack of new development projects initiated or completed within the Redevelopment Project Area.

The lack of growth and investment by the private sector is supported by the trend in the equalized assessed valuation (EAV) of all the property in the Redevelopment Project Area. The

EAV for all property in the City of Chicago increased from \$27,964,127,826 in 1992 to \$30,773,301,521 in 1996, a total of 10.05% or 2.51% per year. Over the last four years, from 1992 to 1996, the Redevelopment Project Area has experienced an overall decrease of 15.33%, from \$51,591,888 in 1992 to \$43,683,329 in 1996, an average decrease of 3.83% per year.

A summary of the building permit requests for new construction and major renovation from the City of Chicago is found in Exhibit 2 - Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from 1992 - 1996 totaled \$2,303,335. On an annual basis (approximately \$466,940), this represents only 2.3% of assessed value in the Redevelopment Project Area. The total for 1997 are 4 building permits totaling approximately \$466,940. Of the 31 permits issued, seven (7) permits totaling \$1,539,535 (61%) represent two buildings within the Study Area. Additionally, there were two (2) demolition permits issued during the same time period.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the Blighted Area conditions that currently exist. The Redevelopment Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Plan.

I. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT

Without the adoption of this Redevelopment Plan and tax increment financing, the Redevelopment Project Area is not reasonably expected to be redeveloped by private enterprise. There is a real prospect that the Blighted Area conditions will continue and are likely to spread, and the surrounding area will become less attractive for the maintenance and improvement of existing buildings and sites. The possible erosion of the assessed value of property, which would result from the lack of a concerted effort by the City to stimulate revitalization and redevelopment, could lead to a reduction of real estate tax revenue to all taxing districts. If successful, the implementation of the Redevelopment Plan may enhance the values of properties within and adjacent to the Redevelopment Project Area.

Sections A, B, & C of this Plan describe the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged with various developments taking place over a period of years. If the Redevelopment Project is successful, various new private projects will be undertaken that will assist in alleviating the blighting conditions which caused the Redevelopment Project Area to qualify as a Blighted Area under the Act, creating new jobs and promoting development in the Redevelopment Project Area.

The Redevelopment Plan and Project is expected to have minor financial impacts on the taxing districts affected by the Redevelopment Plan. During the period when tax increment financing is utilized in furtherance of this Plan, real estate tax increment revenues (from the increases in EAV over and above the certified initial EAV established at the time of adoption of this

Redevelopment Plan) will be used to pay eligible redevelopment project costs for the Redevelopment Project Area. Incremental revenues will not be available to these taxing districts during this period. When the Redevelopment Project Area is no longer in place, the real estate tax revenues will be distributed to all taxing districts levying taxes against property located in the Redevelopment Project Area.

J. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes on properties located within the Redevelopment Project Area: City of Chicago; Chicago Board of Education District 299; Chicago School Finance Authority; Chicago Park District; Chicago Community College District 508; Metropolitan Water Reclamation District of Greater Chicago; County of Cook; and Cook County Forest Preserve District.

The proposed Redevelopment Plan and Project involves the assemblage of vacant and underutilized land, and new construction and rehabilitation of industrial and commercial buildings. Therefore, as discussed below, the financial burden of the Redevelopment Plan and Project on taxing districts is expected to be negligible.

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

Impact of the Redevelopment Project

The replacement of vacant and underutilized properties with industrial development may cause increased demand for services and/or capital improvements to be provided by the Metropolitan Water Reclamation District and the City. The estimated nature of these increased demands for services on these taxing districts are described below.

Metropolitan Water Reclamation District of Greater Chicago. The replacement of vacant and underutilized properties with industrial development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

City of Chicago. The replacement of vacant and underutilized properties with industrial and business development may increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, etc.

K. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS

As described in detail in prior sections of this report, the complete scale and amount of development in the Redevelopment Project Area cannot be predicted with complete certainty at this time and the demand for services provided by those taxing districts cannot be quantified at this time. As a result, the City has not developed, at present, a specific plan to address the impact of the Redevelopment Plan and Project on taxing districts.

As indicated in Section C and Table 1, Estimated Redevelopment Project Costs of the Redevelopment Plan and Project, the City may provide public improvements and facilities to service the Redevelopment Project Area. Potential public improvements and facilities provided by the City may mitigate some of the additional service and capital demands placed on taxing districts as a result of the implementation of this Redevelopment Plan and Project. However, the provision of these public improvements and facilities is contingent upon (1) the Redevelopment Project occurring as anticipated in this Redevelopment Plan, (2) the Redevelopment Project resulting in demand for services sufficient to warrant the allocation of Redevelopment Project Costs; and (3) the generation of sufficient incremental property taxes to pay for the Redevelopment Project Costs listed in Table 1. In the event that the Redevelopment Project fails to materialize, or involves a different scale of development than that currently anticipated, the City may revise this proposed program to address increased demand, to the extent permitted by the Act, without amending this Redevelopment Plan.

As it is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District, no assistance is proposed for the Metropolitan Water Reclamation District.

L. PROVISION FOR AMENDING ACTION PLAN

The North Branch (South) Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

M. FAIR EMPLOYMENT PRACTICES, AFFIRMATIVE ACTION PLAN AND PREVAILING WAGE AGREEMENTS

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Project Area.

1. The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Plan and Project, including but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working

conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.

2. Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprise and Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in Redevelopment Agreements.
3. This commitment to affirmative action and non discrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
4. Redevelopers will meet City of Chicago standards for the prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

N. PHASING AND SCHEDULING OF REDEVELOPMENT

A phased implementation strategy will be used to achieve a timely and orderly redevelopment of the Redevelopment Project Area. It is expected that over the 23 years that this Plan is in effect for the Redevelopment Project Area, numerous public/private improvements and developments can be expected to take place. The specific time frame and financial investment will be staged in a timely manner. Development within the Redevelopment Project Area intended to be used for industrial and commercial purposes will be staged consistently with the funding and construction of infrastructure improvements, and private sector interest in new industrial facilities. City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with expenditures in redevelopment by private developers. The estimated completion date of the Redevelopment Plan and Project shall be no later than 23 years from the adoption of the ordinance by the City Council approving the Redevelopment Project Area.

1998 Annual Report

**North Branch (South)
Redevelopment Project Area**



**Pursuant to Mayor's
Executive Order 97-2**

JUNE 30, 1999

APPENDIX

TABLE 1 - ESTIMATED REDEVELOPMENT PROJECT COSTS

<u>Program Action/Improvements</u>	<u>Costs</u>
Planning, Legal, Professional, Administration	\$ 2,000,000
Assemblage of Site	\$20,000,000
Rehabilitation Costs	\$ 8,000,000
Public Improvements	\$31,500,000
Job Training	\$ 8,500,000
Relocation Costs	\$ 2,000,000
Interest Costs	\$ 3,000,000
Site Preparation/Environmental Remediation/Demolition	\$30,000,000
TOTAL REDEVELOPMENT PROJECT COSTS*	\$105,00,000 (1)(2)

*Exclusive of capitalized interest, issuance costs and other financing costs

(1) All costs are 1997 dollars. In addition to the above stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

(2) The total estimated Redevelopment Project Costs amount does not include private redevelopment costs. Total Redevelopment Project Costs are inclusive of redevelopment project costs incurred in contiguous redevelopment project areas or those separated only by a public right of way that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area, but do not include redevelopment project costs incurred in the Redevelopment Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or these separated only by a public right of way.

TABLE 2 - 1996 EQUALIZED ASSESSED VALUATION

PERMANENT INDEX NUMBER	EAV
14 32 132 001	\$41,508
14 32 132 003	\$0
14 32 132 004	\$0
14 32 132 007	\$0
14 32 132 008	\$0
14 32 132 009	\$0
14 32 132 011	\$0
14 32 132 012	\$0
14 32 137 001	\$717,237
14 32 137 002	\$80,351
14 32 300 004	\$896,439
14 32 300 005	\$152,790
14 32 300 006	\$60,912
14 32 301 001	\$37,298
14 32 301 002	\$19,434
14 32 301 003	\$19,488
14 32 301 004	\$19,135
14 32 301 005	\$19,185
14 32 301 006	\$26,847
14 32 301 007	\$15,129
14 32 301 008	\$43,357
14 32 301 009	\$43,357
14 32 301 010	\$42,216
14 32 301 011	\$9,545
14 32 301 012	\$4,828
14 32 301 013	\$17,760
14 32 301 014	\$17,760
14 32 301 015	\$23,940
14 32 301 019	\$151,432
14 32 301 020	\$0
14 32 302 001	\$133,414
14 32 302 005	\$1,079,108
14 32 302 006	\$554,698
14 32 302 008	\$431,997

14 32 302 009	\$349,836
14 32 302 010	\$26,333
14 32 302 011	\$96,708
14 32 303 006	\$414,086
14 32 303 007	\$103,034
14 32 303 010	\$11,034
14 32 304 002	\$169,177
14 32 304 004	\$156,728
14 32 304 005	\$30,513
14 32 305 001	\$161,369
14 32 305 002	\$16,611
14 32 305 003	\$20,374
14 32 305 004	\$63,662
14 32 305 006	\$285,746
14 32 305 007	\$123,992
14 32 307 027	\$89,543
14 32 307 029	\$0
14 32 307 031	\$0
14 32 308 002	\$151,998
14 32 308 003	\$331,142
14 32 308 004	\$123,361
14 32 308 005	\$60,725
14 32 309 001	\$12,252
14 32 309 010	\$40,183
14 32 309 011	\$25,732
14 32 309 012	\$13,480
14 32 309 013	\$14,098
14 32 309 014	\$13,767
14 32 309 015	\$8,303
14 32 309 016	\$52,439
14 32 309 017	\$157,319
14 32 309 018	\$52,439
14 32 309 019	\$31,107
14 32 309 020	\$8,721
14 32 309 021	\$8,721
14 32 309 022	\$39,951
14 32 309 023	\$83,092
14 32 309 024	\$129,745
14 32 309 025	\$0
14 32 309 026	\$0

14 32 309 027	\$49,031
14 32 309 028	\$212,500
14 32 310 003	\$0
14 32 311 004	\$275,415
14 32 311 008	\$0
14 32 311 010	\$75,867
14 32 311 011	\$276,728
14 32 311 012	\$3,561
14 32 314 024	\$31,387
14 32 314 025	\$25,534
14 32 314 026	\$13,364
14 32 314 027	\$93,666
14 32 314 028	\$94,133
14 32 314 029	\$24,043
14 32 314 032	\$61,685
14 32 314 033	\$28,777
14 32 315 003	\$46,515
14 32 315 004	\$46,561
14 32 315 005	\$46,604
14 32 315 006	\$316,978
14 32 315 007	\$105,745
14 32 315 016	\$400,421
14 32 315 019	\$221,218
14 32 315 020	\$255,620
14 32 315 021	\$163,198
14 32 315 022	\$329,019
14 32 315 023	\$175,135
14 32 315 024	\$46,505
14 32 316 001	\$119,508
14 32 316 002	\$76,024
14 32 316 003	\$15,559
14 32 316 004	\$15,559
14 32 316 008	\$44,392
14 32 316 014	\$10,229
14 32 316 021	\$67,740
14 32 316 022	\$67,740
14 32 316 023	\$69,489
14 32 316 027	\$28,697
14 32 316 028	\$40,456
14 32 316 029	\$131,232

14 32 316 033	\$164,000
14 32 316 034	\$195,232
14 32 316 036	\$40,323
14 32 316 037	\$39,443
14 32 316 038	\$101,745
14 32 316 040	\$5,799
14 32 316 041	\$28,818
14 32 316 042	\$15,920
14 32 316 043	\$22,360
14 32 317 005	\$10,883
14 32 317 006	\$10,059
14 32 317 007	\$0
14 32 317 014	\$0
14 32 318 001	\$86,666
14 32 318 002	\$38,498
14 32 318 003	\$14,853
14 32 318 004	\$6,309
14 32 318 005	\$63,925
14 32 318 006	\$62,492
14 32 318 007	\$31,636
14 32 318 008	\$56,183
14 32 318 009	\$68,758
14 32 318 010	\$18,150
14 32 318 011	\$24,239
14 32 318 012	\$344,392
14 32 318 013	\$13,990
14 32 318 014	\$90,208
14 32 318 015	\$66,565
14 32 318 016	\$66,565
14 32 318 017	\$129,124
14 32 318 018	\$99,594
14 32 318 019	\$6,212
14 32 318 020	\$6,212
14 32 318 021	\$6,212
14 32 318 022	\$6,212
14 32 318 023	\$6,212
14 32 318 024	\$6,212
14 32 318 025	\$9,224
14 32 318 026	\$6,212
14 32 318 029	\$4,110

14 32 318 030	\$9,168
14 32 319 001	\$26,500
14 32 319 006	\$39,180
14 32 319 007	\$6,793
14 32 319 008	\$16,577
14 32 319 011	\$11,578
14 32 319 012	\$12,867
14 32 319 013	\$13,009
14 32 319 014	\$12,009
14 32 319 015	\$84,228
14 32 319 016	\$89,928
14 32 319 017	\$6,212
14 32 319 018	\$79,858
14 32 319 019	\$57,711
14 32 319 020	\$42,851
14 32 319 021	\$17,164
14 32 319 022	\$45,433
14 32 319 023	\$45,433
14 32 319 024	\$90,866
14 32 319 026	\$103,142
14 32 319 027	\$156,233
14 32 319 028	\$20,940
14 32 404 001	\$285,584
14 32 404 002	\$156,375
14 32 404 003	\$312,244
14 32 404 004	\$203,250
14 32 404 005	\$54,066
14 32 404 008	\$26,085
14 32 404 009	\$246,449
14 32 404 012	\$28,562
14 32 404 013	\$27,148
14 32 404 014	\$20,661
14 32 404 015	\$265,451
14 32 404 016	\$3,914
14 32 404 017	\$9,244
14 32 404 020	\$73,289
14 32 404 021	\$1,323,078
14 32 404 022	\$12,295
14 32 404 023	\$66,135
14 32 404 024	\$35,473

14 32 404 025	\$278
14 32 404 026	\$29,838
14 32 404 027	\$2,031
14 32 404 030	\$59,228
14 32 404 031	\$35,193
14 32 405 001	\$81,209
14 32 405 006	\$139,060
14 32 405 010	\$1,603,638
14 32 406 001	\$375,362
14 32 406 002	\$25,659
14 32 406 003	\$9,592
14 32 406 008	\$11,722
14 32 406 012	\$42,087
14 32 406 013	\$49,887
14 32 406 014	\$16,699
14 32 406 016	\$17,478
14 32 406 017	\$4,088
14 32 417 003	\$668,492
14 32 418 001	\$1,257,006
14 32 418 003	\$1,435
14 32 501 007	\$0
14 32 501 009	\$0
14 32 501 010	\$0
14 32 501 011	\$0
17 05 102 004	\$289,262
17 05 103 001	\$34,262
17 05 103 002	\$34,262
17 05 103 003	\$2,982
17 05 103 004	\$6,165
17 05 103 005	\$6,522
17 05 103 006	\$7,983
17 05 103 007	\$3,933
17 05 103 008	\$4,142
17 05 103 009	\$4,349
17 05 103 010	\$9,349
17 05 103 011	\$9,945
17 05 103 024	\$6,165
17 05 103 025	\$6,502
17 05 103 026	\$6,808
17 05 103 027	\$17,603

17 05 103 028	\$4,142
17 05 103 029	\$4,308
17 05 103 030	\$4,555
17 05 103 031	\$4,805
17 05 103 032	\$5,011
17 05 103 033	\$12,996
17 05 103 034	\$5,424
17 05 103 035	\$21,663
17 05 103 036	\$5,840
17 05 103 037	\$6,046
17 05 103 038	\$16,129
17 05 103 039	\$102,438
17 05 103 040	\$6,264
17 05 103 042	\$8,555
17 05 103 043	\$222,064
17 05 103 046	\$0
17 05 103 047	\$0
17 05 103 048	\$9,211
17 05 103 049	\$15,649
17 05 104 003	\$25,726
17 05 104 004	\$52,831
17 05 104 005	\$81,317
17 05 104 006	\$35,789
17 05 104 007	\$9,373
17 05 104 008	\$19,114
17 05 104 009	\$47,124
17 05 104 010	\$47,124
17 05 104 011	\$47,127
17 05 104 012	\$46,451
17 05 104 013	\$53,941
17 05 104 014	\$0
17 05 104 015	\$0
17 05 104 016	\$0
17 05 104 017	\$29,648
17 05 104 018	\$18,950
17 05 104 019	\$29,162
17 05 104 023	\$28,099
17 05 104 024	\$10,020
17 05 104 025	\$8,968
17 05 104 026	\$4,891

17 05 104 027	\$4,891
17 05 104 028	\$4,891
17 05 104 029	\$33,831
17 05 104 030	\$32,512
17 05 104 031	\$13,235
17 05 104 032	\$48,065
17 05 104 033	\$77,349
17 05 104 038	\$23,905
17 05 104 039	\$24,383
17 05 104 044	\$103,385
17 05 104 045	\$34,160
17 05 104 046	\$53,902
17 05 104 047	\$104,181
17 05 104 048	\$70,320
17 05 104 049	\$247,807
17 05 104 050	\$137,657
17 05 105 001	\$479,351
17 05 105 027	\$470,467
17 05 105 028	\$35,593
17 05 106 001	\$0
17 05 106 002	\$104,373
17 05 113 003	\$4,848
17 05 113 006	\$433,469
17 05 113 007	\$254,976
17 05 114 001	\$79,989
17 05 114 002	\$54,399
17 05 114 003	\$102,821
17 05 114 004	\$60,919
17 05 114 005	\$80,641
17 05 119 019	\$352,242
17 05 120 004	\$387,988
17 05 120 005	\$29,026
17 05 120 006	\$25,700
17 05 121 003	\$35,869
17 05 121 004	\$319,969
17 05 121 006	\$796,904
17 05 121 008	\$356,799
17 05 125 044	\$227,856
17 05 125 045	\$12,331
17 05 126 022	\$110,584

17 05 126 023	\$70,875
17 05 126 024	\$86,313
17 05 126 025	\$348,496
17 05 126 043	\$195,125
17 05 126 044	\$16,071
17 05 127 001	\$114,752
17 05 127 002	\$365,636
17 05 200 001	\$28,011
17 05 200 011	\$8,387
17 05 206 002	\$126,776
17 05 206 003	\$145,055
17 05 206 004	\$74,535
17 05 206 011	\$8,958
17 05 206 012	\$434,349
17 05 206 014	\$29,773
17 05 212 001	\$136,037
17 05 212 002	\$46,793
17 05 212 003	\$46,793
17 05 212 004	\$46,793
17 05 212 005	\$67,647
17 05 212 006	\$53,117
17 05 212 007	\$50,851
17 05 212 008	\$50,851
17 05 212 009	\$53,117
17 05 212 010	\$78,584
17 05 216 001	\$489,073
17 05 220 002	\$1,123,697
17 05 220 003	\$263,762
17 05 220 004	\$549,830
17 05 306 004	\$0
17 05 306 006	\$0
17 05 306 007	\$742,627
17 05 306 008	\$155,585
17 05 306 009	\$60,489
17 05 306 010	\$88,403
17 05 306 011	\$0
17 05 306 012	\$396,421
17 05 306 013	\$0
17 05 306 014	\$872,581

17 05 306 015	\$70,068
17 05 306 016	\$7,484
17 05 307 003	\$97,922
17 05 307 004	\$203,800
17 05 307 005	\$0
17 05 307 006	\$4,267
17 05 313 016	\$0
17 05 313 017	\$3,892
17 05 313 055	\$286,938
17 05 413 001	\$683,081
17 05 413 002	\$845,341
17 05 413 003	\$62,791
17 05 413 004	\$193,423
17 05 413 005	\$35,832
17 05 413 014	\$199,422
17 05 413 015	\$230,413
17 05 413 016	\$80,381
17 05 413 017	\$24,052
17 05 413 018	\$3,811
17 05 413 019	\$3,669
17 05 413 020	\$3,387
17 05 413 021	\$3,387
17 05 413 022	\$3,811
17 05 413 023	\$2,963
17 05 413 024	\$3,387
17 05 413 025	\$3,387
17 05 413 026	\$3,410
17 05 413 027	\$3,410
17 05 413 028	\$3,568
17 05 413 029	\$3,568
17 05 413 030	\$377,983
17 05 413 031	\$7,847
17 05 413 032	\$8,030
17 05 413 033	\$8,022
17 05 413 034	\$8,271
17 05 413 035	\$8,794
17 05 413 036	\$8,764
17 05 413 037	\$8,207
17 05 413 038	\$7,049
17 05 413 039	\$8,207

17 05 413 040	\$8,121
17 05 413 041	\$8,992
17 05 413 042	\$0
17 05 413 043	\$18,569
17 05 419 017	\$3,720
17 05 419 019	\$10,959
17 05 421 001	\$10,315
17 05 422 002	\$370,951
17 05 422 003	\$277,044
17 05 422 004	\$34,569
17 05 422 005	\$24,710
17 05 422 006	\$1,472
17 05 422 007	\$31,914
17 05 422 008	\$30,774
17 05 422 009	\$24,680
17 05 425 001	\$285,447
17 05 425 003	\$34,784
17 05 425 004	\$17,810
17 05 425 005	\$16,981
17 05 425 006	\$525,949
17 05 425 011	\$20,876
17 05 425 012	\$37,205
17 05 425 013	\$20,192
17 05 425 014	\$201,218
17 05 425 015	\$36,329
17 05 425 016	\$21,691
17 05 425 017	\$544,445
17 05 500 026	\$0
17 05 500 027	\$0
17 05 500 028	\$0
17 05 501 008	\$0

Total: \$43,683,329

EXHIBIT 1 - LEGAL DESCRIPTION

THAT PART OF SECTION 5, TOWNSHIP 39 NORTH, RANGE 14, AND SECTION 32 TOWNSHIP 40 NORTH RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF HALSTED STREET WITH THE NORTH SEAWALL OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE NORTHERLY, ALONG SAID SEAWALL TO THE NORTHWEST CORNER OF LOT 4, BLOCK 50 IN ELSTON'S ADDITION TO CHICAGO; THENCE EAST TO THE SOUTHWEST CORNER OF LOT 3 IN ELSTON'S ADDITION TO CHICAGO; THENCE NORTH, ALONG THE WEST LINES OF LOTS 3, 2 AND 1 IN ELSTON'S ADDITION TO CHICAGO, TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE EAST ALONG THE NORTH LINE OF LOT 1 AND ALONG THE SOUTHERLY AND WESTERLY SEAWALL OF THE NORTH BRANCH CANAL TO THE NORTHERLY LINE OF EVERGREEN AVENUE EXTENDED WESTERLY; THENCE EASTERLY, ALONG SAID EXTENDED LINE AND THE NORTHERLY LINE OF EVERGREEN AVENUE TO THE EASTERLY LINE OF KINGSBURY STREET; THENCE NORTHERLY, ALONG THE EASTERLY LINE OF SAID KINGSBURY STREET TO THE SOUTH LINE OF THE NORTH 40.0 FEET OF LOT 9 IN BLOCK 7 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, AS EXTENDED WEST; THENCE EASTERLY, ALONG SAID LINE TO A POINT 115.0 FEET EASTERLY OF THE EASTERLY LINE OF KINGSBURY STREET; THENCE NORTHERLY PARALLEL WITH KINGSBURY STREET, 47.0 FEET; THENCE EASTERLY, ALONG THE SOUTH LINE OF THE NORTH 40.0 FEET OF LOT 17 IN BLOCK 7 AND ITS EXTENSION WEST, IN THE SUBDIVISION OF LOTS 1 & 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, TO THE WESTERLY LINE OF MARCEY STREET; THENCE SOUTHERLY, ALONG THE WEST LINE OF MARCEY STREET TO THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF LOT 7 IN BLOCK 6 IN SAID SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO; THENCE EASTERLY, ALONG SAID EXTENDED LINE AND THE SOUTHERLY LINE OF LOT 7 IN BLOCK 6, THE SOUTHERLY LINE OF LOT 20 IN BLOCK 6 AND ITS EXTENSION EASTERLY TO THE CENTER OF CLYBOURN AVENUE; THENCE NORTHERLY ALONG SAID CENTER OF CLYBOURN AVENUE TO THE CENTER OF WISCONSIN AVENUE; THENCE WESTERLY ALONG SAID CENTER OF WISCONSIN AVENUE TO THE EASTERLY LINE OF MARCEY STREET; THENCE NORTHERLY ALONG THE EASTERLY LINE OF MARCEY STREET TO THE SOUTHWEST CORNER OF LOT 5 IN BLOCK 5 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF LOT 5 IN BLOCK 5, LOT 24 IN BLOCK 5 AND ITS EXTENSION EAST, IN SAID SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, TO THE CENTER OF CLYBOURN AVENUE; THENCE NORTHERLY ALONG THE CENTER OF CLYBOURN AVENUE TO A POINT THAT IS AT RIGHT ANGLES TO THE NORTHEAST CORNER OF TAX PARCEL NO. 14-32-132-011; THENCE WESTERLY AT RIGHT ANGLES TO THE CENTER LINE OF CLYBOURN AVENUE TO THE NORTHEAST CORNER OF SAID TAX PARCEL; THENCE SOUTHWESTERLY ALONG SAID TAX PARCEL AND ITS EXTENSION TO THE EAST LINE OF A PUBLIC ALLEY; THENCE NORTHERLY ALONG SAID ALLEY LINE TO THE CENTER OF VACATED LAKEWOOD AVENUE; THENCE WESTERLY ALONG THE CENTER OF VACATED LAKEWOOD AVENUE TO THE EASTERLY LINE OF KINGSBURY AVENUE; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF KINGSBURY AVENUE TO THE SOUTHERLY LINE OF MAGNOLIA AVENUE; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF MAGNOLIA AVENUE, 20.0 FEET; THENCE SOUTHERLY, PARALLEL WITH THE EASTERLY LINE OF KINGSBURY AVENUE TO THE NORTH LINE OF CORTLAND AVENUE; THENCE WEST ALONG THE NORTH LINE OF CORTLAND AVENUE TO THE WEST LINE OF LOT 11 IN BLOCK 2 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO EXTENDED NORTH; THENCE SOUTHERLY ALONG THE WEST LINE OF LOT 11 EXTENDED, THE WEST LINE OF LOT 11 AND THE NORTHWESTERLY LINE OF LOT 11 AND ITS EXTENSION TO THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE WESTERLY AND NORTHERLY ALONG

THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER TO THE CENTER OF CORTLAND AVENUE; THENCE WEST ALONG THE CENTER OF CORTLAND AVENUE TO THE EAST LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE SOUTHERLY ALONG THE EASTERLY LINES OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE SOUTH LINE OF DIVISION STREET; THENCE WEST ALONG THE SOUTH LINE OF DIVISION STREET TO THE WEST LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE SOUTH ALONG THE WEST LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD TO ITS INTERSECTION WITH THE WEST LINE OF THROOP STREET; THENCE SOUTH ALONG THE WEST LINE OF THROOP STREET TO THE SOUTH LINE OF CORTEZ STREET AS EXTENDED FROM THE EAST; THENCE EAST ALONG SAID EXTENDED LINE AND THE SOUTH LINE OF CORTEZ STREET TO THE EAST LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE SOUTH LINE OF A 22.0 FOOT PUBLIC ALLEY IN BLOCK 17 IN ELSTON'S ADDITION TO CHICAGO; THENCE EAST ALONG THE SOUTH LINE OF THE PUBLIC ALLEY TO THE WEST LINE OF A 16.0 FOOT PUBLIC ALLEY IN SAID BLOCK 17; THENCE SOUTH ALONG THE WEST LINE OF THE PUBLIC ALLEY AND ITS EXTENSION SOUTH, TO THE CENTER OF AUGUSTA BOULEVARD; THENCE EAST ALONG THE CENTER LINE OF AUGUSTA BOULEVARD TO THE WEST LINE OF ELSTON AVENUE; THENCE SOUTH ALONG THE WEST LINE OF ELSTON AVENUE TO THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE EASTERLY ALONG THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE WEST LINE OF MAY STREET EXTENDED NORTH; THENCE SOUTH ALONG SAID LINE AND ALONG THE WEST LINE OF MAY STREET TO THE SOUTH LINE OF FRY STREET; THENCE EAST ALONG THE SOUTH LINE OF FRY STREET TO THE EAST LINE OF CARPENTER STREET; THENCE NORTH ALONG THE EAST LINE OF CARPENTER STREET TO THE SOUTHEASTERLY LINE OF OGDEN AVENUE; THENCE NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF OGDEN AVENUE TO THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE EAST ALONG THE NORTH LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE WEST LINE OF HALSTED AVENUE; THENCE NORTH ALONG THE WEST LINE OF HALSTED AVENUE TO THE PLACE OF BEGINNING, EXCEPTING THEREFROM THAT PART DESCRIBED BY BEGINNING AT THE INTERSECTION OF THE CENTER OF NORTH AVENUE AND THE EAST LINE OF THROOP STREET; THENCE NORTH ALONG THE EAST LINE OF THROOP STREET 666.10 FEET TO AN ANGLE IN THROOP STREET; THENCE NORTHEASTERLY 267.30 FEET TO A POINT THAT IS 72.57 FEET NORTHERLY OF THE INTERSECTION OF THE WEST LINE OF MAGNOLIA AVENUE AND THE NORTH LINE OF LOT 29 BLOCK 2 IN THE SUBDIVISION OF PART OF SHEFFIELD'S ADDITION TO CHICAGO RECORDED OCTOBER 22, 1856 EXTENDED WEST; THENCE SOUTHERLY TO SAID POINT OF INTERSECTION; THENCE EAST, ALONG THE EXTENSION OF THE NORTH LINE OF SAID LOT 29, THE NORTH LINE OF LOT 29 AND ITS EXTENSION EAST, TO THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE SOUTHERLY ALONG THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER TO THE CENTER OF NORTH AVENUE; THENCE WEST ALONG THE CENTER OF NORTH AVENUE TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

EXHIBIT 2 - BUILDING PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

PERMIT #	DATE	ADDRESS	INVESTMENT
765425	2/11/97	927 W. Blackhawk Street	\$100,000
773826	8/18/93	1241 W. Division Street	\$2,000
773829	8/18/93	1241 W. Division Street	\$10,000
774845	9/9/93	1177 N. Elston Avenue	\$2,000
774953	9/13/93	1670 N. Marcey Street	\$2,500
778015	11/5/93	860 W. Evergreen Avenue	\$100,000
779760	12/17/93	860 W. Evergreen Avenue	\$750,000
792491	9/16/94	1357 N. Elston Avenue	\$60,000
794254	10/13/94	1909 N. Clifton Avenue	\$7,500
796479	11/21/94	860 W. Evergreen Avenue	\$12,000
797495	12/12/94	927 W. Blackhawk Street	\$200,000
801282	3/22/95	860 W. Evergreen Avenue	\$30,000
802995	4/25/95	860 W. Evergreen Avenue	\$600,000
808273	7/24/95	1780 N. Marcey Street	\$5,000
812960	10/16/95	949 N. Elston Avenue	\$7,340
813524	10/24/95	1128 N. Elston Avenue	\$8,000
814285	11/7/95	1720 N. Marcey Street	\$120,000
816088	12/12/95	1285 W. North Avenue	\$20,000
816659	12/27/95	1720 N. Elston Avenue	\$12,000
817387	1/18/96	935 W. Chestnut Street	\$4,000
817577	1/23/96	1308 N. Elston Avenue	\$40,000
817578	1/23/96	1308 N. Elston Avenue	\$500

832975	10/7/96	1720 N. Marcey Street	\$27,295
840982	2/19/97	1357 N. Elston Avenue	\$3,800
842873	3/20/97	1820 N. Besly Court	\$100,000
844377	4/11/97	927 W. Blackhawk Street	\$13,049
96001151	2/27/96	1416 W. Willow Street	\$75,000
96002536	3/29/96	1010 W. Weed Street	\$12,700
96005017	5/9/96	1049 W. North Avenue	\$185,000
96007110	6/10/96	1419 N. Elston Avenue	\$3,500
96007111	6/10/96	1419 N. Elston Avenue	\$7,000
		TOTAL (31 permits)	\$2,520,184

DEMOLITION PERMITS

PERMIT #	DATE	ADDRESS	INVESTMENT
810500	8/31/95	1351 West Cortland Avenue	\$ 0
96009571	7/17/96	1049 W. North Avenue	\$4,400
		TOTAL (2 demolition permits)	\$4,400

EXHIBIT 3 - MAP LEGEND

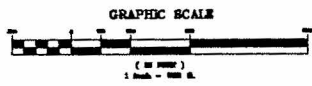
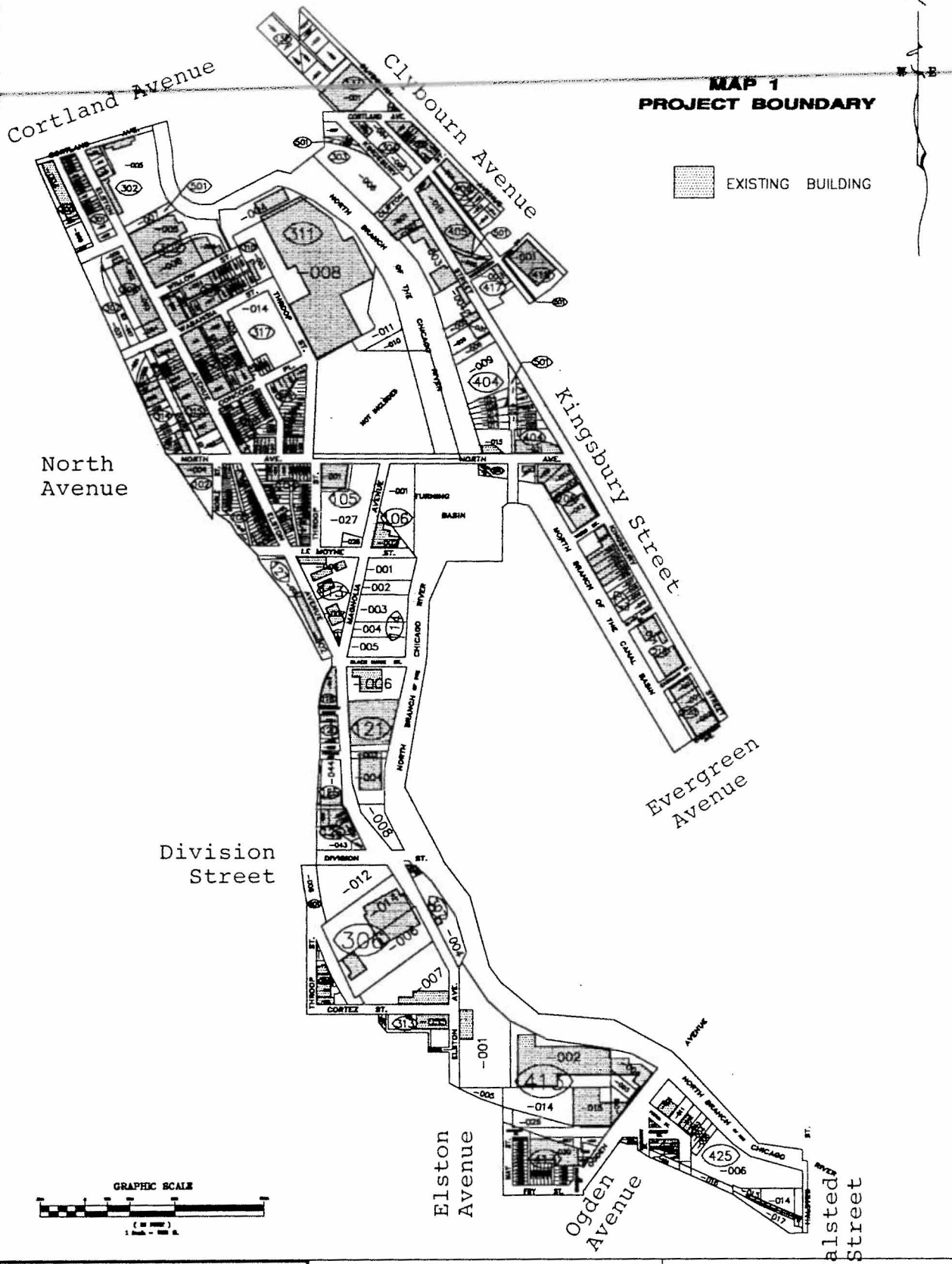
MAP 1	REDEVELOPMENT PROJECT BOUNDARY
MAP 1A	PLANNED MANUFACTURING DISTRICT
MAP 2	EXISTING LAND USE
MAP 3	PROPOSED LAND USE

**CITY OF CHICAGO NORTH BRANCH SOUTH
REDEVELOPMENT PLAN**



**MAP 1
PROJECT BOUNDARY**

 EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
300 West North Avenue Suite B • Lombard, IL 60148 • Phone: 630.637.8888
Fax: 630.637.8884
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Scale: Drawn: 1/2" = 1' 30X Plot: CAD File Name:



**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
REDEVELOPMENT PLAN**



**MAP 1-A
PLANNED MANUFACTURING
DISTRICTS**

-  CLYBOURN CORRIDOR
-  ELSTON CORRIDOR



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
322 West North Avenue Suite 200 - Chicago, IL 60610 Phone: 432-877-8888
Fax: 432-877-2884
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Scale: Drawn: 1/4" = 1' 1/2" Plot: E-40 File Name:







**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

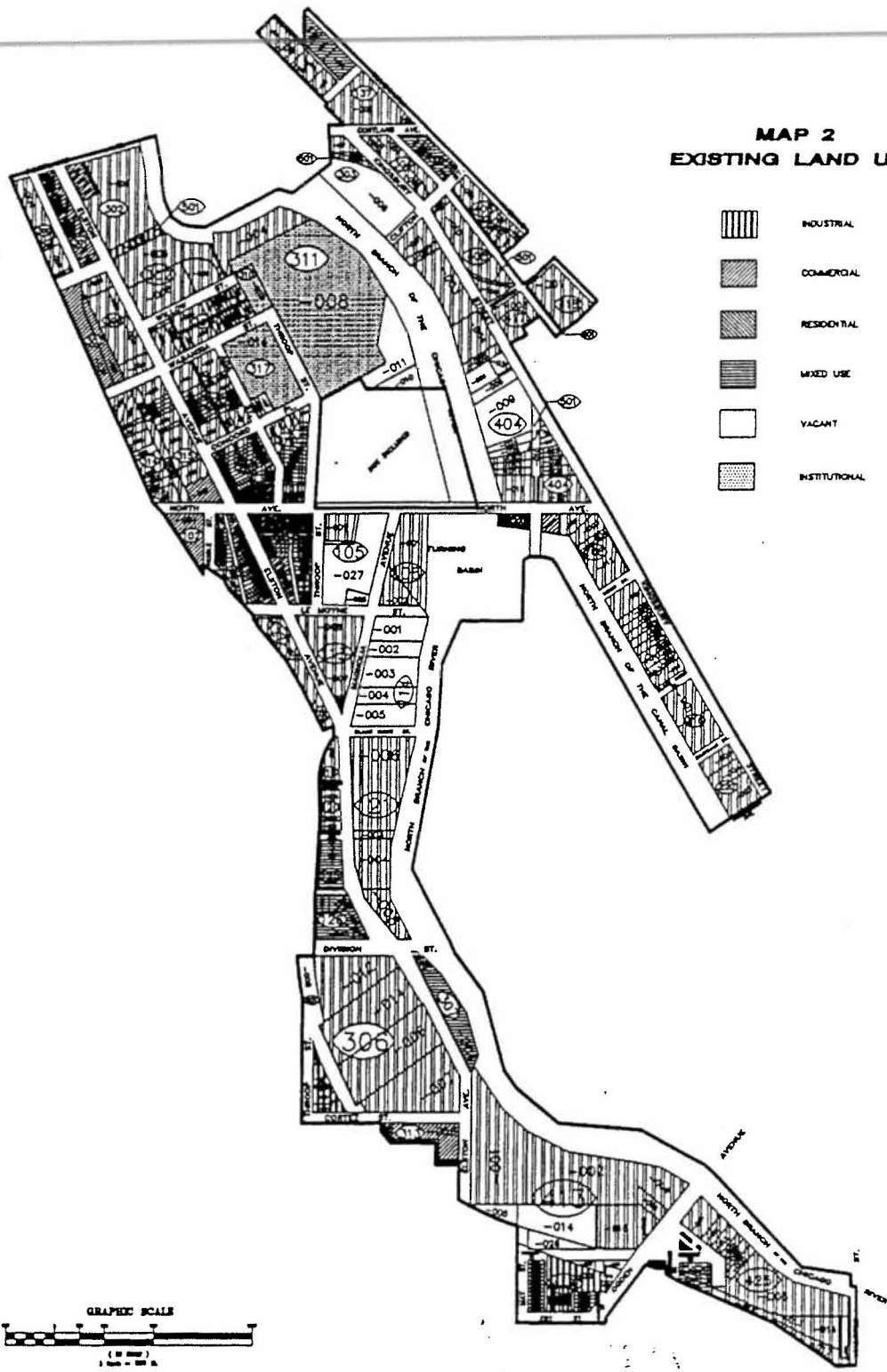
CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
REDEVELOPMENT PLAN**



**MAP 2
EXISTING LAND USE**

-  INDUSTRIAL
-  COMMERCIAL
-  RESIDENTIAL
-  MIXED USE
-  VACANT
-  INSTITUTIONAL



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
300 West North Avenue Suite 2 • Lombard, IL 60148 • Phone 630.677.2888
Fax 630.677.8884
SURVEYING • CONSULTING • CONSTRUCTION LAYOUT •
Stamps • Easements • 100' & 1000' Plans • CAD File Services

**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

CITY OF CHICAGO
1-19-98

CITY OF CHICAGO NORTH BRANCH SOUTH REDEVELOPMENT PLAN



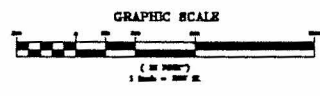
**MAP 3
PROPOSED LAND USE**

- INDUSTRIAL
- COMMERCIAL
- MIXED USE
INDUSTRIAL - COMMERCIAL
- INSTITUTIONAL

Commercial
along North
Ave.

Mixed-Use
along North
Avenue with
Industrial
behind it.

Industrial



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
200 West North Avenue Suite 2 • Lombard, IL 60148 • Phone: 630.827.2888
Fax: 630.827.2894
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
AutoCAD - MicroStation - GIS - 3D Modeling

**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

CITY OF CHICAGO
1-19-98

EXHIBIT 4 - ELIGIBILITY STUDY

CITY OF CHICAGO

NORTH BRANCH (SOUTH)

TAX INCREMENT FINANCE PROGRAM

ELIGIBILITY STUDY

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

OCTOBER 1997

**PREPARED BY
LOUIK/SCHNEIDER & ASSOCIATES, INC.**

ELIGIBILITY STUDY

NORTH BRANCH (SOUTH)

TAX INCREMENT FINANCE PROGRAM

TABLE OF CONTENTS

I. INTRODUCTION 3

II. BACKGROUND INFORMATION 4

 A. LOCATION 4

 B. DESCRIPTION OF CURRENT CONDITIONS 4

 C. AREA HISTORY AND PROFILE 5

 D. EXISTING LAND USE AND ZONING CHARACTERISTICS 6

III. QUALIFICATION AS A BLIGHTED AREA 7

 A. ILLINOIS TAX INCREMENT ACT 7

 B. SURVEY, ANALYSIS AND DISTRIBUTION OF ELIGIBILITY FACTORS 7

 C. BUILDING EVALUATION PROCEDURE 8

IV. SUMMARY AND CONCLUSION 20

APPENDIX 22

 EXHIBIT 1- LEGAL DESCRIPTION 23

 EXHIBIT 2 - BUILDING PERMIT REQUESTS 25

 EXHIBIT 3 - BUILDING CODE VIOLATIONS 27

 EXHIBIT 4 - DISTRIBUTION OF CRITERIA MATRIX 28

 EXHIBIT 5 - MATRIX OF BLIGHTED FACTORS 31

 EXHIBIT 6 - MAP LEGEND 37

I. INTRODUCTION

Louik/Schneider and Associates, Inc. has been retained by the City of Chicago to conduct an independent initial study and survey of the proposed redevelopment area known as the North Branch (South) Area, Chicago, Illinois (the "Study Area"). The purpose of the study is to determine whether the 52 blocks in the Study Area qualify for designation as a "Blighted Area" for the purpose of establishing a tax increment financing district, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act"). This report summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc. Louik/Schneider and Associates, Inc. has prepared this report with the understanding that the City would rely 1) on the findings and conclusions of this report in proceeding with the designation of the Study Area as a redevelopment project area under the Act, and 2) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information to conclude that the Study Area can be designated as a redevelopment project area in compliance with the Act.

Following this introduction, Section II presents background information of the Study Area including the area location, description of current conditions and site history. Section III explains the Building Condition Assessment and documents the qualifications of the Study Area as a Blighted Area under the Act. Section IV, Summary and Conclusions, presents the findings.

This report was jointly prepared by Myron D. Louik, John P. Schneider, Lori T. Healey, Tricia Marino Ruffolo and Sandy Plisic of Louik/Schneider and Associates, Inc.

II. BACKGROUND INFORMATION

A. LOCATION

The North Branch (South) Study Area is located on the north side of the City of Chicago, approximately two miles from the central business district. The Study Area contains approximately 287.40 acres and consists of 52 (full and partial) blocks. The north branch of the Chicago River naturally separates the Study Area which includes the property located between the Chicago River on the east, the Chicago and Northwestern railroad right-of-way and the Kennedy Expressway on the west, Cortland Avenue on the north, and Chicago Avenue on the south; and the property located between Clybourn Avenue and Kingsbury Street on the east, the Chicago River on the west, Lakewood Avenue on the north, and Evergreen Avenue on the south. The boundaries of the Study Area are shown on Map 1 - Project Boundary Map, and the existing land uses are identified on Map 2 - Existing Land Uses.

B. DESCRIPTION OF CURRENT CONDITIONS

The Study Area consists of 52 (full and partial) blocks and 424 parcels. There are 163 buildings in the Study Area of which 96 (58.9%) are used as industrial buildings, 52 (31.9%) are commercial and 15 (9.2%) are residential. The Study Area contains 24 parcels used for parking lots and 77 vacant lots.

Much of the Study Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

- deteriorated and dilapidated buildings and site improvements;
- difficult and inadequate ingress and egress;
- current and past obsolescence;
- inadequate infrastructure; and
- other blighting characteristics.

Additionally, a lack of growth and investment by the private sector is evidenced by 1) the lack of building permit requests for the Study Area in terms of number and dollar amounts, and 2) the overall decrease of equalized assessed valuation ("EAV") of the property in the Study Area during the period from 1992 to 1996. Specifically:

- Exhibit 2 - Building Permit Requests contains a summary of the building permit requests for new construction and major renovation from the City of Chicago. Building permit requests for new construction and renovation for the Study Area from 1992-1996 totaled \$2,303,335. On an annual basis, this represents an average of only 2.3% of assessed value in the Study Area or approximately \$466,940. The total for 1997 are 4 building permits totaling \$216,849. Of the 31 permits issued, seven (7) permits totaling \$1,539,535 (61%) represent two buildings within the Study Area.

~~Additionally, there were two demolition permits issued during the same time period.~~

- The Study Area is primarily comprised of commercial and industrial uses with some residential and interspersed parcels of vacant land. The EAV for all property in the City of Chicago increased from \$ 27,964,127,826 in 1992 to \$30,773,301,521 in 1996, a total of 10.05% or 2.51% per year. Over the last four years, from 1992 to 1996, the Study Area has experienced an overall decrease of 15.33%, from \$51,591,888 in 1992 to \$43,683,329 in 1996, an average decrease of 3.83% per year.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the Blighted Area conditions that currently exist. The Study Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of the Redevelopment Plan and Project.

C. AREA HISTORY AND PROFILE

The Study Area is located within the broader area of the North Branch Industrial Corridor which is one of Chicago's oldest, largest and most diverse industrial corridors on the North Side according to City plans. Historically, much of the Study Area has been occupied by industrial and industrial-related uses which are located along the North Branch of the Chicago River for a variety of reasons.

According to the City's *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side*, the North Branch area became a popular location for tanneries, distilleries, and brickyards during the second half of the 19th century. "Large industrial plants began to cluster along the North Branch of the Chicago River in the 1880s . . . Industrial development along the North Branch paralleled influxes of immigrant workers to the area and continued through World War I. By the second World War, . . . heavy industry had become the dominant activity in the area, served by excellent river, rail, and later, expressway access."

In more recent times, industries along the North Branch have been facing intense land use pressures from nonindustrial development resulting from the revitalization of the surrounding communities such as Lincoln Park and the Near North Side. According to the North Side industrial corridor plan, ". . . parts of the North Branch Corridor have experienced land use pressures from nonindustrial redevelopment . . . because it is near downtown and the revitalized neighborhoods of the near North Side . . . Multi-story loft buildings that were once home to [industrial uses] have been particularly attractive candidates for conversion to commercial and residential uses."

As a result of this continuing process, the Chicago Plan Commission adopted the *Corridors of Industrial Opportunity: A Plan for Industry in Chicago's North Side*, in November of 1993 to preserve and enhance existing areas of industrial character in Chicago, and to focus and

~~coordinate the City's economic development efforts in its industrial employment centers.~~ The City Council of Chicago followed up on the industrial corridor planning initiative by adopting legislation creating a new zoning classification, referred to as the planned manufacturing district, to preserve existing industrial development and to attract new industrial activities to the City.

While much of the Study Area still reflects the influences of its early development as an industrial center, it is experiencing intense land use pressures which are threatening the continuation of industrial activities, and the existence of the corresponding jobs, by increasing land costs beyond the threshold of affordability for industrial users and increasing the costs of operating industrial businesses as residential and commercial retail neighbors object to the negative impacts associated with industrial uses.

The continuing decline of the City's industrial base and the loss of its industrial jobs threatens the health of Chicago's economy and the public's welfare. Without the use of tax increment financing, the trend toward blight within the Study Area will endure as industrial disinvestment occurs in relation to the pressures of nonindustrial development within the surrounding area which act to drive up land and operating costs within the Study Area beyond that which is feasible for continued industrial development. Additionally, the consequences of heavy industrial activities make portions of the Study Area prohibitively expensive to redevelop for nonindustrial uses.

D. EXISTING LAND USE AND ZONING CHARACTERISTICS

The Study Area continues to reflect the industrial land use patterns first evidenced along the North Branch of the Chicago River during the 19th century. At the present time, the existing land uses are predominantly industrial in nature. In addition to industry, the Study Area is home to a smattering of residential and commercial uses. These land use patterns are reflective of the underlying zoning. The majority of property within the Study Area is zoned for light to medium industrial uses (M1-1, M1-2, M2-2, M2-3) and is located within the southern portion of the North Branch Industrial Corridor. Additionally, most of Study Area is situated within either the Elston Corridor PMD or the Clybourn Corridor PMD. Within the City's PMDs, land uses are restricted primarily to industrial-oriented activities although certain types of commercial uses are permitted. New residential uses are not allowed within a PMD. Following is a listing of the other zoning districts incorporated within the Redevelopment Project Area:

- A commercial planned development (CPD No. 475) is located on the east bank of the Chicago River along the north side of North Avenue.
- Two sections of the Study Area are zoned M3-4 Heavy Manufacturing District.
- C1-2 zoned property is located on the southwestern edge of the Study Area.

(see Map 2 - Existing Land Uses)

III. QUALIFICATION AS A BLIGHTED AREA

A. ILLINOIS TAX INCREMENT ACT

The Act authorizes Illinois municipalities to redevelop locally designated deteriorated areas through tax increment financing. In order for an area to qualify as a tax increment financing district, it must first be designated as a Blighted Area, a Conservation Area (or a combination of the two), or an Industrial Park.

As set forth in the Act, "a Blighted Area means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of five or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, are detrimental to the public safety, health, morals or welfare". The Act also states that, "all factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise", and will not be developed without action by the City.

On the basis of this approach, the North Branch (South) Study Area will be considered eligible for designation as an improved Blighted Area within the requirements of the Act.

B. SURVEY, ANALYSIS AND DISTRIBUTION OF ELIGIBILITY FACTORS

Exterior surveys were conducted of all of the 424 parcels located within the Study Area. An analysis was made of each of the Blighted Area eligibility factors contained in the Act to determine their presence in the Study Area. This exterior survey examined not only the condition and use of buildings but also included conditions of streets, sidewalks, curbs, gutters, lighting, vacant land, underutilized land, parking facilities, landscaping, fences and walls, and general maintenance. In addition, an analysis was conducted of existing site coverage and parking, land uses, zoning and their relationship to the surrounding area.

A block-by-block analysis of the 52 blocks was conducted to identify the eligibility factors (see Exhibit 4-Distribution of Criteria Matrix). Each of the factors is present to a varying degree. The following three levels are identified:

- **Not present** - indicates that either the condition did not exist or that no evidence could be found or documented during the survey or analyses.

- **Present to a minor extent** - indicates that the condition did exist, but its distribution or impact was limited.
- **Present to a major extent** - indicates that the condition did exist and was present throughout the area (block-by-block basis) and was at a level to influence the Study Area and adjacent and nearby parcels of property.

C. BUILDING EVALUATION PROCEDURE

This section will identify how the buildings within the Study Area are evaluated.

HOW BUILDING COMPONENTS AND IMPROVEMENTS ARE EVALUATED

During the field survey, all components of and improvements to the subject buildings were examined to determine whether they were in sound condition or had minor, major or critical defects. These examinations were completed to determine whether conditions existed to evidence the presence of any of the following related factors: dilapidation, deterioration or depreciation of physical maintenance.

Building components and improvements examined were of two types:

PRIMARY STRUCTURAL COMPONENTS

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

SECONDARY COMPONENTS

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

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

Once the buildings are evaluated, they are classified as identified in the following section.

BUILDING COMPONENT AND IMPROVEMENT CLASSIFICATIONS

The four categories used in classifying building components and improvements and the criteria used in evaluating structural deficiencies are described as follows:

1. SOUND

Building components and improvements which contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

2. DILAPIDATION

Dilapidation refers to an advanced state of disrepair of buildings and improvements. In March of 1997, Ernest R. Sawyer Enterprises, Inc. conducted an exterior survey of all the structures and the condition of each of the buildings in the Study Area. The analysis of building dilapidation is based on the survey methodology and criteria described in the preceding section on "How Building Components and Improvements are Evaluated."

Based on exterior building surveys, it was determined that many buildings are dilapidated and exhibit major structural problems making them structurally substandard. These buildings are all in an advanced state of disrepair. Major masonry wall work is required where water and lack of maintenance has allowed buildings to incur structural damage. Since wood elements require the most maintenance of all exterior materials, these are the ones showing the greatest signs of deterioration.

Dilapidated buildings exist throughout the Study Area. A high concentration of dilapidated buildings can be found in block 14-32-137 and block 14-32-300. These buildings are either abandoned and deteriorated, or in an advanced state of disrepair.

Dilapidation is present in 59 of the 163 (36.1%) buildings. Dilapidation is present to a major extent in 17 of the 52 blocks and to a minor extent in five (5) blocks.

CONCLUSION

Dilapidation is **present to a major extent** in the Study Area. Dilapidation is present in 59 of the 163 (36.1%) buildings and 22 of the 52 blocks. The results of the dilapidation analysis are presented in Map 4.

3. OBSOLESCENCE

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

- **FUNCTIONAL OBSOLESCENCE**

Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupancy at a given time. Buildings and improvements become obsolete when they contain characteristics or deficiencies which limit the use and marketability of such buildings and improvements after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper

~~orientation of the building on its site, etc., which detracts from the overall usefulness or desirability of a property.~~

- **ECONOMIC OBSOLESCENCE**

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

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

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

OBSOLETE BUILDING TYPES

Obsolete buildings contain characteristics or deficiencies which limit their long-term sound use or reuse for the purpose for which they were built. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding developments and detract from the physical, functional and economic vitality of the area.

These structures are characterized by conditions indicating that they are incapable of efficient or economic use according to contemporary standards. These conditions include:

- *Multistory industrial buildings with large floor plates and antiquated building systems*
- *An inefficient exterior configuration of the structures, including insufficient width, low ceiling heights and small size;*
- *Inadequate access for contemporary systems of delivery and service, including both exterior building access and interior vertical systems; or*
- *Single-purpose industrial use.*

Obsolescence of building types is present in 131 of the 163 (80.3%) buildings in the Study Area.

OBSOLETE PLATTING

Obsolete platting includes parcels of irregular shape, narrow or small size, and parcels improperly platted within the Study Area blocks. Throughout the Study Area, particularly in the northwest section, there are parcels small in size (25' x 125-150" and 50' x 120-150) that have

~~typically been utilized for residential structures yet are currently used for industrial buildings.~~ Additionally, single buildings are located on multiple parcels. Development of the individual parcels is not possible without the development of the surrounding parcels.

Platting characteristics that are obsolete include the land adjacent to the rail spur running diagonally through the Study Area. Along the western boundary of the Study Area, parcels appear to have been subdivided over time into various sizes and shapes. The resulting diverse platting creates parcels that are difficult to market. The land adjacent to the rail spur can only be used as open space, and therefore renders the parcels adjacent to the spur economically obsolete.

Obsolescence in platting is present in 255 of the 424 (60.1%) parcels in the Study Area.

OBSOLETE SITE IMPROVEMENTS

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

Throughout the Study Area, there are obsolete site improvements including streets of inadequate size, low viaducts, inadequate connections across the Chicago River, insufficient lanes to accommodate traffic, inadequate roadway surfaces for industrial traffic, insufficient turning radii for truck traffic at certain intersections, lack of separation between industrial traffic versus commercial and residential traffic, and traffic signalization problems and deteriorated or missing curbs and sidewalks.

In the northwest section of the Study Area between Cortland and Blackhawk Avenues and the North Branch of the Chicago River and the Chicago and Northwestern railroad right-of-way, sidewalks, curbs and sewers are practically nonexistent. There is also a lack of paved and drained parking areas. Magnolia, Throop, Ada, Noble and Besly, Willow, Wabansia, Lemoyne Streets as well as Concord Place are in terrible condition. The street and storm water system is below current development standards. This is evidenced by the widespread presence of cracked and crumbled paving as well as standing water. In addition, the east side of Magnolia contains a rail line. Besly Street north of North Avenue is a cobblestone street. Many streets in the Study Area were not constructed to accommodate local traffic and the interstate trucks that serve the industrial and commercial businesses. Ingress and egress throughout this portion of the Study Area is particularly difficult.

Obsolescence of site improvements is present to a major extent in 36 of the 52 blocks and present to a minor extent in nine (9) blocks in the Study Area.

CONCLUSION

Obsolescence is **present to a major extent** in the Study Area. Obsolescence is present in 131 of the 163 (80.3%) buildings, 255 of the 424 (60.1%) parcels and 45 of the 52 blocks. The results of the obsolescence analysis are presented in Map 5.

4. DETERIORATION

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

- Deterioration which is not easily correctable and cannot be repaired in the course of normal maintenance may be evident in buildings. Such buildings and improvements may be classified as requiring major or many minor repairs, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, frames, roofs, etc.), respectively.
- All buildings and site improvements classified as dilapidated are also deteriorated.

DETERIORATION OF BUILDINGS

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "How Building Components and Improvements Are Evaluated." There are 126 of the 163 (77.3%) buildings in the Study Area that are deteriorated.

The deteriorated buildings in the Study Area exhibit defects in both their primary and secondary components. For example, the primary components exhibiting defects include walls, roofs and foundations with loose or missing materials (mortar, shingles), and holes and/or cracks in these components. The defects of secondary components include damage to windows, doors, stairs and/or porches; missing or cracked tuckpointing and/or masonry on the facade, chimneys, etc.; missing parapets, gutters and/or downspouts; foundation cracks or settling; and other missing structural components.

Deteriorated structures exist throughout the Study Area due to the combination of their age and advanced state of disrepair. The need for masonry repairs and tuckpointing is predominant, closely followed by deteriorating doors, facades, and secondary elements in the buildings. The entire Study Area contains deteriorated buildings and most of the parcels with buildings are impacted by such deterioration.

DETERIORATION OF PARKING AND SURFACE AREAS

Field surveys were also conducted to identify the condition of parcels without structures, of which 155 contain improved lots with no buildings (parking and outside storage), alleys and vacant lots. Of the 155 parcels, 51 (32.9%) were classified as deteriorated. These parcels are characterized by uneven surfaces with insufficient gravel, vegetation growing through the

~~parking surface, depressions and standing water, absence of curbs or guardrails, falling or broken fences and extensive debris.~~

As identified in obsolescence, deteriorated streets can be found throughout the Study Area. In the northwest section of the Study Area between Cortland and Blackhawk Avenues and the North Branch of the Chicago River and the Chicago and Northwestern railroad right-of-way, sidewalks, curbs and sewers are practically nonexistent. Magnolia, Throop, Ada, Noble and Besly, Willow, Wabansia, LeMoyné Streets as well as Concord Place are plagued with potholes.

Deterioration can be found in 253 of the 424 (59.6%) parcels. It is found to be present to a major extent in 35 of the 52 blocks and present to a minor extent in five (5) blocks of the Study Area.

CONCLUSION

Deterioration is **present to a major extent** in the Study Area. Deterioration is present in 126 of the 163 (77.3%) buildings, in 253 of the 424 (59.6%) parcels and in 40 of the 52 blocks. The results of the deterioration analysis are presented in Map 6.

5. ILLEGAL USE OF INDIVIDUAL STRUCTURES

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

CONCLUSION

A review of the Chicago Zoning Ordinance indicates that there are no illegal uses of the structures or improvements in the Study Area.

6. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS

Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property. The principal purposes of such codes are 1) to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy, 2) to make buildings safe for occupancy against fire and similar hazards, 3) and to establish minimum standards essential for safe and sanitary habitation.

From January of 1992 through February of 1997, 56 of the 163 (34.3%) buildings have been cited for building code violations by the City of Chicago's Department of Buildings. Sixteen (16) of the 49 buildings have been cited two (2) times during the same five year period.

CONCLUSION

Structures below minimum code standards are **present to a minor extent**. Structures below minimum code standards have been identified in 56 of the 163 (34.3%) buildings in the Study Area.

7. EXCESSIVE VACANCIES

Excessive vacancy refers to buildings which are unoccupied or underutilized and that exert an adverse influence on the area because of the frequency, duration or extent of vacancy. Excessive vacancies include properties which evidence no apparent effort directed toward their occupancy or underutilization.

Excessive vacancies occur in varying degrees throughout the Study Area. A building is considered to have excessive vacancies if at least 50% of the building is vacant or underutilized. There are vacancies in the following building types: commercial buildings and single/purpose industrial buildings. Twenty-two of the 163 (13.4%) buildings in the Study Area are vacant or partially vacant (over 50%) buildings covering 41 parcels. Excessive vacancies are present to a major extent (at least 50% vacant or underutilized) in 12 of the 52 blocks and present to a minor extent in 13 blocks of the Study Area.

CONCLUSION

Excessive vacancies are *present to a minor extent* in the Study Area. Excessive vacancies can be found in 22 of the 163 (13.4%) buildings and 25 of the 52 blocks.

8. OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES

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

Over the years, expansion for many of the companies within the Study Area has been limited by the surrounding residential neighborhoods and the north branch of the Chicago River. Therefore, most expansion has occurred inward and almost every parcel available has had a building constructed on it.

Evidence of overcrowding of community facilities can be found in the form of traffic congestion throughout the Study Area but particularly in three sections. Two of the three areas are home to scrap metal reprocessing yards. Both are located just south of Cortland, one at Kingsbury and the other at just east of Elston Avenue. The truck traffic that supports these reprocessors often spills out into the street creating congestion for the local traffic. The third area where traffic congestion is a problem is along North Avenue between the Kennedy access ramp on the west and Kingsbury on the east. The North Avenue bridge over the north branch of the Chicago River is only two lanes and is one of the sources of the congestion problems. The congestion continues both east and west beyond the Study Area boundaries.

Overcrowding of community facilities is evidenced in the streets throughout the Study Area. It was not documented in specific parcels within the Study Area as a whole.

CONCLUSION

Overcrowding of structures and community facilities is *present to a major extent* throughout the Study Area.

9. Lack of Ventilation, Light or Sanitary Facilities

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

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

CONCLUSION

Based on the exterior surveys and analyses undertaken within the Study Area, there is no evidence of lack of ventilation, light or sanitary facilities.

10. INADEQUATE UTILITIES

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

CONCLUSION

Based on the exterior surveys and analyses undertaken within the Study Area, there is no evidence of inadequate utilities.

11. EXCESSIVE LAND COVERAGE

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety. The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage conditions have an adverse or blighting effect on nearby development.

Excessive land coverage occurs in 79 of the 163 (48.4%) buildings in the Study Area. This factor goes hand in hand with the overcrowding of structures in this particular district. Many buildings have been built from property line to property line, leaving no area for parking, open space or other amenities. Because these buildings cover virtually the entire parcel, there is an inadequate amount of space for off-street loading of residents, employees and/or customers. On both the east and west sides of Elston Avenue between Cortland on the north and North Avenue on the south, as well as on Kingsbury Street and Clybourn, the majority of buildings are constructed in this manner. In addition, the buildings located on Clybourn not only have large floor plates, but have four or five stories. Excessive land coverage can be found to a major extent in 19 of the 52 blocks and to a minor extent in 13 blocks of the Study Area.

CONCLUSION

Excessive land coverage is **present to a major extent** in the Study Area. Excessive land coverage is present in 79 of the 163 (48.4%) buildings and in 32 of the 52 blocks. The results of the excessive land coverage analysis are presented in Map 7.

12. DELETERIOUS LAND USE OR LAYOUT

Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable. It also includes residential uses which front on or are located near heavily traveled streets, thus causing susceptibility to noise, fumes and glare. Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of poor layout of buildings on parcels and in relation to other buildings.

In the Study Area, deleterious land use or layout is identified in 287 of the 424 (67.6%) parcels, including the 158 parcels exhibiting excessive land coverage with insufficient room for parking and/or loading. Fifteen parcels exhibit an inappropriate use, such as residential next to industrial and inappropriate residential on heavily-traveled streets.

The majority of parcels located in the northwest section of the Study Area are small in size for contemporary industrial developments. The parcels in this section range in size from approximately 25' x 125'-150' to 50' x 105'-130'. These parcels are of a typical size for residential development but not for industrial or commercial development. Along the south eastern boundary of the Study Area on Kingsbury Street the parcels almost double in size 50' x 220' but they are still not large enough for modern industrial users.

Deleterious land use and layout is present to a major extent in 29 of the 52 blocks and to a minor extent in 14 blocks.

CONCLUSION

Deleterious land use and layout is **present to a major extent** in the Study Area. Deleterious land use and layout is present in 287 of the 424 (67.6%) parcels, and in 43 of the 52 blocks. The results of the deleterious land use and layout analysis are presented in Map 8.

13. DEPRECIATION OF PHYSICAL MAINTENANCE

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures. The analysis of depreciation of physical maintenance is based on survey methodology and criteria described in the preceding section "How Building Components and Improvements Are Evaluated."

The entire Study Area is affected by lack of physical maintenance. Three hundred and thirty five (335) of the 424 (79.0%) parcels, representing buildings, parking/storage areas and vacant land, evidence the presence of this factor.

All of the buildings (commercial, industrial, residential and mixed use) that evidence depreciation of physical maintenance exhibit problems including items such as unpainted or unfinished surfaces, peeling paint, loose or missing materials, broken windows, loose or missing gutters or downspouts, loose or missing shingles, overgrown vegetation and general lack of maintenance, etc. There are 135 of the 163 (82.8%) buildings in the Study Area that are affected by depreciation of physical maintenance. Missing downspouts, lack of painting, accumulation of trash and debris, broken fences and other missing elements or materials from the walls of the buildings are examples of the degrees of depreciation that exist.

Depreciation of physical maintenance is present to a major extent in 46 of the 52 blocks and to a minor extent in one (1) block of the Study Area.

CONCLUSION

Depreciation of physical maintenance is **present to a major extent** in the Study Area. Depreciation of physical maintenance is present in 135 of the 163 (82.8%) buildings, 335 of the 424 (79.0%) parcels, and in 47 of the 52 blocks. The results of the depreciation of physical maintenance analysis are presented in Map 9.

14. LACK OF COMMUNITY PLANNING

Lack of community planning may be a factor if the proposed redevelopment area was developed prior to or without the benefit of a community plan. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, and parcels of inadequate size or shape to meet contemporary development standards.

The Corridors of Industrial Opportunity - A Plan for Industry in Chicago's North Side ("Corridors Plan") was recently developed by the City of Chicago in March 1993. The majority of the Study Area is included in this Plan and, except for seven blocks (17-05-200, 206, 212, 216, 220 and parts of block 306 and 413), is either part of the Clybourn Corridor or the Elston Corridor Planned Manufacturing Districts. The seven (7) blocks contain 53 of the 424 (12.5%) parcels in the Study Area. The primary goal of the Corridors Plan is to "foster the expansion and modernization of Chicago's industrial companies by enhancing the physical environments in

~~which they operate." Therefore, evidence of the lack of community planning is present in the Study Area with respect to these seven blocks.~~

Lack of community planning is present to a major extent in six (6) and to a minor extent in one (1) of the 52 blocks of the Study Area.

CONCLUSION

Lack of community planning is **present to a minor extent** in the Study Area. Lack of community planning is present in 53 of the 424 (12.5%) parcels and in seven (7) of the 52 blocks of the Study Area.

SUMMARY

In addition to the age requirement, 11 Blighted Area eligibility criteria are present in varying degrees throughout the Study Area - eight (8) are present to a major extent and three (3) are present to a minor extent. The 11 Blighted Area eligibility factors that have been identified in the Study Area are as follows:

Major extent

- age
- dilapidation
- obsolescence
- deterioration
- overcrowding of structures and community facilities
- excessive land coverage
- deleterious land use or layout
- depreciation of physical maintenance

Minor extent

- presence of structures below minimum code standards
- excessive vacancies
- lack of community planning

IV. SUMMARY AND CONCLUSION

The conclusion of the consultant team is that the number, degree and distribution of Blighted Area eligibility factors as documented in this report warrant the designation of the Study Area as a Blighted Area as set forth in the Act. Specifically:

- Of the 14 blighting factors set forth in the law, 11 are present, eight (8) to a major extent and three (3) to a minor extent.
- The Blighted Area factors that are present are reasonably distributed throughout the Area.
- All the blocks within the Study Area exhibit the presence of Blighted Area eligibility factors.

While it may be concluded that the mere presence of the stated eligibility factors in Section III may be sufficient to make a finding of qualification as a Blighted Area, this evaluation was made on the basis that the factors must be present to an extent that would lead reasonable persons to conclude that public intervention is appropriate or necessary. In addition, the distribution of Blighted Area eligibility factors throughout the Study Area must be reasonable so that a basically good area is not arbitrarily found to be a Blighted Area simply because of proximity to an area. All blocks in the Study Area evidence the presence of some of the eligibility factors. Of the 52 blocks in the Study, 37 blocks exhibit five (5) or more of the eligibility factors, eight (8) blocks exhibit three (3) or four (4), and six (6) blocks exhibit two or less.

Additional research indicates that the Study Area on the whole has not been subject to growth and development as a result of investments by private enterprise, and will not be developed without action by the City. Specifically:

- Exhibit 2 - Building Permit Requests, contains a summary of the building permit requests for new construction and major renovation from the City of Chicago. Building permit requests for new construction and renovation for the Study Area from 1992-1996 totaled \$2,303,335. On an annual basis for 1992-1996, this represents an average of only 2.3% of the assessed value in the Study Area or approximately \$466,940. The total for 1997 are 4 building permits totaling \$216,849. Of the 31 permits issued, seven (7) permits totaling \$1,539,535 (61%) represent two buildings within the Study Area. Additionally, there were two demolition permits issued during the same time period.
- The Study Area is comprised primarily of commercial and industrial uses with some residential and vacant land. The equalized assessed value (EAV) for all property in the City of Chicago increased from \$ 27,964,127,826 in 1992 to \$30,773,301,521 in 1996, a total of 10.05% or 2.51% per year. Over the last four years, from 1992 to 1996, the Study Area has experienced an overall EAV decrease of 15.33% from

~~\$51,591,888 in 1992 to \$43,683,329 in 1996, an average decrease of 3.83% per year.~~

The conclusions presented in this report are those of the consulting team. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution making a finding of a Blighted Area and making this report a part of the public record. The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. The surveys, research and analysis conducted include:

1. Exterior surveys of the conditions and use of the Study Area;
2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Comparison of current land uses to current zoning ordinance and the current zoning maps;
4. Historical analysis of site uses and users;
5. Analysis of original and current platting and building size layout;
6. Review of previously prepared plans, studies and data;
7. Analysis of building permits from 1992-1997 and building code violations from 1992-1997 requested from the Department of Buildings for all parcels in the Study Area; and
8. Evaluation of the EAV's in the Study Area from 1992 to 1996.

The study and survey of the Study Area indicate that requirements necessary for designation as a Blighted Area are present.

Therefore, the Study Area is qualified as a Blighted Area to be designated as a redevelopment project area and eligible for Tax Increment Financing under the Act (see Exhibit 4 - Matrix of Blighted Factors).

APPENDIX

2. REQUIRING MINOR REPAIR -- DEPRECIATION OF PHYSICAL MAINTENANCE

Building components and improvements which contain defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and improvements and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components and improvements. Minor defects are not considered in rating a building as structurally substandard.

3. REQUIRING MAJOR REPAIR -- DETERIORATION

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

4. CRITICAL -- DILAPIDATED

Building components and improvements which contain major defects (bowing, sagging, or settling to any or all exterior components, for example) causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area so extensive that the cost of repair would be excessive.

D. BLIGHTED AREA ELIGIBILITY FACTORS

A finding may be made that the Study Area is a Blighted Area based on the fact that the area exhibits the presence of five (5) or more of the blighted area eligibility factors described in Section A. This section examines each of the blighted area eligibility factors.

1. AGE

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

There are 128 of the 163 (78.5%) buildings in the Study Area that are at least 35 years or older. Age is present to a major extent in 38 of the 52 blocks and to a minor extent in two (2) blocks.

CONCLUSION

Age is **present to a major extent** in the Study Area. Age is present in 128 of the 163 (78.5%) buildings and in 40 of the 52 blocks in the Study Area. The results of the analysis of age are shown in Map 3.

EXHIBIT 1 - LEGAL DESCRIPTION

THAT PART OF SECTION 5, TOWNSHIP 39 NORTH, RANGE 14, AND SECTION 32 TOWNSHIP 40 NORTH RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF HALSTED STREET WITH THE NORTH SEAWALL OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE NORTHERLY, ALONG SAID SEAWALL TO THE NORTHWEST CORNER OF LOT 4, BLOCK 50 IN ELSTON'S ADDITION TO CHICAGO; THENCE EAST TO THE SOUTHWEST CORNER OF LOT 3 IN ELSTON'S ADDITION TO CHICAGO; THENCE NORTH, ALONG THE WEST LINES OF LOTS 3, 2 AND 1 IN ELSTON'S ADDITION TO CHICAGO, TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE EAST ALONG THE NORTH LINE OF LOT 1 AND ALONG THE SOUTHERLY AND WESTERLY SEAWALL OF THE NORTH BRANCH CANAL TO THE NORTHERLY LINE OF EVERGREEN AVENUE EXTENDED WESTERLY; THENCE EASTERLY, ALONG SAID EXTENDED LINE AND THE NORTHERLY LINE OF EVERGREEN AVENUE TO THE EASTERLY LINE OF KINGSBURY STREET; THENCE NORTHERLY, ALONG THE EASTERLY LINE OF SAID KINGSBURY STREET TO THE SOUTH LINE OF THE NORTH 40.0 FEET OF LOT 9 IN BLOCK 7 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, AS EXTENDED WEST; THENCE EASTERLY, ALONG SAID LINE TO A POINT 115.0 FEET EASTERLY OF THE EASTERLY LINE OF KINGSBURY STREET; THENCE NORTHERLY PARALLEL WITH KINGSBURY STREET, 47.0 FEET; THENCE EASTERLY, ALONG THE SOUTH LINE OF THE NORTH 40.0 FEET OF LOT 17 IN BLOCK 7 AND ITS EXTENSION WEST, IN THE SUBDIVISION OF LOTS 1 & 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, TO THE WESTERLY LINE OF MARCEY STREET; THENCE SOUTHERLY, ALONG THE WEST LINE OF MARCEY STREET TO THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF LOT 7 IN BLOCK 6 IN SAID SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO; THENCE EASTERLY, ALONG SAID EXTENDED LINE AND THE SOUTHERLY LINE OF LOT 7 IN BLOCK 6, THE SOUTHERLY LINE OF LOT 20 IN BLOCK 6 AND ITS EXTENSION EASTERLY TO THE CENTER OF CLYBOURN AVENUE; THENCE NORTHERLY ALONG SAID CENTER OF CLYBOURN AVENUE TO THE CENTER OF WISCONSIN AVENUE; THENCE WESTERLY ALONG SAID CENTER OF WISCONSIN AVENUE TO THE EASTERLY LINE OF MARCEY STREET; THENCE NORTHERLY ALONG THE EASTERLY LINE OF MARCEY STREET TO THE SOUTHWEST CORNER OF LOT 5 IN BLOCK 5 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF LOT 5 IN BLOCK 5, LOT 24 IN BLOCK 5 AND ITS EXTENSION EAST, IN SAID SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO, TO THE CENTER OF CLYBOURN AVENUE; THENCE NORTHERLY ALONG THE CENTER OF CLYBOURN AVENUE TO A POINT THAT IS AT RIGHT ANGLES TO THE NORTHEAST CORNER OF TAX PARCEL NO. 14-32-132-011; THENCE WESTERLY AT RIGHT ANGLES TO THE CENTER LINE OF CLYBOURN AVENUE TO THE NORTHEAST CORNER OF SAID TAX PARCEL THENCE SOUTHWESTERLY ALONG SAID TAX PARCEL AND ITS EXTENSION TO THE EAST LINE OF A PUBLIC ALLEY; THENCE NORTHERLY ALONG SAID ALLEY LINE TO THE CENTER OF VACATED LAKEWOOD AVENUE; THENCE WESTERLY ALONG THE CENTER OF VACATED LAKEWOOD AVENUE TO THE EASTERLY LINE OF KINGSBURY AVENUE; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF KINGSBURY AVENUE TO THE SOUTHERLY LINE OF MAGNOLIA AVENUE; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF MAGNOLIA AVENUE, 20.0 FEET; THENCE SOUTHERLY, PARALLEL WITH THE EASTERLY LINE OF KINGSBURY AVENUE TO THE NORTH LINE OF CORTLAND AVENUE; THENCE WEST ALONG THE NORTH LINE OF CORTLAND AVENUE TO THE WEST LINE OF LOT 11 IN BLOCK 2 IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 8 IN SHEFFIELD'S ADDITION TO CHICAGO EXTENDED NORTH; THENCE SOUTHERLY ALONG THE WEST LINE OF LOT 11 EXTENDED, THE WEST LINE OF LOT 11 AND THE NORTHWESTERLY LINE OF LOT 11 AND ITS EXTENSION TO THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE WESTERLY AND NORTHERLY ALONG THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER TO THE CENTER OF CORTLAND AVENUE; THENCE WEST ALONG THE CENTER OF CORTLAND AVENUE TO THE EAST LINE OF THE

~~CHICAGO AND NORTHWESTERN RAILROAD; THENCE SOUTHERLY ALONG THE EASTERLY LINES~~
OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE SOUTH LINE OF DIVISION STREET;
THENCE WEST ALONG THE SOUTH LINE OF DIVISION STREET TO THE WEST LINE OF THE CHICAGO
AND NORTHWESTERN RAILROAD; THENCE SOUTH ALONG THE WEST LINE OF THE CHICAGO AND
NORTHWESTERN RAILROAD TO ITS INTERSECTION WITH THE WEST LINE OF THROOP STREET;
THENCE SOUTH ALONG THE WEST LINE OF THROOP STREET TO THE SOUTH LINE OF CORTEZ
STREET AS EXTENDED FROM THE EAST; THENCE EAST ALONG SAID EXTENDED LINE AND THE
SOUTH LINE OF CORTEZ STREET TO THE EAST LINE OF THE CHICAGO AND NORTHWESTERN
RAILROAD; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF THE CHICAGO AND
NORTHWESTERN RAILROAD TO THE SOUTH LINE OF A 22.0 FOOT PUBLIC ALLEY IN BLOCK 17 IN
ELSTON'S ADDITION TO CHICAGO; THENCE EAST ALONG THE SOUTH LINE OF THE PUBLIC ALLEY
TO THE WEST LINE OF A 16.0 FOOT PUBLIC ALLEY IN SAID BLOCK 17; THENCE SOUTH ALONG THE
WEST LINE OF THE PUBLIC ALLEY AND ITS EXTENSION SOUTH, TO THE CENTER OF AUGUSTA
BOULEVARD; THENCE EAST ALONG THE CENTER LINE OF AUGUSTA BOULEVARD TO THE WEST
LINE OF ELSTON AVENUE; THENCE SOUTH ALONG THE WEST LINE OF ELSTON AVENUE TO THE
NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE EASTERLY ALONG
THE NORTHERLY LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE WEST LINE OF
MAY STREET EXTENDED NORTH; THENCE SOUTH ALONG SAID LINE AND ALONG THE WEST LINE
OF MAY STREET TO THE SOUTH LINE OF FRY STREET; THENCE EAST ALONG THE SOUTH LINE OF
FRY STREET TO THE EAST LINE OF CARPENTER STREET; THENCE NORTH ALONG THE EAST LINE
OF CARPENTER STREET TO THE SOUTHEASTERLY LINE OF OGDEN AVENUE; THENCE
NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF OGDEN AVENUE TO THE NORTHERLY
LINE OF THE CHICAGO AND NORTHWESTERN RAILROAD; THENCE EAST ALONG THE NORTH LINE
OF THE CHICAGO AND NORTHWESTERN RAILROAD TO THE WEST LINE OF HALSTED AVENUE;
THENCE NORTH ALONG THE WEST LINE OF HALSTED AVENUE TO THE PLACE OF BEGINNING,
EXCEPTING THEREFROM THAT PART DESCRIBED BY BEGINNING AT THE INTERSECTION OF THE
CENTER OF NORTH AVENUE AND THE EAST LINE OF THROOP STREET; THENCE NORTH ALONG
THE EAST LINE OF THROOP STREET 666.10 FEET TO AN ANGLE IN THROOP STREET; THENCE
NORTHEASTERLY 267.30 FEET TO A POINT THAT IS 72.57 FEET NORTHERLY OF THE INTERSECTION
OF THE WEST LINE OF MAGNOLIA AVENUE AND THE NORTH LINE OF LOT 29 BLOCK 2 IN THE
SUBDIVISION OF PART OF SHEFFIELD'S ADDITION TO CHICAGO RECORDED OCTOBER 22, 1856
EXTENDED WEST; THENCE SOUTHERLY TO SAID POINT OF INTERSECTION; THENCE EAST, ALONG
THE EXTENSION OF THE NORTH LINE OF SAID LOT 29, THE NORTH LINE OF LOT 29 AND ITS
EXTENSION EAST, TO THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER; THENCE
SOUTHERLY ALONG THE CENTER OF THE NORTH BRANCH OF THE CHICAGO RIVER TO THE
CENTER OF NORTH AVENUE; THENCE WEST ALONG THE CENTER OF NORTH AVENUE TO THE
POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

EXHIBIT 2 - BUILDING PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

PERMIT #	DATE	ADDRESS	INVESTMENT
765425	2/11/97	927 W. Blackhawk Street	\$100,000
773826	8/18/93	1241 W. Division Street	\$2,000
773829	8/18/93	1241 W. Division Street	\$10,000
774845	9/9/93	1177 N. Elston Avenue	\$2,000
774953	9/13/93	1670 N. Marcey Street	\$2,500
778015	11/5/93	860 W. Evergreen Avenue	\$100,000
779760	12/17/93	860 W. Evergreen Avenue	\$750,000
792491	9/16/94	1357 N. Elston Avenue	\$60,000
794254	10/13/94	1909 N. Clifton Avenue	\$7,500
796479	11/21/94	860 W. Evergreen Avenue	\$12,000
797495	12/12/94	927 W. Blackhawk Street	\$200,000
801282	3/22/95	860 W. Evergreen Avenue	\$30,000
802995	4/25/95	860 W. Evergreen Avenue	\$600,000
808273	7/24/95	1780 N. Marcey Street	\$5,000
812960	10/16/95	949 N. Elston Avenue	\$7,340
813524	10/24/95	1128 N. Elston Avenue	\$8,000
814285	11/7/95	1720 N. Marcey Street	\$120,000
816088	12/12/95	1285 W. North Avenue	\$20,000
816659	12/27/95	1720 N. Elston Avenue	\$12,000
817387	1/18/96	935 W. Chestnut Street	\$4,000
817577	1/23/96	1308 N. Elston Avenue	\$40,000
817578	1/23/96	1308 N. Elston Avenue	\$500
832975	10/7/96	1720 N. Marcey Street	\$27,295
840982	2/19/97	1357 N. Elston Avenue	\$3,800
842873	3/20/97	1820 N. Besly Court	\$100,000
844377	4/11/97	927 W. Blackhawk Street	\$13,049

96001151	2/27/96	1416 W. Willow Street	\$75,000
96002536	3/29/96	1010 W. Weed Street	\$12,700
96005017	5/9/96	1049 W. North Avenue	\$185,000
96007110	6/10/96	1419 N. Elston Avenue	\$3,500
96007111	6/10/96	1419 N. Elston Avenue	\$7,000
		TOTAL (31 permits)	\$2,520,184

DEMOLITION PERMITS

PERMIT # DATE ADDRESS INVESTMENT

810500	8/31/95	1351 West Cortland Street	\$ 0
96009571	7/17/96	1049 West North Avenue	\$4,400
		TOTAL (2 demolition permits)	\$4,400

EXHIBIT 3 - BUILDING CODE VIOLATIONS

1644 North Ada Street	1510 North Elston Avenue *(2)
1664 North Ada Street	1850 North Elston Avenue *(2)
1680 North Ada Street	1800 North Kingsbury Street *(2)
1604 North Besly Court	1815 North Kingsbury Street *(2)
1642 North Besly Court	1023 West North Avenue
1656 North Besly Court	1025 West North Avenue
1658 North Besly Court	1030 West North Avenue *(2)
1800 North Besly Court	1315 West North Avenue
1830 North Besly Court *(2)	1401 West North Avenue
1854 North Besly Court *(2)	850 North Ogden Avenue
927 West Blackhawk Street *(2)	1530 North Throop Street
1115 West Blackhawk Street	1620 North Throop Street
1132 West Blackhawk Street *(2)	1006 West Weed Street *(2)
1201 West Blackhawk Street	1073 West Weed Street
1834 North Clybourn Avenue *(2)	1416 West Willow Street
1872 North Clybourn Avenue *(2)	
1920 North Clybourn Avenue *(2)	
1960 North Clybourn Avenue	
1970 North Clybourn Avenue	
2000 North Clybourn Avenue	
2020 North Clybourn Avenue	
2028 North Clybourn Avenue	
1317 West Concord Place	
1338 West Concord Place	
1346 West Concord Place	
1201 West Cortland Street	
1229 West Cortland Street	
1323 West Cortland Street	
1517 West Cortland Street *(2)	
1004 North Elston Avenue	
1177 North Elston Avenue *(2)	
1300 North Elston Avenue	
1301 North Elston Avenue	
1308 North Elston Avenue *(2)	

**Total: 49 building cited;
16 building cited for two (2) separate years**

EXHIBIT 4 - DISTRIBUTION OF CRITERIA MATRIX

BLOCK	1	2	3	4	5	6	7	8	9	10	11	12	13	14
14 32 132	X		X	X							X	P	X	
14 32 137	X		X	X			X				X	X	X	
14 32 300	X	X	X	X			P				P	P	X	
14 32 301	X	X	X	X			P				X	X	X	
14 32 302	X	P	X	X			P				P	P	X	
14 32 303	X		X	X								X	X	
14 32 304			X	X			X					X	X	
14 32 305	X	X	X	X							X	P	X	
14 32 307	X		X				X					X	X	
14 32 308	X	X	X	X			p				X		X	
14 32 309	X	X	X	X			p				X	X	X	
14 32 310														
14 32 311	X		P	P			P				P	P	P	
14 32 314	X		X	X							P	X	X	
14 32 315			X	X							P	P	X	
14 32 316	X	X	X	X							X	X	X	
14 32 317	X	X	X	X								P	X	
14 32 318	X	P	X	X			P				X	X	X	
14 32 319	X	P	X	X			P				X	X	X	

Key

- X Present to a Major Extent
- P Present
- Not Present

Criteria

- 1 AGE
- 2 DILAPIDATION
- 3 OBSOLESCENCE
- 4 DETERIORATION
- 5 ILLEGAL USE OF INDIVIDUAL STRUCTURES
- 6 PRESENCE OF STRUCTURES BELOW MINIMUM CODE
- 7 EXCESSIVE VACANCIES
- 8 OVERCROWDING
- 9 LACK OF VENTILATION, LIGHT OR SANITARY FACILITIES
- 10 INADEQUATE UTILITIES
- 11 EXCESSIVE LAND COVERAGE
- 12 DELETERIOUS LAND USE OR LAYOUT
- 13 DEPRECIATION OF PHYSICAL MAINTENANCE
- 14 LACK OF COMMUNITY PLANNING

EXHIBIT 4 - DISTRIBUTION OF CRITERIA MATRIX (CONT.)

BLOCK	1	2	3	4	5	6	7	8	9	10	11	12	13	14
14 32 404	x	x	P	x			P				P	X	x	
14 32 405	x	x	x	x							x	P	x	
14 32 406	x		x	x							x	X		
14 32 417	x		x	x									x	
14 32 418	x	x	x	x			x				x	P	x	
14 32 501	x	x	P	x								X	x	
17 05 102	x		x	x							x	X	x	
17 05 103	x	x	P	x			P				P	X	x	
17 05 104	x	P	P	P							P	X	x	
17 05 105							x					P	x	
17 05 106	x	x	x	x			x						x	
17 05 113												X		
17 05 114													x	
17 05 119	x		x	x			x					X	x	
17 05 120	x	x	x	x			P				P	x	x	
17 05 121	P		P	P								x	x	
17 05 125							x					P	x	
17 05 126							x					X	x	
17 05 127	x			x							x	X	x	

Key

- X Present to a Major Extent
- P Present
- Not Present

Criteria

- 1 AGE
- 2 DILAPIDATION
- 3 OBSOLESCENCE
- 4 DETERIORATION
- 5 ILLEGAL USE OF INDIVIDUAL STRUCTURES
- 6 PRESENCE OF STRUCTURES BELOW MINIMUM CODE
- 7 EXCESSIVE VACANCIES
- 8 OVERCROWDING
- 9 LACK OF VENTILATION, LIGHT OR SANITARY FACILITIES
- 10 INADEQUATE UTILITIES
- 11 EXCESSIVE LAND COVERAGE
- 12 DELETERIOUS LAND USE OR LAYOUT
- 13 DEPRECIATION OF PHYSICAL MAINTENANCE
- 14 LACK OF COMMUNITY PLANNING

EXHIBIT 4 - DISTRIBUTION OF CRITERIA MATRIX (CONT.)

BLOCK	1	2	3	4	5	6	7	8	9	10	11	12	13	14
17 05 200			x				x						x	x
17 05 206	x		x	x							x	x	x	x
17 05 212	x	x	x	x							x	x	x	x
17 05 216	x		x	x							x		x	x
17 05 220	x		x	x							x	x	x	x
17 05 306	x		P	P							P	P	X	P
17 05 307	x	x	x	x							x	P	x	
17 05 313	x		P	x							P		x	
17 05 413	x	x	x	x			P				P	P	x	
17 05 419			x				x					x	x	
17 05 421			x				x					x	x	
17 05 422	x		x									x		
17 05 425	P	P	P	P			P				P		x	
17 05 500			x									x	x	

Key

- X Present to a Major Extent
- P Present
- Not Present

Criteria

- 1 AGE
- 2 DILAPIDATION
- 3 OBSOLESCENCE
- 4 DETERIORATION
- 5 ILLEGAL USE OF INDIVIDUAL STRUCTURES
- 6 PRESENCE OF STRUCTURES BELOW MINIMUM CODE
- 7 EXCESSIVE VACANCIES
- 8 OVERCROWDING
- 9 LACK OF VENTILATION, LIGHT OR SANITARY FACILITIES
- 10 INADEQUATE UTILITIES
- 11 EXCESSIVE LAND COVERAGE
- 12 DELETERIOUS LAND USE OR LAYOUT
- 13 DEPRECIATION OF PHYSICAL MAINTENANCE
- 14 LACK OF COMMUNITY PLANNING

EXHIBIT 5 - MATRIX OF BLIGHTED FACTORS

A. Block Number	132	137	300	301	302	303	304	305	307	308
B. Number of Buildings	3	1	2	8	5	1	0	4	0	4
C. Number of Parcels	8	2	3	17	7	3	3	6	3	4
1. Number of buildings 35 years or older	2	1	2	7	5	1	0	4	0	4
2. A. Number of buildings showing decline of physical maintenance	1	1	2	7	5	1	0	4	0	3
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	5	2	3	13	7	3	3	6	3	3
3. A. Number of deteriorated buildings	1	1	2	7	5	1	0	4	0	4
3. B. Number of parcels with site improvement that are deteriorated	5	2	3	14	6	3	3	6	0	4
4. A. Number of dilapidated buildings	0	0	2	3	1	0	0	2	0	2
4. B. Number of parcels with site improvements that are dilapidated	0	0	2	9	2	0	0	3	0	2
5. A. Number of obsolete buildings	2	1	2	7	5	0	0	4	0	4
5. B. Number of parcels with site improvements that are obsolete	9	1	3	16	6	0	0	6	0	4
6. Number of buildings below minimum code	0	0	0	0	0	0	0	0	0	0
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0	0	0	0	0	0	0	0	0
8. Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0	0
9. Number of buildings with excessive vacancies	0	1	0	0	0	0	0	0	0	1
10. Number of parcels with excessive vacancies	0	1	1	1	1	0	3	0	0	1
11. Total number of eligibility factors represented in block	5	6	5	8	7	3	3	7	2	7

MATRIX OF BLIGHTED FACTORS (CONT.)

A. Block Number	309	310	311	314	315	316	317	318	319	404
B. Number of Buildings	7	1	2	2	6	13	1	7	8	6
C. Number of Parcels	20	1	5	8	12	21	4	28	21	23
1. Number of buildings 35 years or older	6	0	1	1	0	11	1	5	8	6
2. A. Number of buildings showing decline of physical maintenance	7	0	2	2	4	11	0	6	8	6
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	20	0	2	8	8	17	3	22	21	16
3. A. Number of deteriorated buildings	7	0	1	2	5	10	1	6	8	6
3. B. Number of parcels with site improvements that are deteriorated	20	0	1	5	11	14	1	23	21	13
4. A. Number of dilapidated buildings	3	0	0	0	0	7	1	3	5	6
4. B. Number of parcels with site improvements that are dilapidated	7	0	0	0	0	9	1	5	7	9
5. A. Number of obsolete buildings	6	0	1	1	4	11	1	6	8	6
5. B. Number of parcels with site improvements that are obsolete	12	0	1	2	10	13	1	25	20	9
6. Number of buildings below minimum code	0	0	0	0	0	0	0	0	0	0
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0	0	0	0	0	0	0	0	0
8. Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0	0
9. Number of buildings with excessive vacancies	1	0	1	0	0	3	0	2	2	1
10. Number of parcels with excessive vacancies	1	0	1	0	0	3	0	12	5	2
11. Total number of eligibility factors represented in block	8	0	6	6	5	7	5	8	8	8

MATRIX OF BLIGHTED FACTORS (CONT.)

A. Block Number	405	406	417	418	501	102	103	104	105	106
B. Number of Buildings	2	1	1	2	2	1	11	18	1	2
C. Number of Parcels	3	9	1	2	4	1	34	36	3	2
1. Number of buildings 35 years or older	2	1	1	2	2	0	9	12	0	2
2. A. Number of buildings showing decline of physical maintenance	2	0	1	1	2	0	9	12	1	2
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	3	0	1	1	2	1	33	27	3	2
3. A. Number of deteriorated buildings	2	1	1	1	2	0	9	9	0	2
3. B. Number of parcels with site improvements that are deteriorated	3	9	1	1	2	1	23	12	0	2
4. A. Number of dilapidated buildings	2	0	0	1	1	0	6	4	0	1
4. B. Number of parcels with site improvements that are dilapidated	3	0	0	1	1	0	7	4	0	1
5. A. Number of obsolete buildings	2	1	1	1	1	0	9	12	0	2
5. B. Number of parcels with site improvements that are obsolete	3	9	1	1	1	0	10	14	0	2
6. Number of buildings below minimum code	0	0	0	0	0	0	0	0	0	1
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0	0	0	0	0	0	0	0	0
8. Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0	0
9. Number of buildings with excessive vacancies	0	0	0	1	0	0	0	0	0	1
10. Number of parcels with excessive vacancies	0	0	0	1	0	0	12	0	1	1
11. Total number of eligibility factors represented in block	7	4	4	7	6	2	8	7	2	6

MATRIX OF BLIGHTED FACTORS (CONT.)

A. Block Number	113	114	119	120	121	125	126	127	200	206
B. Number of Buildings	1	0	1	2	3	1	0	1	0	3
C. Number of Parcels	3	5	1	3	4	2	6	2	2	6
1. Number of buildings 35 years or older	0	0	1	2	1	0	0	1	0	2
2. A. Number of buildings showing decline of physical maintenance	0	0	1	2	2	0	0	1	0	2
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	2	5	1	3	2	0	0	2	2	5
3. A. Number of deteriorated buildings	0	0	1	2	1	0	0	1	0	2
3. B. Number of parcels with site improvements that are deteriorated	2	0	1	3	1	0	0	2	0	4
4. A. Number of dilapidated buildings	0	0	0	2	0	0	0	0	0	0
4. B. Number of parcels with site improvements that are dilapidated	1	0	0	3	0	0	0	0	0	0
5. A. Number of obsolete buildings	0	0	1	2	1	0	0	1	0	2
5. B. Number of parcels with site improvements that are obsolete	1	0	1	3	1	0	0	2	0	4
6. Number of buildings below minimum code	0	0	0	0	0	0	0	0	0	0
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0	0	0	0	0	0	0	0	0
8. Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0	0
9. Number of buildings with excessive vacancies	0	0	1	1	0	1	0	0	0	0
10. Number of parcels with excessive vacancies	0	0	1	1	0	2	0	0	0	0
11. Total number of eligibility factors represented in block	0	1	6	8	5	1	0	4	2	7

MATRIX OF BLIGHTED FACTORS (CONT.)

A. Block Number	212	216	220	306	307	313	413	419	421	422
B. Number of Buildings	1	2	2	6	2	1	6	0	1	1
C. Number of Parcels	10	1	3	10	7	3	9	2	1	7
1. Number of buildings 35 years or older	1	1	2	3	1	1	6	0	0	1
2. A. Number of buildings showing decline of physical maintenance	1	1	2	4	2	1	5	0	1	0
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	7	1	3	1	7	3	8	2	1	0
3. A. Number of deteriorated buildings	1	1	2	0	2	1	5	0	0	0
3. B. Number of parcels with site improvements that are deteriorated	5	1	2	0	3	2	6	0	0	0
4. A. Number of dilapidated buildings	1	0	0	0	1	0	3	0	0	0
4. B. Number of parcels with site improvements that are dilapidated	5	0	0	0	1	0	3	0	0	0
5. A. Number of obsolete buildings	1	1	2	0	1	1	6	0	0	1
5. B. Number of parcels with site improvements that are obsolete	5	1	2	3	1	1	7	0	0	7
6. Number of buildings below minimum code	0	0	0	0	0	0	0	0	0	0
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0	0	0	0	0	0	0	0	0
8. Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0	0
9. Number of buildings with excessive vacancies	0	0	0	1	0	0	1	0	0	0
10. Number of parcels with excessive vacancies	0	0	0	0	0	0	1	0	0	0
11. Total number of eligibility factors represented in block	8	6	7	5	7	5	8	1	1	3

MATRIX OF BLIGHTED FACTORS (CONT.)

A. Block Number	425	500
B. Number of Buildings	2	0
C. Number of Parcels	12	2
1. Number of buildings 35 years or older	1	0
2. A. Number of buildings showing decline of physical maintenance	1	0
2. B. Number of parcels with site improvements exhibiting decline of physical maintenance	12	2
3. A. Number of deteriorated buildings	1	0
3. B. Number of parcels with site improvements that are deteriorated	7	0
4. A. Number of dilapidated buildings	1	0
4. B. Number of parcels with site improvements that are dilapidated	1	0
5. A. Number of obsolete buildings	1	0
5. B. Number of parcels with site improvements that are obsolete	1	2
6. Number of buildings below minimum code	0	0
7. Number of buildings lacking ventilation, light, or sanitation facilities	0	0
8. Number of buildings with illegal uses	0	0
9. Number of buildings with excessive vacancies	1	0
10. Number of parcels with excessive vacancies	1	0
11. Total number of eligibility factors represented in block	7	2

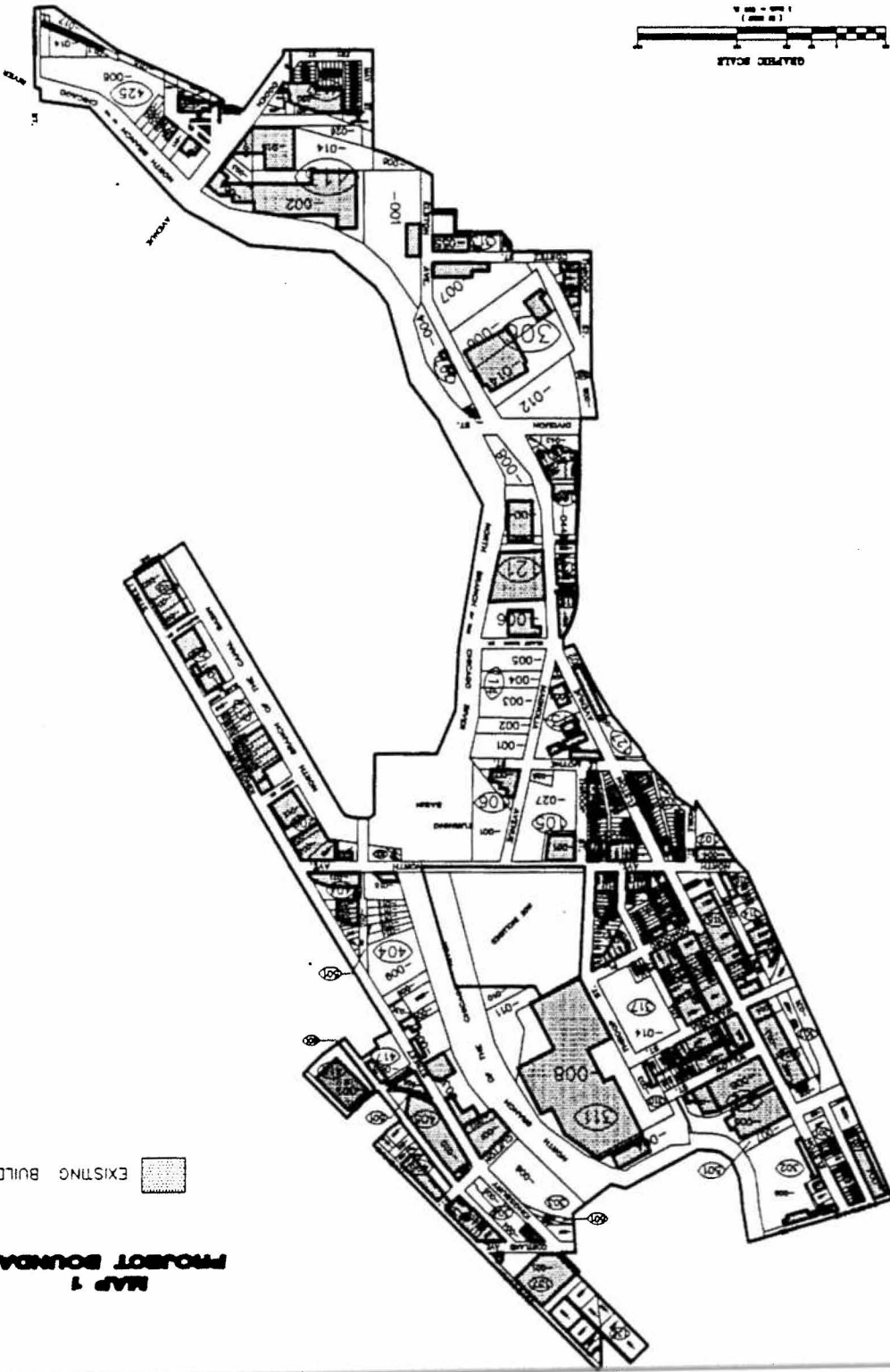
EXHIBIT 6 - MAP LEGEND

MAP 1	PROJECT BOUNDARY
MAP 2	EXISTING LAND USE
MAP 3	AGE
MAP 4	DILAPIDATION
MAP 5	OBSOLESCENCE
MAP 6	DETERIORATION
MAP 7	EXCESSIVE LAND COVERAGE
MAP 8	DELETERIOUS LAND USE/LAYOUT
MAP 9	DEPRECIATION OF PHYSICAL MAINTENANCE

CITY OF CHICAGO
1-19-98

LOUIK / SCHNEIDER
& ASSOCIATES, INC.

GLEN D. KRISCH
LAND SURVEYOR, INC.
SURVEYING - CONSTRUCTION - CONSTRUCTION LAYOUT
104 S. ROCK ST. CHICAGO, ILL. 60607
TEL: 432-8288 FAX: 432-8289



EXISTING BUILDING

PROJECT BOUNDARY







CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY

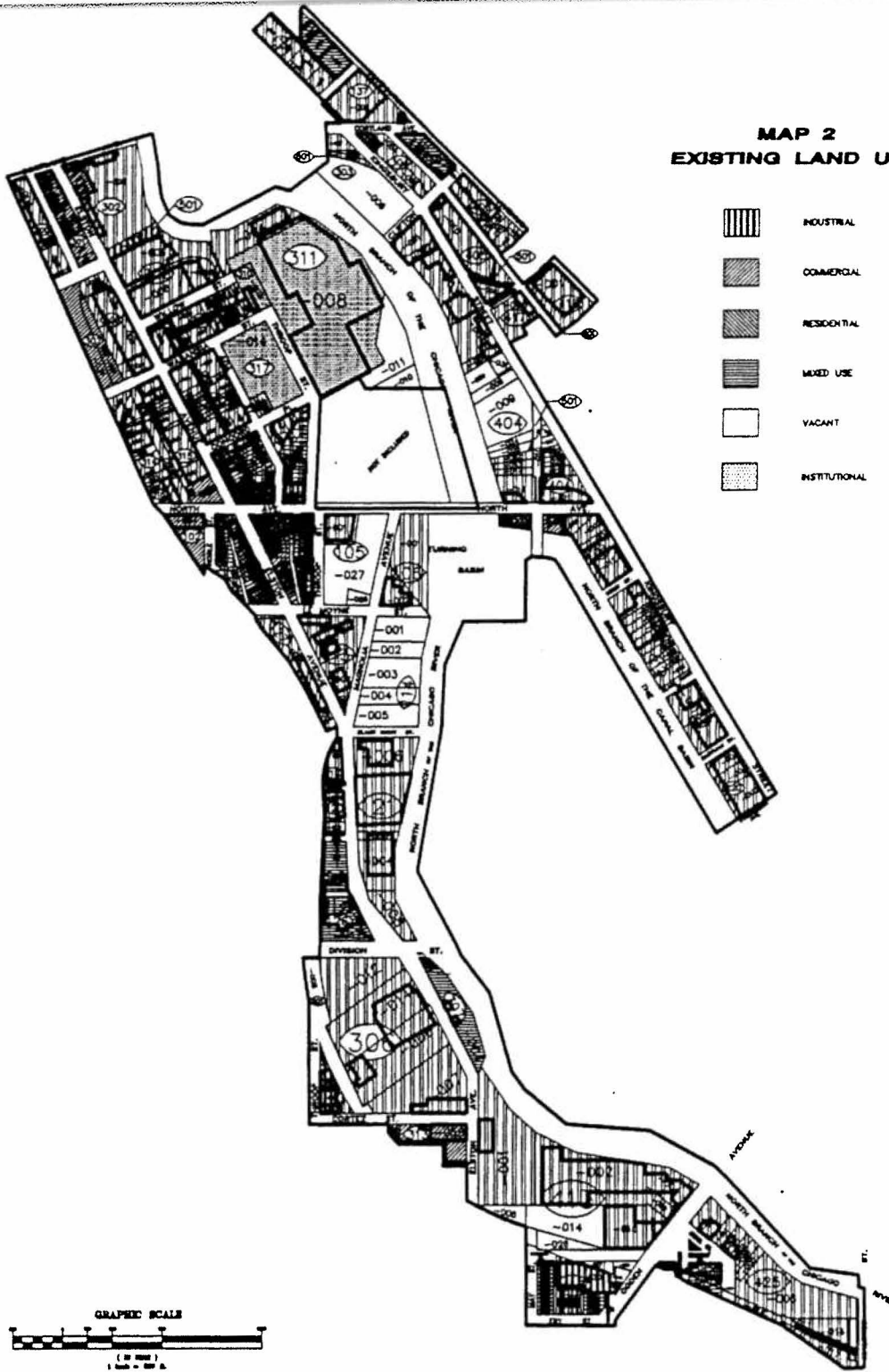


**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 2
EXISTING LAND USE**

-  INDUSTRIAL
-  COMMERCIAL
-  RESIDENTIAL
-  MIXED USE
-  VACANT
-  INSTITUTIONAL



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
300 West North Avenue Suite 200 • Lombard, IL 60148 • Phone 630.657.8888
 Fax 630.657.8884
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Circle 10 on Reader Service Card



**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

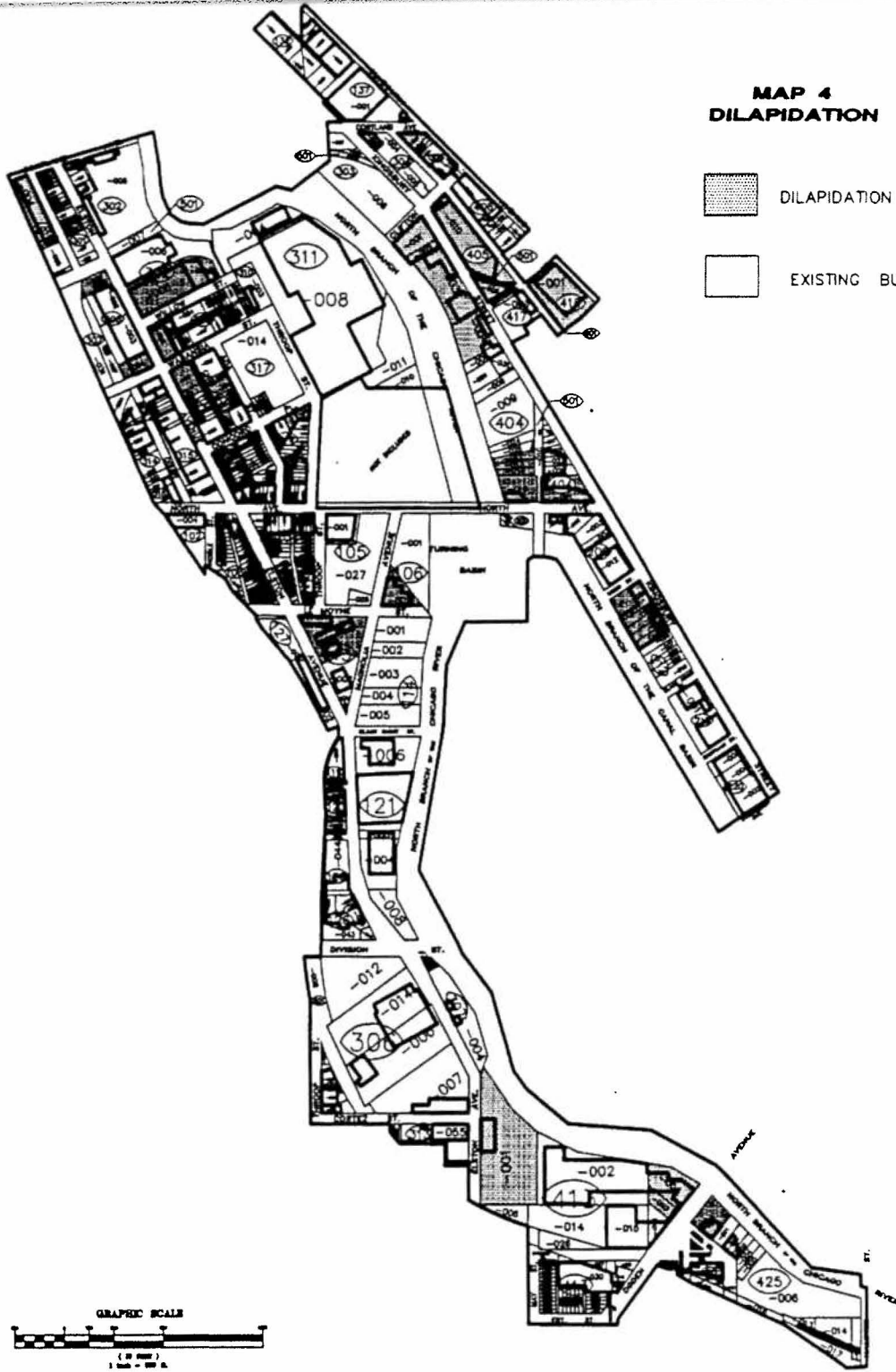
CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 4
DILAPIDATION**

-  DILAPIDATION
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
200 West North Avenue Suite 2 • Lombard, IL 60148 • Phone 630.687.8888
Fax 630.687.8884
SURVEYING • CONSULTING • CONSTRUCTION LAYOUT
Landscape • Erosion Control • Site Planning • Construction Management

**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**



CITY OF CHICAGO
1-19-98

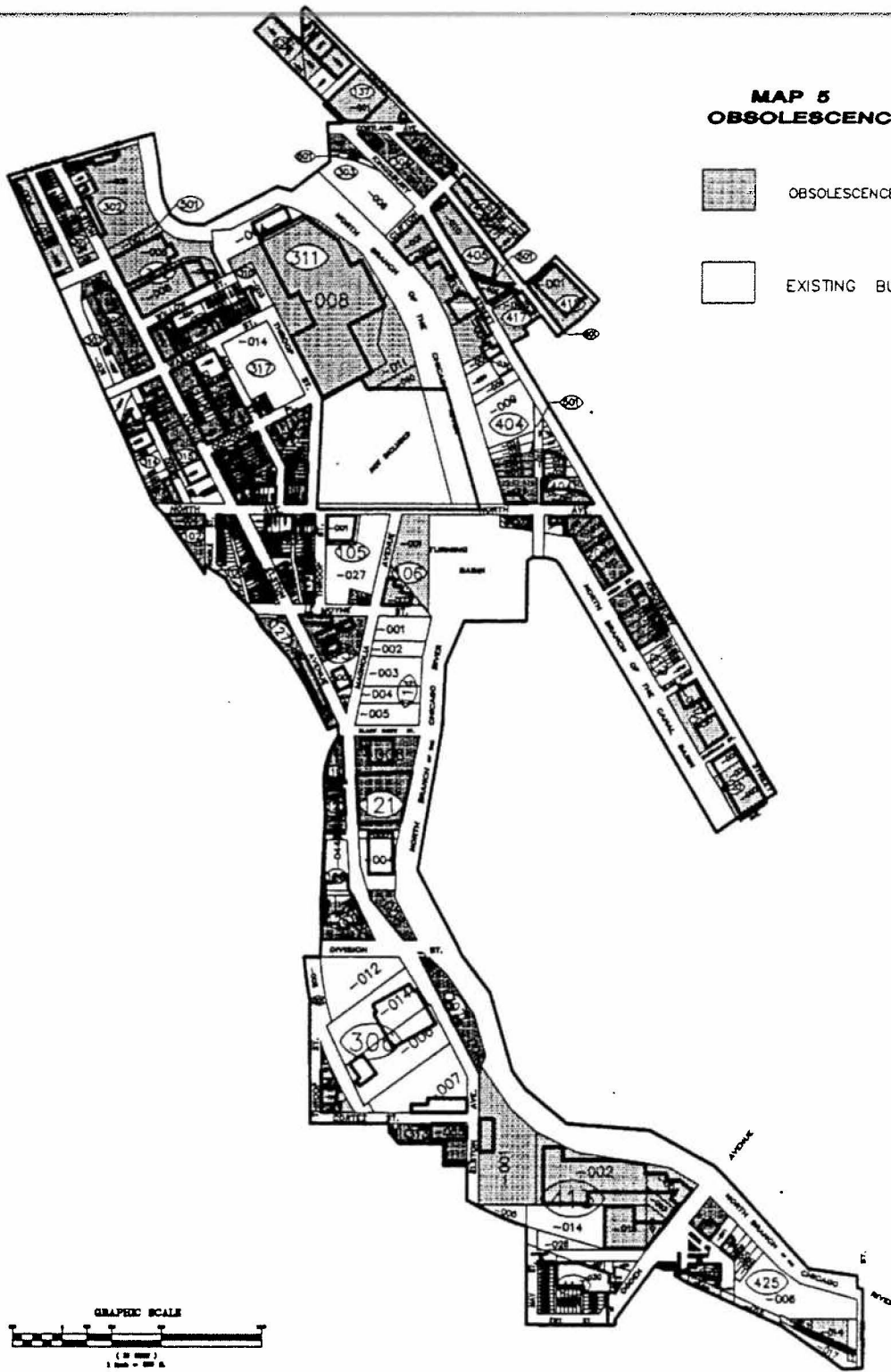
**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



W E

**MAP 5
OBsolescence**

-  OBsolescence
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
308 West North Avenue Suite 8 • Lombard, IL 60148 • Phone: 630.857.8888
Fax: 630.857.8804
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Scale: 1"=100' 100' Plot EAG File Name



**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

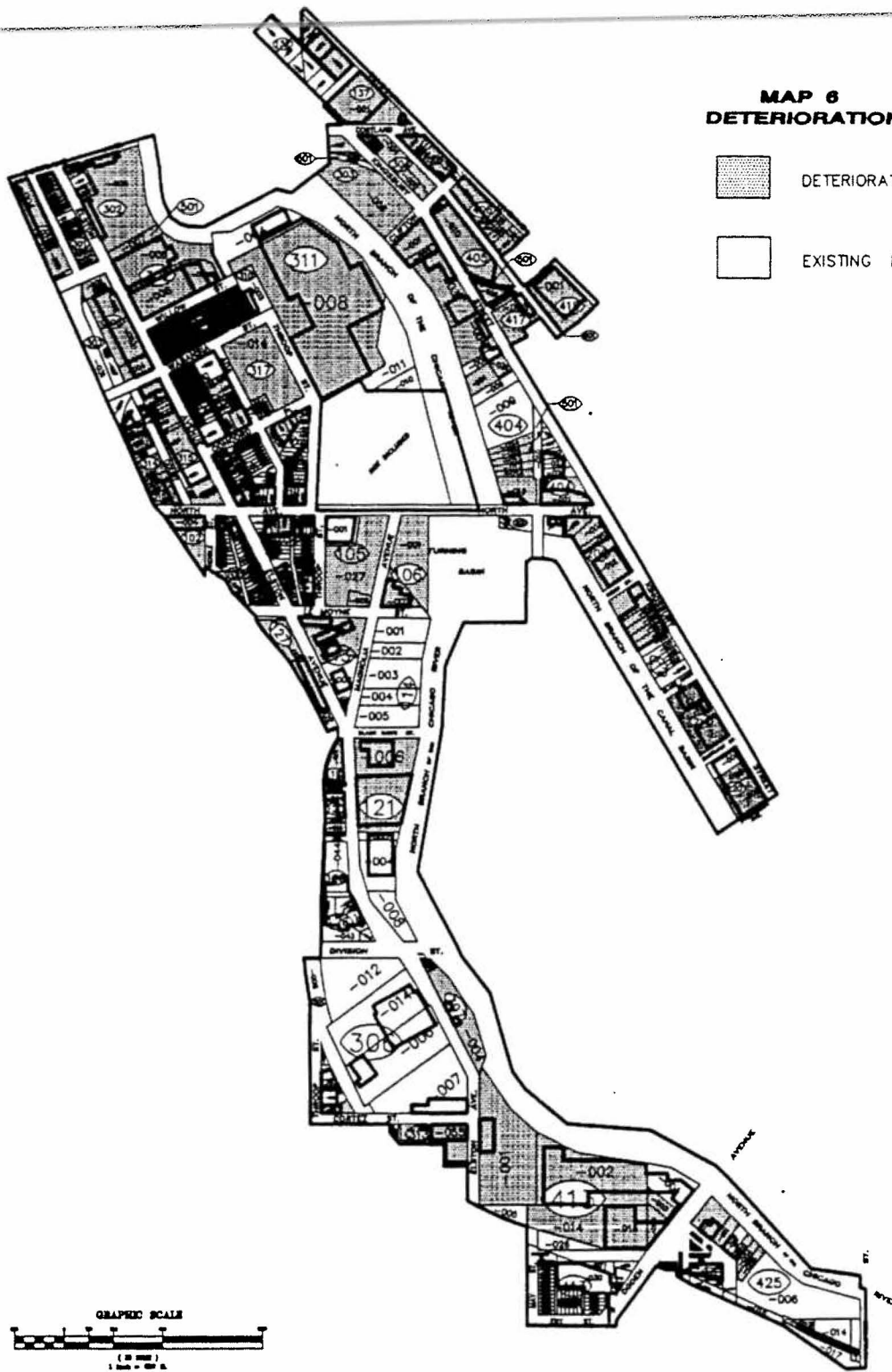
CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 6
DETERIORATION**

-  DETERIORATION
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
200 West North Avenue Suite 2 • Lombard, IL 60148 • Phone 630.637.8889
 Fax 630.637.8894
SURVEYING - CONVEYING - CONSTRUCTION LAYOUT
License: 0299-1047-9 0297-0298 0299-1047-9

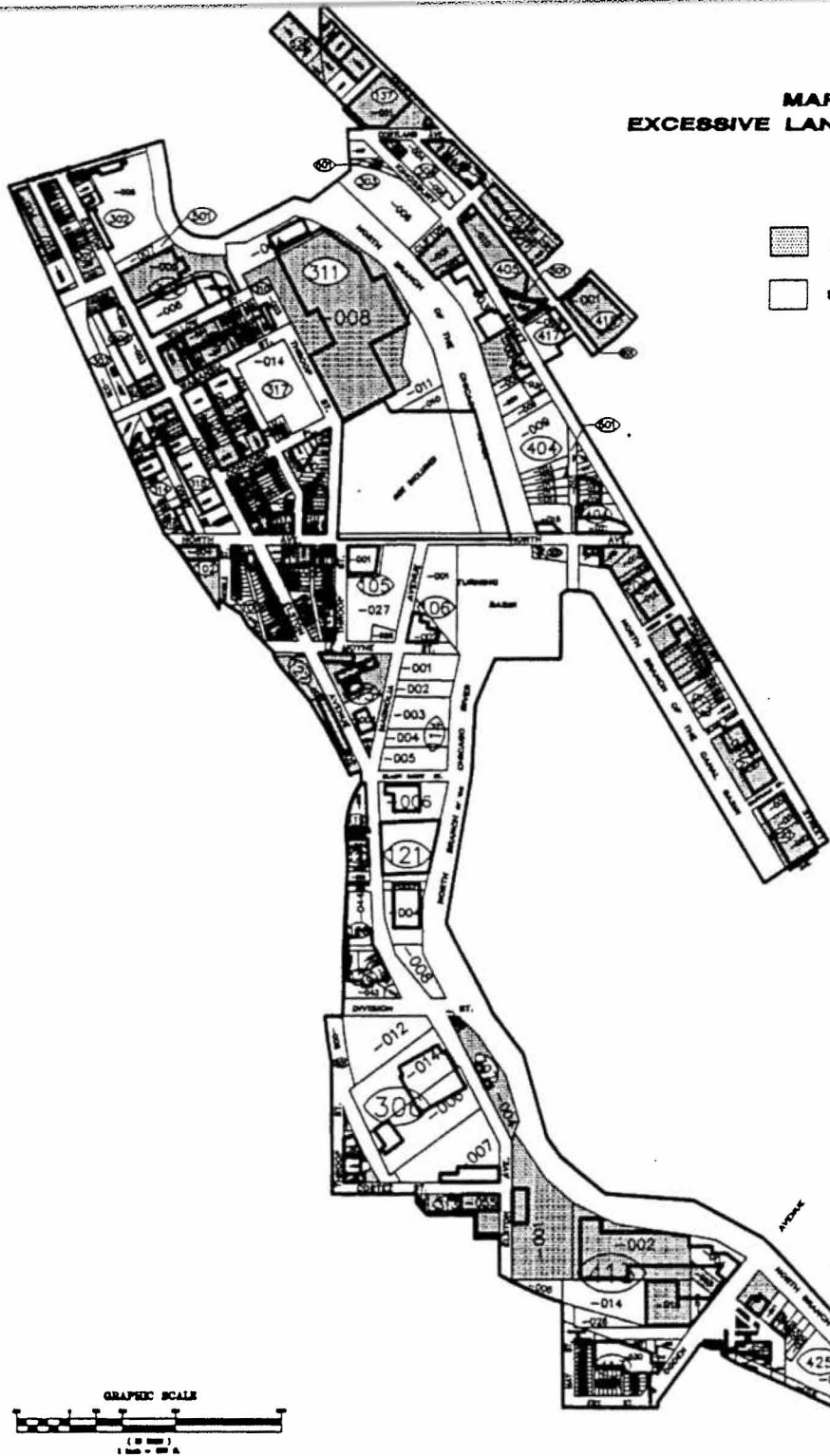
**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**



CITY OF CHICAGO
1-19-98

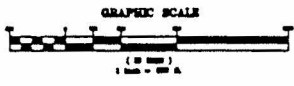
**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 7
EXCESSIVE LAND COVERAGE**



-  EXCESSIVE LAND COVERAGE
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
300 West North Avenue Suite 2 • Lombard, IL 60148 • Phone: 630.987.8800
Fax: 630.987.8804
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Since 1928

**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

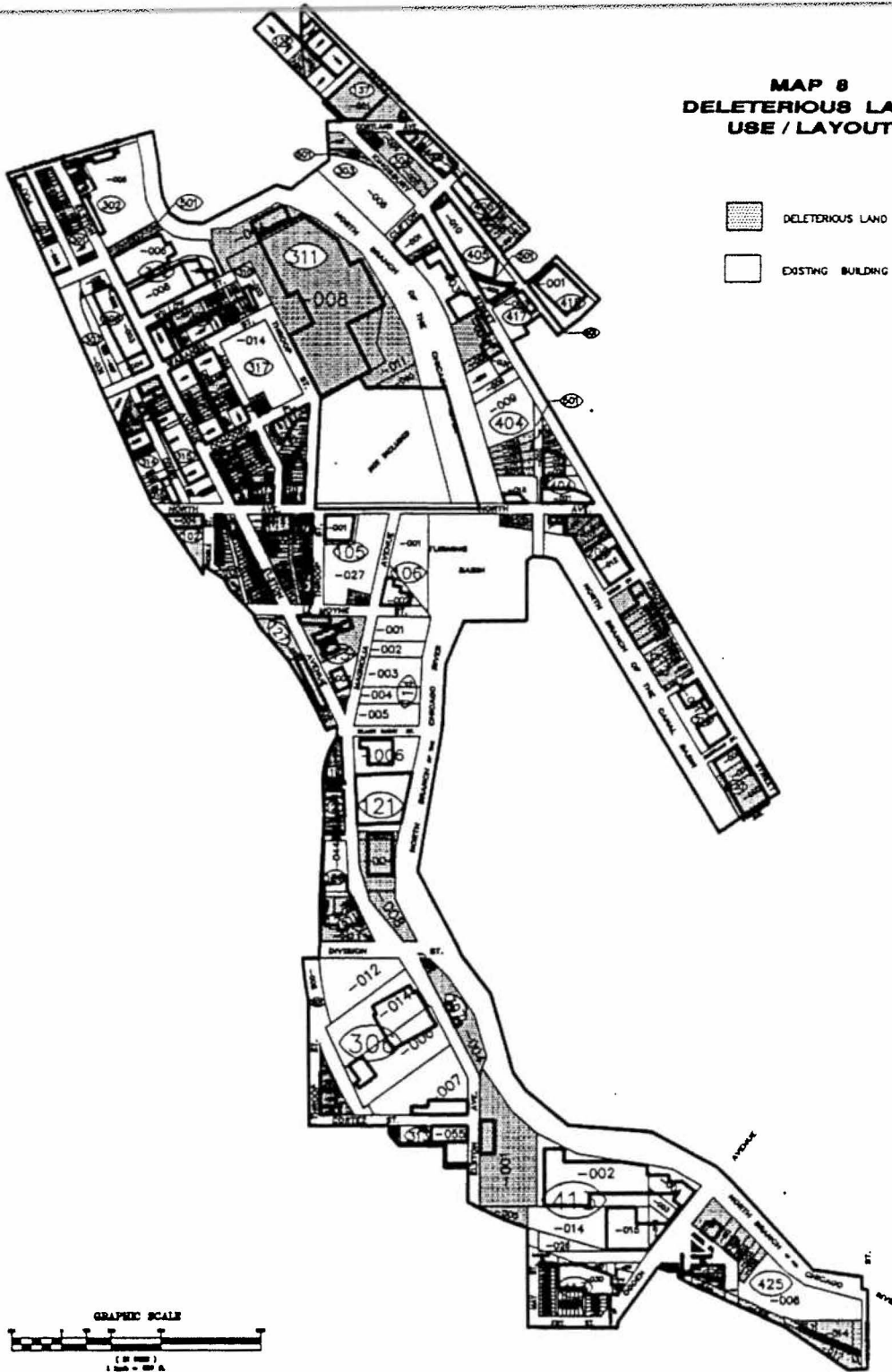
CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 8
DELETERIOUS LAND
USE / LAYOUT**

-  DELETERIOUS LAND USE / LAYOUT
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
200 West North Avenue Suite 2 • Lombard, IL 60148 • Phone 630.927.2000
Fax 630.927.2004
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT
Mobile Survey • 100' x 100' Plot • CAD File Service



**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

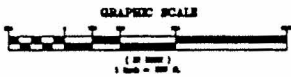
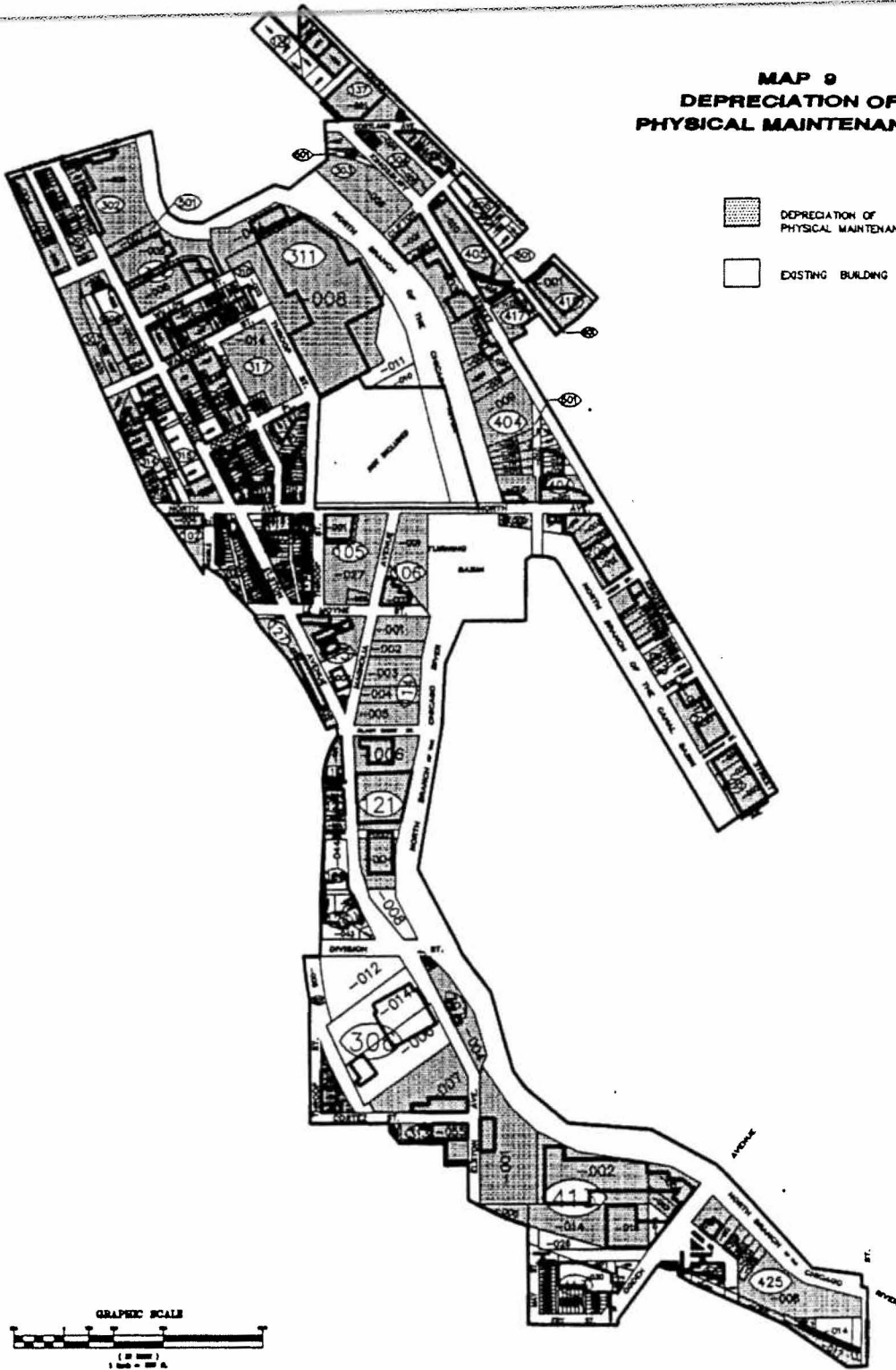
CITY OF CHICAGO
1-19-98

**CITY OF CHICAGO NORTH BRANCH SOUTH
ELIGIBILITY STUDY**



**MAP 9
DEPRECIATION OF
PHYSICAL MAINTENANCE**

-  DEPRECIATION OF PHYSICAL MAINTENANCE
-  EXISTING BUILDING



**GLEN D. KRISCH
LAND SURVEYOR, INC.**
201 West North Avenue, Suite 8 • Lombard, IL 60148 • Phone 630.957.8900
Fax 630.957.8904
SURVEYING • CONSULTING • CONSTRUCTION LAYOUT

**LOUIK / SCHNEIDER
& ASSOCIATES, INC.**

CITY OF CHICAGO
1-19-98

Scale: Drawn: 10" = 1' NDC: Plot: EAG: Plot Name: