



OFFICE OF THE MAYOR
CITY OF CHICAGO

FOR IMMEDIATE RELEASE

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Mayor Emanuel Proposes Land Swap for Unused Rail Line

An abandoned railroad line in Englewood would be acquired by the City for eventual redevelopment as public open space under a land swap proposed to City Council today by Mayor Rahm Emanuel.

The 1.7-mile rail line along the north side of 59th Street would be acquired from Norfolk Southern Railroad in exchange for City-owned land adjacent to the railroad's 63rd Street Intermodal Yard. The swap could lead to the line's future redevelopment as a linear park in Englewood while enabling Norfolk Southern to expand its rail yard in Washington Park.

"Leveraging existing assets for community improvements is a key development strategy for greater Englewood," Mayor Rahm Emanuel said. "This rail line has tremendous potential as a public amenity and its acquisition by the City is step one. We'll work with the community on a viable redevelopment plan that, over time, will create a spine of opportunity through the neighborhood, for recreation, for beautification, or for other purposes."

The rail line runs east-west along an elevated berm, crossing 26 viaducts and terminating on the east near Wallace Street and on the west near Hoyne Avenue. Previously used for freight operations and today largely comprised of grass and trees, the line ranges from 50- to 100-foot wide and encompasses more than 17 acres.

Approximately 40 acres of City-owned land adjacent to the line could help support its integration into the community, possibly as a nature trail through a burgeoning agricultural district, according to the City's "Green Healthy Neighborhoods" plan, recently adopted by the Chicago Plan Commission. Cost estimates, construction timelines, and management details are undetermined.

Approximately five acres of City-owned property proposed to be exchanged for the rail line consist of nine parcels of vacant land on the 6000 block of South Lafayette Avenue and additional land near 63rd Street and Michigan Avenue that was at one time occupied by a Chicago Skyway exist ramp. Norfolk Southern would incorporate the parcels into a planned 6.5-acre rail yard expansion project.

The land exchange would be considered of equal value with no cost to the City or the railroad.

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TIF Proposed for Advanced Manufacturing Hub

UI Labs would construct a \$16.5 million hub for advanced manufacturing on Goose Island through a financial proposal introduced to City Council today by Mayor Rahm Emanuel.

Tax Increment Financing (TIF) assistance up to \$10 million would be allocated for tenant improvements within a 360,000-square-foot building at 1333 N. Hickory St., where UI Labs would create a laboratory to develop, demonstrate, and deploy digital technologies across key manufacturing industries.

The nearly 100,000-square-foot build-out would create flexible, programmable space for UI Labs' Digital Manufacturing Design Innovation Institute. The lab would be staffed initially by 20 people. A state grant would finance the remainder of the initial improvement costs.

UI Labs is a not-for-profit research, training, and commercialization center that brings together businesses and institutions to pair cutting-edge industrial research with commercial applications. It recently secured a \$70 million grant from the federal government and approximately \$250 million in cooperative agreements from private organizations.

Along with the Department of Planning and Development and World Business Chicago, UI Labs co-hosted three public forums earlier this year to introduce Chicago-based, small- and medium-sized manufacturers to laboratory resources, including advanced manufacturing techniques, product testing, digitized supply chains, and various forms of data sharing.

The work could be completed early next year.

###

New Projects Would Create More than 275 Units of Affordable Housing

Three affordable housing projects would be supported through financial measures introduced today to City Council today by Mayor Rahm Emanuel.

Sterling Park Apartments, 3301 W. Arthington St.

One hundred eighty one units of rental housing would be built in North Lawndale as part of Sterling Park Apartments, a \$55 million rental project planned by Sterling Park Development LLC. The project would involve the redevelopment of the former Sears, Roebuck & Co. Merchandising, Development and Laboratory Building, which has been vacant since 1999. Its conversion to one-, two-, three-, and four-bedroom residential units would include exterior repairs and upgrades, new windows, building systems and elevators. Sixty six of the units would be set aside for Chicago Housing Authority (CHA) residents. City support would include \$17.8 million in Low Income Housing Tax Credit equity. The City would also cede up to \$30 million in bond cap to the CHA to bridge financing costs during the construction phase.

Casa Queretaro, 1614 S. Damen Ave.

Forty five units of multi-family housing would be built on the Lower West Side as part of Casa Queretaro, a \$15 million rental project planned by The Resurrection Project. The four-story



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building would one-, two- and three-bedroom units for households with incomes up to 60 percent of the area median income (AMI). Fifteen of the units would be reserved for CHA tenants. The City would provide a \$1.2 million loan, \$4.4 million in Tax Increment Financing (TIF), \$5.3 million in Low Income Housing Tax Credit equity, and the sale of one parcel of City-owned land for \$1 to facilitate its construction. Amenities would include a community room, office space and laundry facilities. Other funding sources would include a \$4.5 million CHA loan and \$8.5 million in Housing Revenue Bonds.

Senior Residence at Kedzie, 4054 N. Kedzie Ave.

Fifty units of senior housing would be built in Albany Park as part of Senior Residence at Kedzie, a \$16 million rental development by Kedzie Partners LP. The six-story complex would include a gazebo, walking paths, community room, fitness center, laundry facilities and office space. All units would have one bedrooms and be leased to seniors earning up to 60 percent of AMI. The City would provide a \$4 million loan and \$1.2 million in Low Income Housing Tax Credit financing that would generate \$11.1 million in equity for the project.

###

Vacant Buildings Proposed As Affordable Housing

Two City-owned residential buildings on the South and West sides would be sold for redevelopment as affordable housing through a proposal introduced to City Council today by Mayor Rahm Emanuel.

A vacant, 16-unit property in Englewood would be conveyed to The Street LLC for rehabilitation as affordable rental housing. The three-story building at 6400 S. Peoria St. would be sold for \$110,000. Future tenants would earn up to 80 percent of area median income (AMI).

A vacant, single-family home at 5341 W. Ohio St. in Austin would be conveyed to MPS Stabilization LLC for \$1. It would be rehabilitated and eventually sold at a yet-to-be determined price to an owner-occupant earning up to 80 percent of AMI.

The City took possession of both buildings due to unpaid tax bills. The rehabilitation work for both properties would be performed under the Department of Planning and Development's "Preserving Communities Together" program, which reoccupies abandoned properties through their acquisition by the City and conveyance to qualified developers for rehabilitation and sale at affordable prices.

Rehabilitation work on both structures is expected to be completed by summer 2015.

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Property Tax Incentives Would Support Three Commercial and Industrial Projects

Property tax incentives introduced to City Council today would support commercial and industrial redevelopment projects on the Southwest and Far South sides.



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Fillmore LLC, 1034 S. Kostner Ave.

A Class 6(b) incentive for Fillmore LLC on behalf of Nationwide Furniture Distributors would support the \$6.3 million rehabilitation of a 141,000-square-foot industrial building in North Lawndale. Total tax savings over the 12-year incentive period are estimated at \$822,000. The project, which includes updates to all major building systems, would enable Nationwide to add an additional nine full-time jobs to its 25-member workforce. Nationwide also operates a 173,000-square-foot warehouse next door to the structure.

The Cook County Class 6(b) classification is designed to encourage industrial development by offering a reduced property tax assessment rate for 12 years for the development or revitalization of manufacturing or industrial facilities.

Spur Associates, LLC, 4301 S. Packers Ave.

The renewal of a Class 6(b) tax incentive for Spur Associates, LLC would support the continued occupancy of a 20,000-square-foot industrial building in New City by Dual Temp of Illinois Inc. The original Class 6(b) incentive, issued in 1993 and previously renewed in 2001, supported the purchase and renovation of the property for Dual Temp's industrial refrigeration repair and installation business. The estimated \$347,000 in tax savings through the 12-year renewal period would support the addition of 11 permanent jobs.

TGM Holdings, LLC, 1514-16 E. 87th St.

A Class 7(a) incentive would support the \$402,000 renovation of a 9,600-square-foot vacant commercial building in Calumet Heights by TGM Holdings LLC. The proposal would reduce property taxes by an estimated \$300,000 over the next 12 years and enable the owners to rehabilitate the space as a medical center with treatment rooms, physical therapy space, wound care clinic, and surgery center. Approximately 10 permanent jobs would be created by the project.

The Cook County Class 7(a) tax incentive is designed to encourage commercial development by offering a reduced property tax assessment rate for 12 years.

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New TIF District Proposed For South Side Would Support Housing Rehabilitation, Stabilization, and Public Works

A new Tax Increment Financing (TIF) district would be designated to support affordable housing and public works investments on the South Side under a proposal introduced to City Council today by Mayor Rahm Emanuel.

The Washington Park TIF District would include a 988-acre section of the Washington Park, Grand Boulevard, and Greater Grand Crossing communities that has been significantly impacted by the nationwide foreclosure crises.

Generally bounded by 51st and 56th streets on the north, 67th Street on the south, Cottage Grove Avenue on the east, and I-90/94 on the west, the district's resources would be leveraged to support



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the rehabilitation of existing structures, improve public infrastructure, and facilitate the redevelopment of an estimated 120 acres of vacant land within its boundaries.

Increment generated by the district would support a \$25 million redevelopment plan approved by the Community Development Commission in August 2014. The 23-year plan projects \$11 million to be allocated for public works improvements, \$9.5 million for building rehabilitation and site prep work, and \$2 million for job training and day care, among other costs.

One hundred and fifty three TIF districts are currently active in the City of Chicago. For more information, visit www.cityofchicago.org/tif.

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Rare Pair of Buildings Proposed for Landmark Status

A uniquely designed Uptown commercial building and a surviving example of the Near South Side's "Furniture Row" would be designated as official Chicago Landmarks under a proposal introduced to City Council today by Mayor Rahm Emanuel.

Wholesale Furniture Exposition Building, 1323 S. Michigan Ave.

The Wholesale Furniture Exposition Building is a seven-story commercial loft structure built in the Chicago School architectural style with Prairie-style brick details. Designed by Hugh M. G. Garden and constructed in 1904 using the structure of an 1894 apartment building, the building is a rare surviving example associated with the Near South Side's "Furniture Row," which was the epicenter of Chicago's furniture manufacturing and exhibition industry in the early 20th century. The designation would protect all building elevations, including rooflines, from significant alteration or demolition.

Cairo Supper Club Building, 4015-17 N. Sheridan Road.

The Cairo Supper Club Building was designed by notable Chicago architect Paul Gerhardt Sr. in the rare Egyptian Revival architectural style. Completed in 1920, the one-story commercial structure is clad with multi-colored terra cotta ornamented with a variety of ancient Egyptian motifs, including lotus-decorated columns and a concave "cavetto" cornice. The building's first use was as an automobile showroom in the 1920s before becoming the popular Cairo Supper Club in the late 1940s and hosting a variety of entertainment acts. The designation would apply to all building elevations, including rooflines, with provisions to accommodate a potential redevelopment project that would preserve the front 20 feet of the structure.

Both properties were recommended for Landmark designation by the Commission on Chicago Landmarks this summer.

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TIF Would Support North Lawndale Hospital Improvements

A \$100 million hospital improvement project by Sinai Health Systems (SHS) would be supported with up to \$31 million in Tax Increment Financing (TIF) assistance under a proposal introduced to City Council today by Mayor Rahm Emanuel.

The assistance would support the rehabilitation SHS's Mt. Sinai Hospital campus at 1500 S. Fairfield Ave. in North Lawndale. Planned to be completed over the next eight years, the improvements would enhance inpatient and outpatient care, increase the capacity of community services, and extend the useful life of the seven-building facility.

Located within the Midwest TIF district, Mt. Sinai operates as a 319-bed teaching, research and tertiary-care center that provides medical, surgical, behavioral health, therapeutic, and diagnostic services to the West Side. Founded in 1919, the hospital is one of only four Level 1 Trauma Center facilities in Chicago.

The TIF assistance would be provided in annual installments over the next nine years based on the completion of specific construction milestones. Planned construction projects include laboratory and radiology department renovations, power system upgrades, replacement of air handling equipment and hot water systems, hospital room upgrades, dialysis facility improvements, and the relocation of surgical intensive care facilities, among other projects.

Mt. Sinai and its affiliated clinics provide care for more than 300,000 individuals per year. The need for Mt. Sinai's services has grown as other area hospitals have closed or altered services in recent years, including St. Anne's Hospital, Cabrini Hospital, Sacred Heart Hospital, and Bethany Hospital.

With 1,800 employees, Mt. Sinai is the largest employer in North Lawndale and one of the largest private Medicaid providers in the State of Illinois. Approximately 92 percent of patients are covered only by Medicaid or Medicare, or are uninsured. The facility improvements would create 250 temporary construction jobs.

SHS also consists of Sinai Children's Hospital, Schwab Rehabilitation Hospital, Sinai Medical Group, Sinai Community Institute, and Sinai Urban Health Institute, and Holy Cross Hospital.

###

Land Transfer Would Support South Side Arts and Recreation Center



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The development of a \$17 million community arts and recreation center in the Douglas community would be supported through an intergovernmental development proposal introduced to City Council today by Mayor Rahm Emanuel.

Under the proposal, the City would provide \$4.3 million in Tax Increment Financing for the development of the Quad Communities Art & Recreation Center on the southwest corner of 35th Street and Cottage Grove Avenue.

To be co-developed within Ellis Park by the Chicago Park District and The Community Builders Inc., the 30,000-square-foot facility would include a full-size gymnasium with two basketball courts, an indoor pool, club rooms, a fitness center and studio, meeting hall, and theater performance spaces.

The Chicago Development Fund would also allocate \$5.26 million in New Markets Tax Credits for the project, made possible through the City's acquisition of one acre of Board of Education property and 2.5 acres of Park District property for the project. The center would lease the site from the City for \$1 annually for seven years, after which the property would be conveyed to the Chicago Park District.

Other funding would include and an \$8 million CHA loan. Construction would begin in the fall and be completed by the end of 2015.

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Financial Measures Would Support Two School Improvement Projects

The campus of two public elementary schools would be improved through development proposals introduced to City Council today by Mayor Rahm Emanuel.

James McPherson Elementary, 4728 N. Wolcott Ave.

McPherson school in Lincoln Square school would receive \$400,000 in Tax Increment Financing assistance for the construction of an outdoor playground, walkways, landscaping and gardens. The funds would be applied to planning, design and installation costs. The balance of the \$800,000 project would be paid for by the Chicago Board of Education.

Frazier Prospective School, 4027 W. Grenshaw St.

The campus of Frazier school in North Lawndale would be expanded by .26 acres through the sale of four City-owned parcels at 1115- 1121 S. Pulaski Road and 3952 W. Grenshaw St. to the Board of Education. To be sold for \$1 each, the parcels would be used to construct a playground and artificial turf field adjacent to the school. The remainder of \$750,000 project would be financed through NATO Summit funds.

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Enterprise Zone Proposal Would Add 15 Years to Six City Enterprise Zones



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A proposal to City Council today by Mayor Rahm Emanuel would authorize the City to reapply for six Enterprise Zone designations to help encourage job growth and business investment.

Administered by the State of Illinois, the Enterprise Zone program offers businesses located within designated areas a variety of State tax incentives, including credits, reductions, exemptions, and rebates, among other benefits.

Chicago's six Enterprise Zones are set to expire in July 2016 unless the City successfully applies for their re-designation by the State. The new designations would maintain the general boundaries of the current areas, each of which cover specific portions of the City:

- #1 West Side and Far West sides
- #2 Mid-South Side
- #3 Lake Calumet area
- #4 Near West, Northwest and North sides
- #5 Near West and West sides
- #6 South Side

A public hearing would be held in each area prior to the application submission. If approved by the State, the new designations would take effect in January 2016 and last for 15 years.

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