
2002 Annual Report

67th/Cicero
Redevelopment Project Area



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

JUNE 30, 2003

June 30, 2003

Ms. Alicia Mazur Berg
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the 67th/Cicero Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

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

Very truly yours,



Ernst & Young LLP

67th/Cicero Redevelopment Project Area 2002 Annual Report

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City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Alicia Mazur Berg
Commissioner

121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271 (FAX)

<http://www.cityofchicago.org>

June 30, 2003

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

Dear Comptroller Hynes:

We have compiled the attached information for the 67th/Cicero
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-
74.4-5(d).

Sincerely,

Alicia Mazur Berg
Commissioner



**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

The Project Area was designated on October 2, 2002. The Project Area may be terminated no later than October 2, 2025.

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

67th/Cicero Redevelopment Project Area
Tax Increment Financing District
Eligibility Study, Redevelopment Plan and Project

City of Chicago
Richard M. Daley, Mayor

May 31, 2002

1. Executive Summary

In December of 2001, *S. B. Friedman & Company* was engaged to conduct a Tax Increment Financing Eligibility Study and prepare a Redevelopment Plan and Project (the “Eligibility Study and Redevelopment Plan”). This report details the eligibility factors found within a defined portion of land at the southeast corner of 67th Street and Cicero Avenue, in the City of Chicago (the “Study Area”) in support of its designation as a “blighted area” within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”), and thus in support of its designation as the 67th/Cicero Redevelopment Project Area Tax Increment Financing District (the “67th/Cicero RPA” or “RPA”). This report also contains the Redevelopment Plan and Project for the 67th/Cicero RPA.

The 67th/Cicero RPA consists of a single tax parcel of vacant land located within the West Lawn Community Area at the southeast corner of 67th Street and Cicero Avenue. The RPA is located wholly within the City of Chicago and borders the municipality of Bedford Park on the west.

Determination of Eligibility

This report concludes that the 67th/Cicero RPA is eligible for Tax Increment Financing (“TIF”) designation as a “blighted area” because the following three (3) eligibility factors for vacant land have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

- Obsolete Platting;
- Adjacent Deterioration; and
- Lack of Growth in Equalized Assessed Value.

Eligibility Study and Redevelopment Plan Goal, Objectives, and Strategies

The overall goal of the TIF Eligibility Study and Redevelopment Plan is to reduce or eliminate the conditions that qualify the 67th/Cicero RPA as a blighted area and to provide the direction and mechanisms necessary to support both public and private development and improvements in the RPA. Development of the RPA will improve the local housing stock; improve the relationship between the area’s diverse land uses; improve access to public resources; and attract private redevelopment. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment.

Objectives. Eleven (11) broad objectives support the overall goal of area-wide revitalization of the 67th/Cicero RPA. These include:

1. Facilitate the assembly, preparation, and marketing of vacant, underutilized land within the RPA for residential development;
2. Promote new residential development that accommodates a diverse economic mix of residents, particularly senior citizens, including the opportunity for the development of new

affordable housing by providing assistance to qualified developers;

3. Create a physical environment which is conducive to the development of new housing through the provision of public infrastructure where needed, including underground water and sanitary systems, sidewalks, and streets;
4. Increase the taxable value of the vacant land within the RPA that is not affiliated with the existing baseball diamonds;
5. Provide adequate on- and off-street parking for visitors, employees, and patrons of the RPA;
6. Create an environment for recreational, and other institutional facilities where needed and in accordance with the Eligibility Study and Redevelopment Plan by providing enhancement opportunities for new and existing public facilities and institutions, such as the existing baseball diamonds and surrounding surface parking uses;
7. Promote new open space uses on any available vacant land east of the existing baseball diamonds;
8. Encourage pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets with pedestrian amenities; widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting, and buffering;
9. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 67th/Cicero RPA;
10. Support job training programs and increase employment opportunities for area residents; and
11. Promote new development on any public uses that become inactive and not used during the life of the RPA.

Strategies. These objectives will be implemented through four (4) specific and integrated strategies. These include:

1. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant, underutilized sites within the 67th/Cicero RPA is expected to stimulate private investment and enhance the RPA. Development of vacant, underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.
2. **Facilitate Property Assembly, Demolition, and Site Preparation.** Specific sites may be acquired and assembled by the City to attract future private investment and development. The consolidated ownership of these sites will make them easier to market to potential developers and will streamline the redevelopment process. In addition, financial assistance may be provided to private developers seeking to acquire land and assemble and prepare

sites to undertake projects supportive of this Eligibility Study and Redevelopment Plan.

To meet the goals, policies or objectives of this Eligibility Study and Redevelopment Plan, the City may acquire and assemble other property throughout the RPA. Land assemblage by the City may be done by purchase, exchange, donation, lease, eminent domain, or through the Tax Reactivation Program and may be for the purposes of (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its powers to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing this Eligibility Study and Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Eligibility Study and Redevelopment Plan. Relocation assistance may be provided to facilitate redevelopment of portions of the RPA, and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and/or financial assistance as determined by the City.

3. **Encourage Private Sector Activities and Support New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Eligibility Study and Redevelopment Plan.

The City requires that developers who receive TIF assistance for market-rate housing set aside 20% of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than 120% of the area median income, and affordable rental units should be affordable to persons earning no more than 80% of the area median income. TIF funds can also be used to pay for up to 50% of the cost of construction or up to 75% of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

A potential project is being proposed in the RPA. This project may include a mixed-income housing development oriented towards senior citizens that would include a rental facility and separate for-sale townhomes/condominiums. The project would be located on the vacant land on the west end of the RPA. The proposed project may include the participation of

several City departments.

4. **Implement Public Improvements.** A series of public improvements throughout the 67th/Cicero RPA may be designed and implemented to help define and create an identity for the area, prepare sites for anticipated private investment, and create a more conducive environment for residential and institutional development. Public improvements which are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include new streetscaping, street and sidewalk lighting, resurfacing of existing alleys, sidewalks and streets, improvement of underground water and sewer infrastructure, enhancement of parks and open space, and other public improvements consistent with the Eligibility Study and Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

Required Findings

The conditions required under the Act for the adoption of the Eligibility Study and Redevelopment Plan and Project are found to be present within the 67th/Cicero RPA.

First, the RPA has not been subject to growth and development through investment by private enterprise. There has been some use of a portion of the parcel as baseball fields, which has generated a public benefit, however, the majority of the land which comprises the RPA has remained underutilized. The equalized assessed value (“EAV,” which is the value of property from which property taxes are based) in the 67th/Cicero RPA is zero, and therefore the RPA does not contribute to the tax base.

Second, without the support of public resources, the redevelopment objectives of the 67th/Cicero RPA will most likely not be realized. TIF assistance may be used to fund land assembly, site preparation, infrastructure improvements, and improvements and expansions to public facilities. But for creation of the 67th/Cicero RPA, these types of projects are unlikely to occur without the benefits associated with the designation of the 67th/Cicero RPA as a tax increment financing district.

Third, the 67th/Cicero RPA includes only the contiguous real property that is expected to substantially benefit from the proposed Eligibility Study and Redevelopment Plan improvements.

Finally, the proposed land uses described in this Eligibility Study and Redevelopment Plan must be approved by the Chicago Plan Commission prior to its adoption by the City Council. The redevelopment opportunities identified in earlier area planning initiatives will be substantially supported and their implementation facilitated through the creation of the Eligibility Study and Redevelopment Plan.

2. Introduction

The Study Area

This document serves as the Eligibility Study and Redevelopment Plan and Project for the 67th/Cicero Redevelopment Project Area. The 67th/Cicero RPA is located within the West Lawn Community Area of the City of Chicago (the “City”), in Cook County (the “County”). In December 2001, *S. B. Friedman & Company* was engaged to conduct a study of certain properties in this neighborhood to determine whether the area containing these properties would qualify for status as a “blighted area” and/or “conservation area” under the Act.

The community context of the 67th/Cicero RPA is detailed on Map 1.

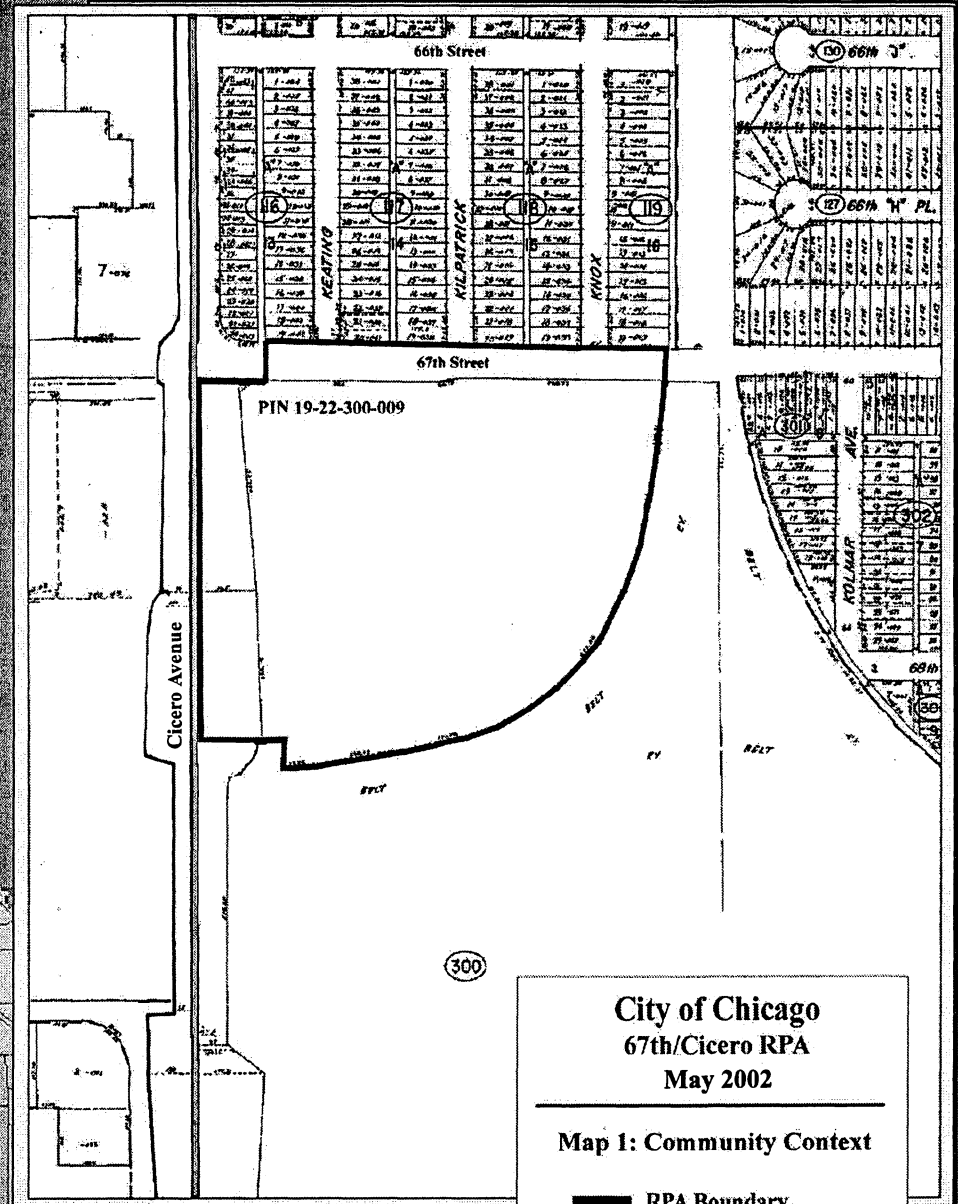
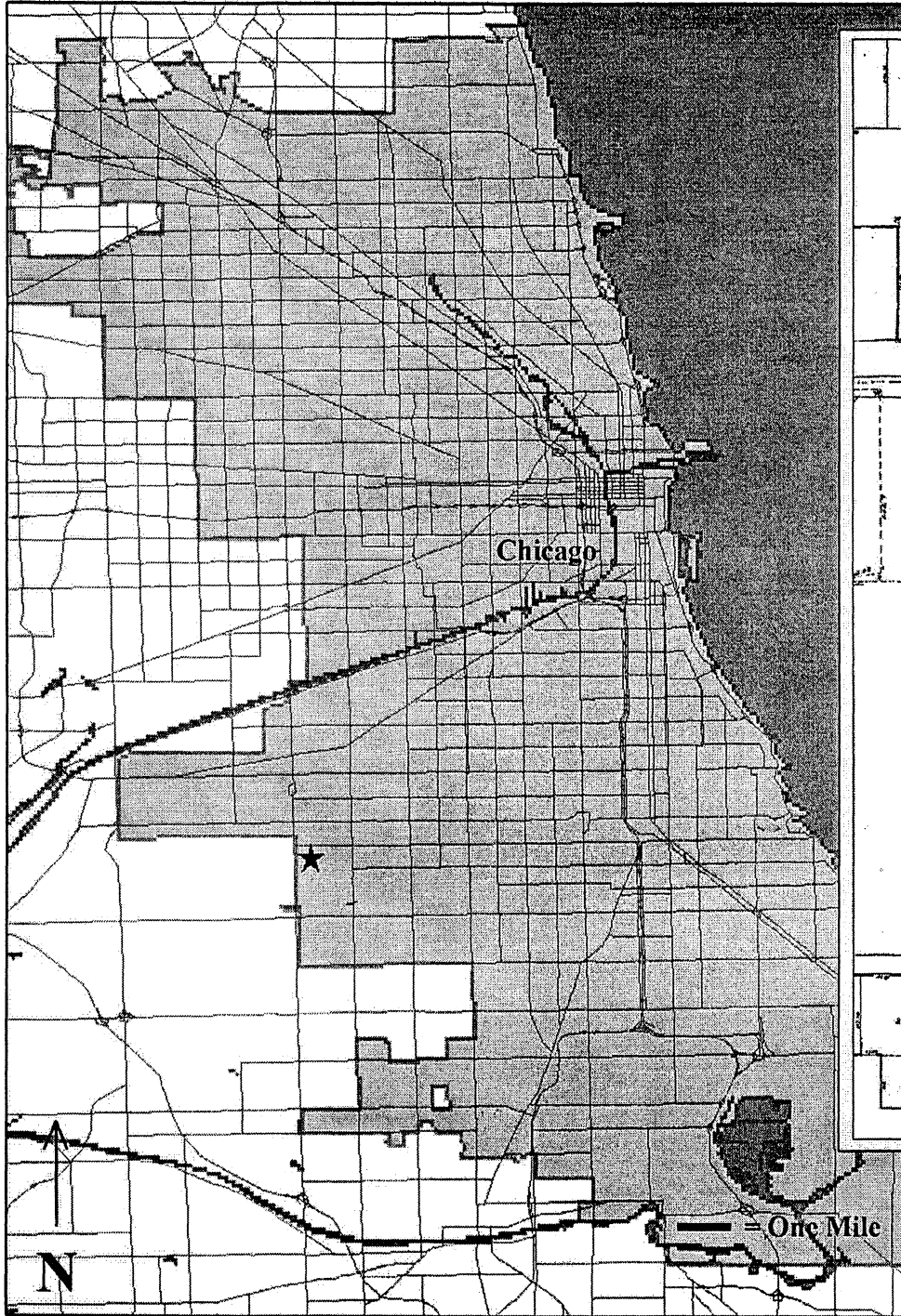
The RPA consists of 1 tax parcel on 1 block and contains approximately 18 acres of land. The RPA is roughly the shape of a quarter-circle and is generally bounded by Cicero Avenue and the municipality of Bedford Park to the west, 67th Street to the north, and the Chicago Belt Railway railroad right-of-way to the south and east.

Map 2 details the boundary of the 67th/Cicero RPA, which includes only the contiguous real property that is expected to substantially benefit from the Eligibility Study and Redevelopment Plan improvements discussed herein. The boundaries encompass an area containing predominantly vacant land with minor public/institutional improvements such as the existing baseball diamonds that serve the surrounding neighborhood.

Appendix 1 contains the legal description of the 67th/Cicero RPA.

The Eligibility Study and Redevelopment Plan covers events and conditions that exist and that were determined to support the designation of the 67th/Cicero RPA as a “blighted area” under the Act at the completion of our research on March 6, 2002 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments. As a whole, the area suffers from a lack of growth and investment, and its development potential is hindered by obsolete platting and the deterioration of structures on adjacent parcels. Without a comprehensive approach to address these issues, the RPA is not likely to benefit from future development opportunities. The Eligibility Study and Redevelopment Plan addresses these issues by providing the means to facilitate private development and for improvements to the area’s infrastructure and public facilities. These improvements will benefit all of the property within the RPA.

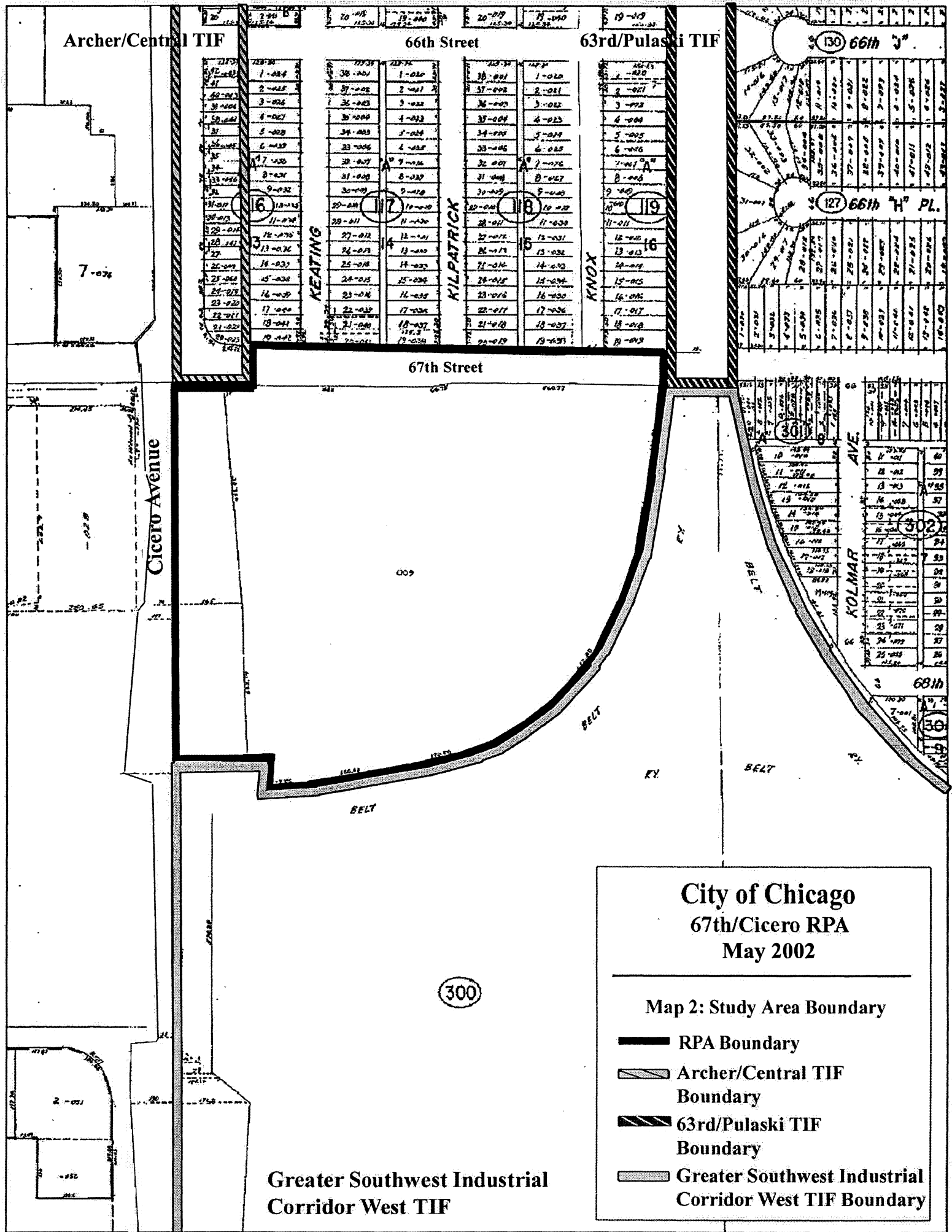
This Eligibility Study, Redevelopment Plan and Project report summarizes the analysis and findings of *S. B. Friedman & Company’s* work which, unless otherwise noted, is solely the responsibility of *S. B. Friedman & Company*. The City is entitled to rely on the findings and conclusions of the Eligibility Study and Redevelopment Plan in designating the 67th/Cicero RPA as a redevelopment project area under the Act. *S. B. Friedman & Company* has prepared this Eligibility Study and Redevelopment Plan with the understanding that the City would rely (1) on the findings and conclusions of the Eligibility Study and Redevelopment Plan in proceeding with the designation of the Study Area as the 67th/Cicero RPA and the adoption and implementation of the Eligibility Study and Redevelopment Plan, and (2) on the fact that *S. B. Friedman & Company* has obtained the



City of Chicago
67th/Cicero RPA
May 2002

Map 1: Community Context

- RPA Boundary
- City of Chicago City Limits



Archer/Central TIF

66th Street

63rd/Pulaski TIF

130 66th J

127 66th H PL.

67th Street

Cicero Avenue

KOLMAR AVE.

City of Chicago
67th/Cicero RPA
May 2002

Map 2: Study Area Boundary

-  RPA Boundary
-  Archer/Central TIF Boundary
-  63rd/Pulaski TIF Boundary
-  Greater Southwest Industrial Corridor West TIF Boundary

Greater Southwest Industrial Corridor West TIF

300

7-074

68th

300

300

300

300

300

300

300

300

300

300

300

300

300

300

necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the 67th/Cicero RPA, so that the Eligibility Study and Redevelopment Plan will comply with the Act and that the 67th/Cicero RPA can be designated as a redevelopment project area in compliance with the Act.

History of Area¹

The 67th/Cicero RPA is located within the West Lawn Community Area, on the Southwest Side of the City of Chicago. The Community Area is generally bounded by 59th Street on the north and the Grand Trunk & Western Railroad (GT&W RR) on the east. Irregular boundaries mark the remaining sides, where the community boundary runs along the Belt Railroad, south along Pulaski Road, and then picks up at 77th Street, the western boundary travels along Cicero Avenue to 67th Street where it travels east to continue north along the Belt Railroad.

The West Lawn Community Area takes its name from its southern neighbor, Chicago Lawn. After early developers subdivided a piece of property west of Central Park Avenue between 59th Street and 67th Street, the area west of the Grand Trunk Railroad tracks became known as “West Lawn.” Along with the rest of the Town of Lake, West Lawn became a part of the City of Chicago in 1889, but remained slow to develop due to marshy terrain. In 1902, streetcar lines were extended to Central Avenue to serve the growing Clearing Industrial District to the northwest; access to transportation and this new development spurred limited growth in West Lawn.

Until World War II, West Lawn remained a small neighborhood of immigrants and their children, most notably Germans, Lithuanians, and Italians. By 1940, the housing stock in West Lawn consisted of predominantly single-family homes, with some two-flats but virtually no apartments. A district survey from that era indicated only two buildings that contained more than four residences. As rows of homes gradually began to appear in the community, the area took on the characteristics of a working class in-city suburb. Industry also was slow to come to West Lawn. Before the war, most residents shopped in the Chicago Lawn neighborhood to the east; after the war, this situation changed dramatically. A bomber engine plant that had been built on the corner of Cicero Avenue and 77th Street was converted to produce the Tucker automobile. Today it is the site of Ford City Mall, the largest shopping center in the City of Chicago. The center remains a major anchor for the Southwest Side, and has undergone over \$50 million in renovations and expansions since 1987. The area is also home to various industrial establishments, as well as the Great Lakes Region Federal Record Center, an army reserve base, the Ford City Apartments complex, and Daley City College.

Today, the West Lawn neighborhood is more accessible to Chicagoans, due to the creation of the Chicago Transit Authority’s Orange Line in 1993, which serves the Southwest Side of the city. The tracks, which end at Midway Airport, are planned to extend a few miles to the Ford City Mall in the future. The community remains solidly working class; in 1989 (as reported by the 1990 Census),

¹Information on the history of the West Lawn community area was derived from the Local Community Fact Book Chicago Metropolitan Area 1990, edited by the Chicago Fact Book Consortium, (copyright 1995, Board of Trustees of the University of Illinois) at pages 187 through 188.

the median family income in West Lawn was \$40,000 – \$10,000 more than that of the City as a whole. Additionally the rate of residence ownership was twice as high as the city as a whole, and the median value of owner-occupied homes is the same as the City overall at \$77,600.

Existing Land Use

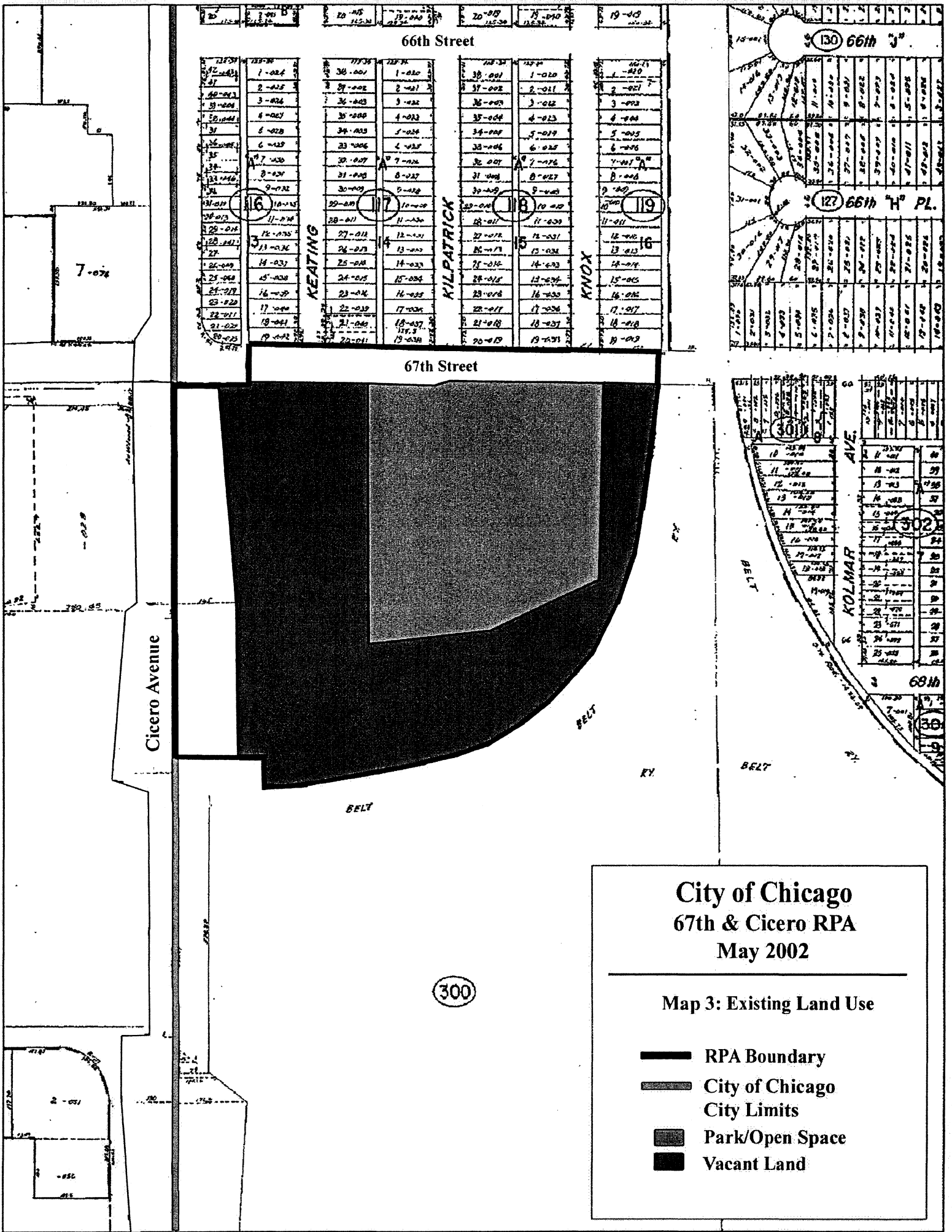
Based upon *S. B. Friedman & Company's* research, two (2) land uses have been identified within the 67th/Cicero RPA:

- Vacant Land; and
- Park/Open Space.

The existing land use pattern in the 67th/Cicero RPA is shown in Map 3. The predominant land use within the area is vacant land. A portion of the land in the RPA owned by the Chicago Park District and dedicated as Park No. 484, has been improved as baseball diamonds with ancillary non-permanent structures such as trailers and fencing. Residential neighborhoods are the predominant land use to the north and east of the RPA. Commercial and industrial uses predominate to the west and south of the RPA.

Vacant Land. Vacant and underutilized land which has never been developed comprises about two-thirds of the total area of the RPA.

Parks/Open Space. Approximately one-third of the RPA is being utilized by the presence of baseball diamonds on land owned by the Chicago Park District, Chicago Park No. 484. These baseball diamonds are surrounded on the west, south, and east by vacant land.



66th Street

67th Street

Cicero Avenue





KEATING

KILPATRICK

KNOX

**City of Chicago
67th & Cicero RPA
May 2002**

Map 3: Existing Land Use

-  RPA Boundary
-  City of Chicago City Limits
-  Park/Open Space
-  Vacant Land

(300)

(130) 66th J

(127) 66th H PL.

(301)

68th

(302)

(303)

KOLMAR AVE.

BELT

BELT

RY

BELT

BELT

7-074

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2-051

-056

20-015 15-31	20-016 15-32	20-017 15-33	20-018 15-34	20-019 15-35	19-018 15-36
28-001 1-020	29-002 2-021	30-003 3-022	31-004 4-023	32-005 5-024	33-006 6-025
34-007 7-026	35-008 8-027	36-009 9-028	37-010 10-029	38-011 11-030	39-012 12-031
40-013 13-032	41-014 14-033	42-015 15-034	43-016 16-035	44-017 17-036	45-018 18-037
46-019 19-038	47-020 20-039	48-021 21-040	49-022 22-041	50-023 23-042	51-024 24-043
52-025 25-044	53-026 26-045	54-027 27-046	55-028 28-047	56-029 29-048	57-030 30-049
58-031 31-050	59-032 32-051	60-033 33-052	61-034 34-053	62-035 35-054	63-036 36-055
64-037 37-056	65-038 38-057	66-039 39-058	67-040 40-059	68-041 41-060	69-042 42-061
70-043 43-062	71-044 44-063	72-045 45-064	73-046 46-065	74-047 47-066	75-048 48-067
76-049 49-068	77-050 50-069	78-051 51-070	79-052 52-071	80-053 53-072	81-054 54-073
82-055 55-074	83-056 56-075	84-057 57-076	85-058 58-077	86-059 59-078	87-060 60-079
88-061 61-080	89-062 62-081	90-063 63-082	91-064 64-083	92-065 65-084	93-066 66-085

3. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Based upon the conditions found within the 67th/Cicero RPA at the completion of *S. B. Friedman & Company's* research, it has been determined that the 67th/Cicero RPA meets the eligibility requirements of the Act as a blighted area. The following outlines the provisions of the Act to establish eligibility.

Under the Act, two primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment: declaring an area as a "blighted area" and/or a "conservation area."

"Blighted areas" are those improved or vacant areas with blighting influences that are impacting the public safety, health, morals, or welfare of the community, and are substantially impairing the growth of the tax base in the area. "Conservation areas" are those improved areas which are deteriorating and declining and soon may become blighted if the deterioration is not abated.

The statutory provisions of the Act specify how a district can be designated as a "conservation" and/or "blighted area" district based upon an evidentiary finding of certain eligibility factors listed in the Act. The eligibility factors for each designation are identical for improved property. A separate set of factors exists for the designation of vacant land as a "blighted area." There is no provision for designating vacant land as a conservation area.

Factors For Improved Property

For improved property to constitute a "blighted area," a combination of five or more of the following thirteen eligibility factors listed at 65 ILCS 5/11-74.4-3 (a) and (b) must meaningfully exist and be reasonably distributed throughout the RPA. "Conservation areas" must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three or more of these eligibility factors which are detrimental to the public safety, health, morals, or welfare and which could result in such an area becoming a blighted area.

Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not

limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Presence of Structures Below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal Use of Individual Structures. The use of structures in violation of the applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

Excessive Vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

Lack of Ventilation, Light or Sanitary Facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

Inadequate Utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

Excessive Land Coverage and Overcrowding of Structures and Community Facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

Deleterious Land Use or Lay-Out. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

Environmental Clean-Up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack of Community Planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land use relationships, inadequate street lay-out, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated.

Factors For Vacant Land

Under the provisions of the "blighted area" section of the Act, for vacant land to constitute a "blighted area", a combination of two or more of the following six factors must be identified as being present to a meaningful extent and reasonably distributed which act in combination to impact the sound growth in tax base for the proposed district.

Obsolete Platting of Vacant Land. Parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

Diversity of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. When diversity of ownership of parcels of vacant land is sufficient in number to retard or impede the ability to assemble the land for development, this factor applies.

Tax and Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last five years.

Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the

Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

Environmental Clean-Up. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for three of the last five calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three of the last five calendar years prior to the year in which the redevelopment project area is designated.

Additionally, under the “blighted area” section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five (5) or more of the 13 “blighted area” eligibility factors for improved property listed above were present immediately prior to demolition of the area’s structures.

The vacant “blighted area” section includes six (6) other tests for establishing eligibility, but none of these is relevant to the conditions within the 67th/Cicero RPA.

Methodology Overview and Determination of Eligibility

Analysis of eligibility factors was done through research involving an extensive field survey of all property both within and adjoining the 67th/Cicero RPA, as well as a review of building and property records. Property records include building code violation citations, building permit data, and assessor information. Our survey of the area established that there are no primary structures within the 67th/Cicero RPA.

The 67th/Cicero RPA contains predominantly vacant land. The property was examined for qualification factors consistent with the “blighted area” requirements of the Act for vacant land. Based upon these criteria, the property within the 67th/Cicero RPA qualifies for designation as a TIF Redevelopment Project Area as a “blighted area” as defined by the Act.

To arrive at this designation, *S. B. Friedman & Company* documented the existence of the qualifying eligibility factors present in the RPA and confirmed that these factors applied to the entire RPA and not just a portion of it. The buildings and site improvements adjacent to the RPA were surveyed for evidence of structural deterioration and disinvestment. This information was then tabulated and

graphically plotted on a structure-base map of the 67th/Cicero RPA and surrounding area to establish the presence and distribution of adjacent deterioration as an eligibility factor.

While it may be concluded under the Act that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of the RPA as a blighted area, this evaluation was made on the basis that the blighted area factors must be present to an extent that indicates that public intervention is appropriate or necessary. Secondly, the blighted area factors must be reasonably distributed throughout the RPA so that non-qualifying areas are not arbitrarily included in the RPA simply because of proximity to areas that qualify as a blighted area.

Blighted Area Findings

As required by the Act, for vacant land to constitute a “blighted area,” at least two of six eligibility factors must be found present to a meaningful extent and reasonably distributed within the 67th/Cicero RPA.

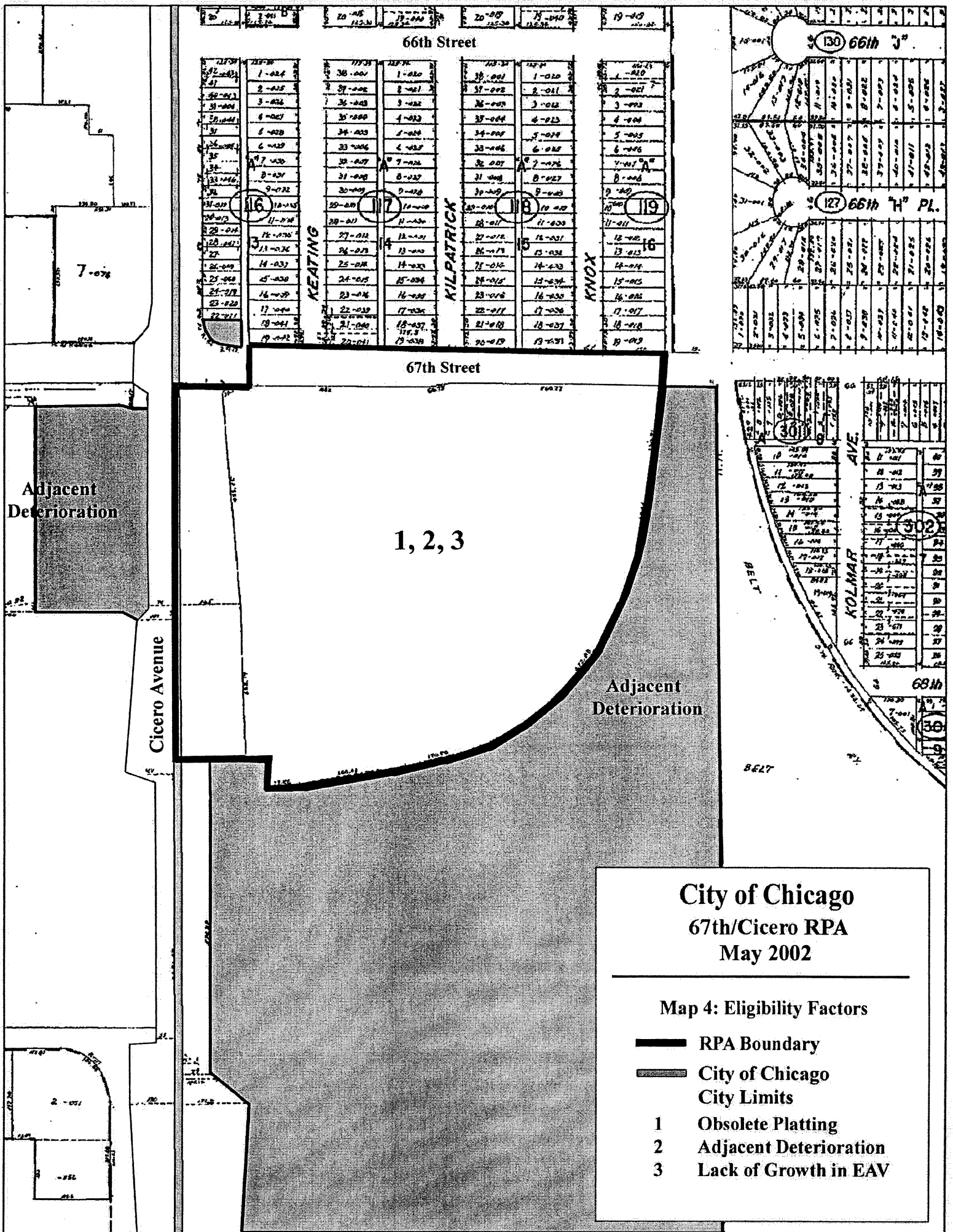
Our research has revealed that the following three factors are present to a meaningful extent and are reasonably distributed throughout the RPA:

- Obsolete Platting;
- Adjacent Deterioration; and
- Lack of Growth in Equalized Assessed Value.

Based on the presence of these factors, the RPA meets the requirements of a “blighted area” under the Act.

As a whole, the area suffers from platting which failed to create adequate rights-of way for streets and alleys, and the adverse impact of deterioration of adjacent buildings and site improvements which illustrates the level of physical deficiencies surrounding the 67th/Cicero RPA. Finally, the total equalized assessed value (EAV) of the RPA is zero and has had no growth in the last five years. Some of the land is used for public purpose, however the majority of the land is vacant and does not benefit the public or contribute to the City’s tax base.

Map 4 illustrates that these eligibility factors are present and reasonably distributed throughout the RPA. The following sections summarize our field research as it pertains to each of the identified eligibility factors found within the 67th/Cicero RPA.



66th Street

67th Street

130 66th J

127 66th H PL.

1, 2, 3

Adjacent Deterioration

Adjacent Deterioration

Cicero Avenue

KOLMAR AVE.



BELT

68th

BELT

City of Chicago
67th/Cicero RPA
May 2002

Map 4: Eligibility Factors

-  RPA Boundary
-  City of Chicago City Limits
- 1** Obsolete Platting
- 2** Adjacent Deterioration
- 3** Lack of Growth in EAV

1. Obsolete Platting

The RPA consists of a single tax parcel of an irregular shape which essentially was created as an orphaned parcel of land resulting from two man-made barriers, an east-west to north-south bend in the adjacent Railroad, and the elevation and associated embankment of Cicero Avenue. Thus, potential access to the land from public rights-of-way is severely limited and potential land uses and redevelopment opportunities are restricted. Despite the existence of two owners, this parcel has never been subdivided, nor has there been platting for rights-of-way for streets or alleys or easements for public utilities, possibly because of the limitations to create rights-of-way that result from the barriers to the west, south, and east.

Obsolete platting has been an impediment to significant development, either public or private, and limits the opportunities for development.

2. Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land

Approximately 74% of the perimeter of the RPA consists of parcels which contain either deteriorating structures or deteriorating site improvements. Catalogued deterioration included collapsed or missing gutters and down spouts, cracked, broken or missing windows, evidence of roof leaks, building foundation problems, and cracked exterior wall surfaces. These are conditions not readily correctable through normal maintenance. There are three recently created existing TIF districts which abut the 67th/Cicero RPA, indicating that there has been a significant lack of growth and investment in neighboring areas adjacent to the RPA.

3. Lack of Growth in Equalized Assessed Value

A lack of growth in EAV has been found for the RPA in that the rate of growth of EAV for the RPA has been less than that of the balance of the City of Chicago for five out of the last five years for which information is available (1995 through 2000). The RPA has been entirely tax-exempt and therefore has no EAV. While a portion of the RPA serves as a park and provides public benefit, the majority of the RPA does not contribute to the public benefit or the municipal tax base.

TABLE 1: Percent Change in Annual Equalized Assessed Valuation (EAV)

	Percent Change in EAV 1995/1996	Percent Change in EAV 1996/1997	Percent Change in EAV 1997/1998	Percent Change in EAV 1998/1999	Percent Change in EAV 1999/2000
67th/Cicero RPA	0.00%	0.00%	0.00%	0.00%	0.00%
City of Chicago (balance of)	1.26%	8.40%	1.77%	4.17%	14.50%

The percent change in EAV of the RPA was lower than that of the balance of the City of Chicago for five of the last five years. Therefore, the RPA as a whole qualifies for the Lack of Growth in EAV factor.

4. Redevelopment Project & Plan

Redevelopment Needs of the 67th/Cicero RPA

The existing land use pattern and physical conditions in the 67th/Cicero RPA suggest five (5) redevelopment needs for the area:

1. Property assembly, and site preparation;
2. Infrastructure improvements, streetscaping, and buffering/screening between land uses;
3. Resources for residential development;
4. Improvement and expansion of public facilities and other supportive land uses; and
5. Job training

The Eligibility Study and Redevelopment Plan identifies the tools that the City will use to guide redevelopment in the 67th/Cicero RPA to create and sustain a strong residential community that is part of the neighborhood fabric while continuing to provide park/open space land that serves the surrounding community.

The goals, objectives, and strategies discussed below have been developed to address these needs and to facilitate the sustainable redevelopment of the 67th/Cicero RPA. The proposed public improvements outlined in the Eligibility Study and Redevelopment Plan will help to create an environment conducive to private investment and redevelopment within the 67th/Cicero RPA. To support specific projects and encourage future investment in the RPA, public resources, including tax increment financing, may be used to: facilitate property assembly; demolition; site preparation; improve or repair RPA infrastructure; provide streetscaping, landscaping, and screening elements between land uses; develop residential buildings and/or units; build, and/or expand existing public facilities; and provide job training. In addition, tax increment financing may be used to subsidize developer interest costs related to redevelopment projects.

Goals, Objectives, and Strategies

Goals, objectives, and strategies are designed to address the needs of the community from the overall framework of the Eligibility Study and Redevelopment Plan for the use of anticipated tax increment funds generated within the 67th/Cicero RPA.

Goal. The overall goal of the TIF Eligibility Study and Redevelopment Plan is to reduce or eliminate the conditions that qualify the 67th/Cicero RPA as a blighted area and to provide the direction and mechanisms necessary to support both public and private development and improvements in the RPA. Development of the RPA will replace the vacant land at the western end of the RPA with new residential uses; improve the relationship between the area's diverse land uses; and improve the existing public uses and access to these public resources. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment.

Objectives. Eleven (11) broad objectives support the overall goal of area-wide revitalization of the 67th/Cicero RPA. These include:

1. Facilitate the assembly, preparation, and marketing of vacant, underutilized land within the RPA for residential development;
2. Promote new residential development that accommodates a diverse economic mix of residents, particularly senior citizens, including the opportunity for the development of new affordable housing by providing assistance to qualified developers;
3. Create a physical environment which is conducive to the development of new housing through the provision of public infrastructure where needed, including underground water and sanitary systems, sidewalks, and streets;
4. Increase the taxable value of the vacant land within the RPA, that is not affiliated with the existing baseball diamond;
5. Provide adequate on- and off-street parking for visitors, employees, and patrons of the RPA;
6. Create an environment for recreational, and other institutional facilities where needed and in accordance with the Eligibility Study and Redevelopment Plan by providing enhancement opportunities for new and existing public facilities and institutions, such as the existing baseball diamonds and surrounding surface parking uses;
7. Promote new open space uses on any available vacant land east of the existing baseball diamonds;
8. Encourage pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets with pedestrian amenities; widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting, and buffering;
9. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 67th/Cicero RPA;
10. Support job training programs and increase employment opportunities for area residents; and
11. Promote new development on any public uses that become inactive and not used during the life of the RPA.

Strategies. These objectives will be implemented through four (4) specific and integrated strategies. These include:

1. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant and underutilized sites within the 67th/Cicero RPA is expected to stimulate private investment and enhance the RPA. Development of vacant and underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

2. **Facilitate Property Assembly, Demolition, and Site Preparation.** Specific sites may be acquired and assembled by the City to attract future private investment and development. The consolidated ownership of these sites will make them easier to market to potential developers and will streamline the redevelopment process. In addition, financial assistance may be provided to private developers seeking to acquire land and assemble sites to undertake projects supportive of this Eligibility Study and Redevelopment Plan.

To meet the goals, policies or objectives of this Eligibility Study and Redevelopment Plan, the City may acquire and assemble other property throughout the RPA. Land assemblage by the City may be done by purchase, exchange, donation, lease, eminent domain, or through the Tax Reactivation Program and may be for the purposes of (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its powers to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing this Eligibility Study and Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Eligibility Study and Redevelopment Plan. Relocation assistance, if any, may be provided to facilitate redevelopment of portions of the RPA, and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and/or financial assistance as determined by the City.

3. **Encourage Private Sector Activities and Support New Development.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, and to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Eligibility Study and Redevelopment Plan.

The City requires that developers who receive TIF assistance for market-rate housing set aside 20% of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than 120% of the area median income, and affordable rental units should be affordable to persons earning no more than 80% of the area median income. TIF funds can also be used to pay for up to 50% of the cost of construction or up to 75% of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

A potential project is being proposed in the RPA. This project may include a mixed-income housing development oriented towards senior citizens that would include a rental facility and separate for-sale townhomes/condominiums. The project would be located on the vacant land on the west end of the RPA. The proposed project may include the participation of several City departments.

- 4. Implement Public Improvements.** A series of public improvements throughout the 67th/Cicero RPA may be designed and implemented to help define and create an identity for the area, prepare sites for anticipated private investment, and create a more conducive environment for residential and institutional development. Public improvements which are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include new streetscaping, street and sidewalk lighting, resurfacing of existing alleys, sidewalks and streets, improvement of underground water and sewer infrastructure, enhancement of parks and open space, and other public improvements consistent with the Eligibility Study and Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

These activities are representative of the types of projects contemplated to be undertaken during the life of the 67th/Cicero RPA. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Further, additional projects may be identified throughout the life of the 67th/Cicero RPA. To the extent that these projects meet the goals, objectives, and strategies of this Eligibility Study and Redevelopment Plan and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

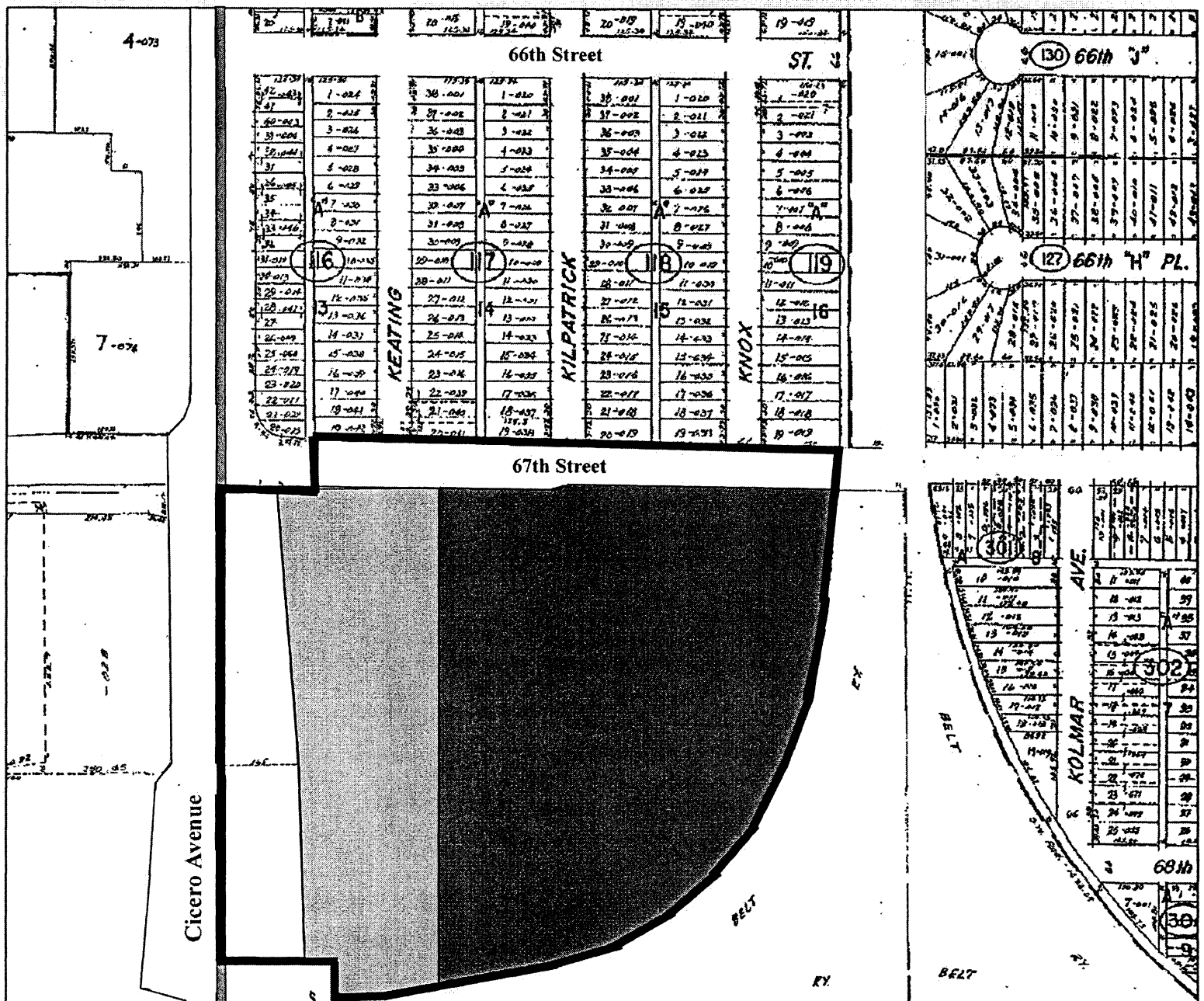
Proposed Future Land Use

The proposed future land use of the 67th/Cicero RPA reflects the objectives of the Eligibility Study and Redevelopment Plan, which are to support the improvement of the western portion of the RPA as a residential community and to support other improvements that serve the redevelopment interests of the local community and the City. The proposed objectives are compatible with historic land use patterns in the surrounding community and support current development trends in the area.

These proposed future land uses are detailed on Map 5. As noted on Map 5, the uses listed are to be predominant uses for the area indicated, and are not exclusive of any other uses.

Assessment of Housing Impact

As set forth in the Act, if the redevelopment plan for the redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment



City of Chicago
67th/Cicero RPA
May 2002

Map 5: Proposed Land Use

- RPA Boundary
- City of Chicago City Limits
- Park/Open Space
- Residential

project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan. The project area does not contain any residential units, inhabited or not. Therefore, the City does not intend to acquire or displace by any other means, any residential units within the RPA. The City of Chicago hereby certifies that no displacement of residents will occur as a result of activities pursuant to this Redevelopment Plan.

5. *Financial Plan*

Eligible Costs

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this plan pursuant to the Act. 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. The costs listed below are eligible costs under the Act pursuant to an amendment to the Act that became effective November 1, 1999. Such eligible costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans and specifications, implementation and administration of the Eligibility Study and Redevelopment Plan, including but not limited to, staff and professional service costs for architectural engineering, legal, marketing sites within the area to prospective businesses, developers, and investors, financial, planning or other services (excluding lobbying expenses), related hard and soft costs, and other related expenses; provided however, that no such charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, and clearing and grading of land, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings or fixtures and leasehold improvements;
4. Costs of the construction of public works or improvements consistent with the Act, including the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
5. Costs of job training and retraining projects including the costs of "welfare to work" programs implemented by businesses located within the redevelopment project area and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the West Lawn Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;
6. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of

- any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Eligibility Study and Redevelopment Plan and project, to the extent the municipality by written agreement accepts and approves such costs;
 8. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
 9. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or under the Act;
 10. Payment in lieu of taxes as defined in the Act;
 11. Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and taxing district(s), 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 the community college district of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public and Community College Act as cited in the Act and by the school districts of cost pursuant to Section 10-22.20a and 10-23.3a of the School Code as cited in the Act.
 12. Interest costs incurred by a developer related to the construction, renovation or rehabilitation of a redevelopment project 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 thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the development 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 (12) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- d. The total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the developer for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act; and
 - e. Up to seventy-five percent (75%) of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
 - f. Instead of the interest costs described above in paragraphs 12b., 12d., and 12e., a municipality may pay from tax incremental revenues up to 50% of the cost of construction, renovation, and rehabilitation of new housing units (for ownership or rental) to be occupied by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, as more fully described in the Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for this benefit under the Act;
13. The cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the City, county, or regional median income as determined from time to time by the United States Department of Housing and Urban Development.
14. Unless explicitly stated in the Act and as provided for in relation to low- and very low-income housing units, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 235/0.01 *et seq.*, then any tax increment revenues derived from the tax imposed pursuant to the Special Service Area Tax Act may be used within the redevelopment project area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

Estimated Redevelopment Project Costs

The estimated eligible costs that are deemed to be necessary to implement this Eligibility Study and Redevelopment Plan are shown in Table 2. The total eligible cost provides an upper limit on

expenditures that are to be funded using tax increment revenues, 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 Eligibility Study and Redevelopment Plan, to the extent permitted by the Act. Additional funding in the form of State, Federal, County, or local grants, private developers contributions and other outside sources may be pursued by the City as a means of financing improvements and facilities which are of benefit to the general community.

TABLE 2: ESTIMATED REDEVELOPMENT PROJECT COSTS

Project/Improvements	Estimated Project Costs*
Professional Services	\$1,200,000
Property Assembly: including site preparation and environmental remediation	\$1,100,000
Rehabilitation Costs (Institutional and Residential)	\$5,000
Eligible Construction Costs (Affordable Housing)	\$2,360,000
Relocation	\$5,000
Public Works or Improvements (1)	\$225,000
Job Training	\$100,000
Interest Costs	\$3,600,000
Day Care	\$5,000
TOTAL REDEVELOPMENT COSTS (2), (3), (4), (5)	\$8,600,000

(1) This category also may include paying for or reimbursing (i) an elementary, secondary, or unit school district’s increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the RPA. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district’s capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

(2) All costs are in 2002 dollars and may be increased by the rate of inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

(3) Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

(4) The amount of the Total Redevelopment Project Costs that can be incurred in the RPA will be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but will not be reduced by the amount of redevelopment project costs incurred in the RPA which are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

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

Adjustments to the estimated line item costs in Table 2 are expected and may be made by the City without amendment to the Eligibility Study and Redevelopment Plan. 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 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.

In the event the Act is amended after the date of the approval of this Eligibility Study and Redevelopment Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11)), this Eligibility Study and Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as eligible costs under the Eligibility Study and Redevelopment Plan, to the extent permitted by the Act. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 2, or otherwise adjust the line items in Table 2 without amendment to this Eligibility Study and Redevelopment Plan, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total redevelopment project costs without a further amendment to this Eligibility Study and Redevelopment Plan.

Phasing and Scheduling of the Redevelopment

Each private project within the 67th/Cicero RPA shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s). The Eligibility Study and Redevelopment Plan shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third year calendar year following the year in which the ordinance approving this redevelopment project area is adopted (by December 31, 2026, if the ordinances establishing the RPA are adopted during 2002).

Sources of Funds to Pay Costs

Funds necessary to pay for redevelopment project costs and/or municipal obligations which may be issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as a repayment source tax increment revenue. To secure the issuance of these obligations and the developer's performance of redevelopment agreement obligations, the City may require the utilization of guarantees, deposits, reserves, and/or other forms of security made available by private sector developers. The City may

incur Redevelopment Project Costs which are paid from the 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 which will be used to fund tax increment obligations and eligible redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase of the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the certified initial equalized assessed value of each such property. Without the use of such incremental revenues, the redevelopment project area is not likely to occur.

Other sources of funds which may be used to pay for development costs and associated obligations issued or incurred include land disposition proceeds, state and federal grants, investment income, private investor and financial institution funds, and other sources of funds and revenues as the municipality and developer from time to time may deem appropriate.

Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

The 67th/Cicero RPA is contiguous to the existing Greater Southwest Industrial Corridor (West) Redevelopment Project Area, the 63rd/Pulaski Redevelopment Project Area, and the Archer/Central Redevelopment Project Area and may, in the future, be contiguous to, or be separated only by a public right-of-way from, other redevelopment areas created under the Act. The City may utilize net incremental property tax revenues received from the 67th/Cicero RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the 67th/Cicero RPA 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 67th/Cicero RPA, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 of this Eligibility Study and Redevelopment Plan.

The 67th/Cicero RPA may become contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Illinois 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 67th/Cicero RPA, 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 67th/Cicero RPA 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 67th/Cicero RPA to pay eligible redevelopment projects 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 67th/Cicero RPA and such areas. The amount of revenue from the 67th/Cicero RPA so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the 67th/Cicero RPA or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 of this Eligibility

Study and Redevelopment Plan.

If necessary, the redevelopment plans for other contiguous redevelopment project areas that may be or already have been created under the Act may be drafted or amended as applicable to add appropriate and parallel language to allow for sharing of revenues between such districts.

Issuance of Obligations

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the 67th/Cicero RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits, or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Eligibility Study and Redevelopment Plan and the Act shall be retired within the time frame described under “Phasing and Scheduling of the Redevelopment” above. 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 of a series of obligations may be sold at one or more times in order to implement this Eligibility Study and Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, mandatory or optional redemptions, and the establishment of debt service reserves, and bond sinking funds. To the extent that real property tax increment is not required for such purposes or otherwise required, pledged, earmarked, or otherwise designated for anticipated redevelopment costs, revenues shall be declared surplus and become available for distribution annually to taxing districts that have jurisdiction over the 67th/Cicero RPA in the manner provided by the Act.

Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area

The purpose of identifying the most recent equalized assessed valuation (“EAV”) of the 67th/Cicero RPA is to provide an estimate of the initial EAV which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the 67th/Cicero RPA. The single tax parcel which comprises the RPA is tax-exempt and therefore the 2000 EAV of all taxable parcels in the 67th/Cicero RPA is \$0. This total EAV amount by PIN is summarized in Appendix 2. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Redevelopment Project Area

will be calculated by Cook County. If the 2001 EAV shall become available prior to the date of adoption of the Eligibility Study and Redevelopment Plan by the City Council, the City may update the Eligibility Study and Redevelopment Plan by replacing the 2000 EAV with the 2001 EAV without further City Council action.

Anticipated Equalized Assessed Valuation

By 2025, the EAV for the 67th/Cicero RPA will be approximately \$7,500,000. This estimate is based on several key assumptions, including: 1) an inflation factor of 2% per year on the EAV of all properties within the 67th/Cicero RPA, with its cumulative impact occurring in each triennial reassessment year; 2) an equalization factor of 2.2235; and 3) a tax rate of 7.788% for the duration of the 67th/Cicero RPA.

6. Required Findings and Tests

Lack of Growth and Private Investment

The City is required under the Act to evaluate whether or not the RPA has been subject to growth and private investment and must substantiate a finding of lack of such investment prior to establishing a tax increment financing district.

The RPA has not been subject to growth and development through investment by private enterprise. There has been some use of a portion of the parcel as a park which has generated a public benefit, however, the majority of the land which comprises the RPA has remained underutilized. The equalized assessed value (“EAV,” which is the value of property from which property taxes are based) in the 67th/Cicero RPA is zero, and therefore the RPA does not contribute to the tax base.

Finding: The Redevelopment Project Area (67th/Cicero RPA) 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 the Eligibility Study and Redevelopment Plan.

But for....

The City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the 67th/Cicero RPA.

Without the support of public resources, the redevelopment objectives of the 67th/Cicero RPA will most likely not be realized. TIF assistance may be used to fund land assembly, site preparation, infrastructure improvements, and improvements and expansions to public facilities. But for creation of the 67th/Cicero RPA, these types of projects are unlikely to occur without the benefits associated with the designation of the 67th/Cicero RPA as a tax increment financing district.

Finding: But for the adoption of this Eligibility Study and Redevelopment Plan, critical resources will be lacking that would otherwise support the redevelopment of the 67th/Cicero RPA and the 67th/Cicero RPA would not reasonably be anticipated to be developed.

Conformance to the Plans of the City

The 67th/Cicero RPA and Eligibility Study and Redevelopment Plan must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

The proposed land uses described in this Eligibility Study and Redevelopment Plan must be approved by the Chicago Plan Commission prior to its adoption by the City Council.

Dates of Completion

The dates of completion of the project and retirement of obligations are described under “Phasing

and Scheduling of the Redevelopment” in Section 5, above.

Financial Impact of the Redevelopment Project

As explained above, without the adoption of this Eligibility Study and Redevelopment Plan and tax increment financing, the 67th/Cicero RPA is not expected to be redeveloped by private enterprise. While a portion of the land which comprises the RPA is owned by the Chicago Park District and provides benefit as a park/open space land use, the vacant land is not generating a public benefit. Additionally, there is a genuine threat that blighting conditions will continue to exist and spread, and that the entire area will become a less attractive site for development. The continued decline of the RPA could have a detrimental effect on the growth of property values in surrounding areas and could lead to a reduction of real estate tax revenue to all taxing districts. The RPA does not currently provide any real estate tax revenue to the taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. If a redevelopment project is successful, various new projects may be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting both public and private development in the 67th/Cicero RPA.

This Eligibility Study and Redevelopment Plan is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, 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 document by the City) may be used to pay eligible redevelopment project costs for the 67th/Cicero RPA. At the time when the 67th/Cicero RPA is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the 67th/Cicero RPA will be distributed to all taxing districts levying taxes against property located in the 67th/Cicero RPA. These revenues will then be available for use by the affected taxing districts.

Demand on Taxing District Services and Program to Address Financial and Service Impact

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

The City intends to monitor development in the 67th/Cicero RPA and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development. The following major taxing districts presently levy taxes on properties located within the 67th/Cicero RPA and maintain the listed facilities within the boundaries of the RPA, or within close proximity (three to five blocks) to the RPA boundaries:

City of Chicago

Chicago Board of Education

- Lee School (6448 S. Tripp Avenue)

Chicago School Finance Authority

Chicago Park District

- Park No. 484 (4701 W. 67th Street)
- West Lawn Park (4233 W. 65th Street)

Chicago Community College District 508

Metropolitan Water Reclamation District of Greater Chicago

County of Cook

Cook County Forest Preserve District

Map 6 illustrates the locations of facilities operated by the above listed taxing districts within or in close proximity to the 67th/Cicero RPA.

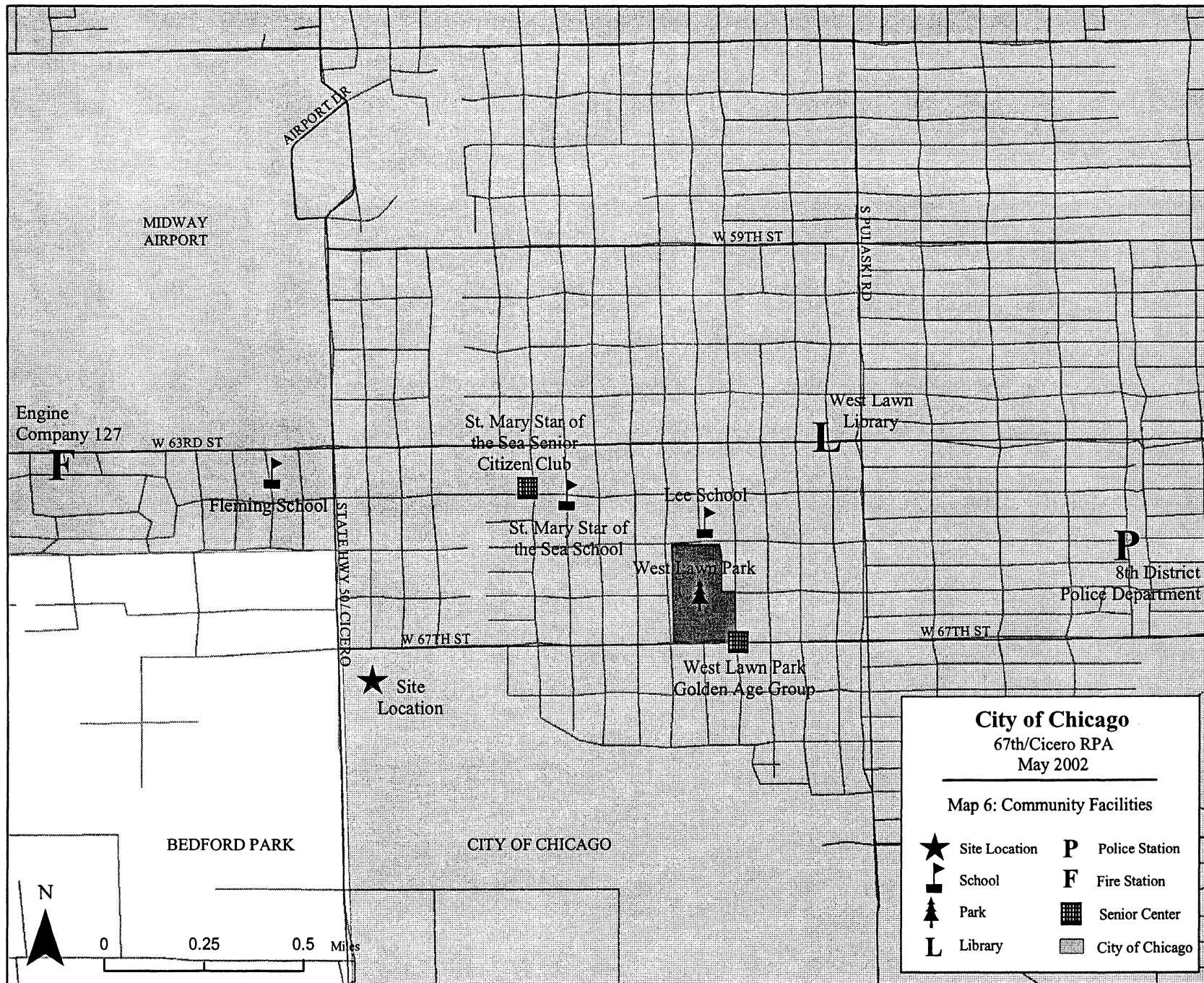
Redevelopment activity may cause increased demand for services from one or more of the above listed taxing districts. The anticipated nature of increased demands for services on these taxing districts, and the proposed activities to address increased demand are described below.

City of Chicago. The City is responsible for a wide range of municipal services, including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; and building, housing and zoning codes.

Replacement of vacant and under-utilized sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. Additional costs to the City for police, fire, library circulation, and recycling and sanitation services arising from residential and non-residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the 67th/Cicero RPA can be handled adequately by City police, fire protection, library, sanitary collection and recycling services, and programs maintained and operated by the City. The impact of the 67th/Cicero RPA will not require expansion of services in this area.

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

It is possible that some families who purchase housing or rent new apartments in the 67th/Cicero RPA will send their children to public schools, putting increased demand on area school districts. However, it is unlikely that the scope of new residential construction would exhaust existing capacity given that: 1) the residents of the new construction will most likely be elderly and are



unlikely to have school-aged children and 2) the schools in the area are currently operating below capacity. Additionally, increased costs to the local schools resulting from children residing in TIF-assisted housing units will trigger those provisions within the Act that provide for reimbursement to the affected school district(s) where eligible. The City intends to monitor development in the 67th/Cicero RPA and, with the cooperation of the Board of Education, will attempt to ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

Chicago Park District. The Chicago Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs.

It is expected that the households that may be added to the 67th/Cicero RPA may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the 67th/Cicero RPA and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development. The goals and objectives of the Redevelopment Plan will benefit the portion of the RPA which is owned by the Chicago Park District.

Community College District 508. This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

It is expected that any increase in demand for services from Community College District 508 can be handled adequately by the district's existing service capacity, programs and facilities. Therefore, at this time no special programs are proposed for this taxing district. Should demand increase, the City will work with the affected district to determine what, if any, program is necessary to provide adequate services.

Metropolitan Water Reclamation District. This district provides the main trunk lines for the collection of waste water from Cities, Villages and Towns, and for the treatment and disposal thereof.

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the 67th/Cicero RPA can be handled adequately by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District of Greater Chicago. Therefore, no special program is proposed for the Metropolitan Water Reclamation District of Greater Chicago.

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

It is expected that any increase in demand for Cook County services can be handled adequately by existing services and programs maintained and operated by the County. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase, the City will work

with the affected taxing districts to determine what, if any, program is necessary to provide adequate services.

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public. It is expected that any increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

Given the preliminary nature of the Eligibility Study and Redevelopment Plan, specific fiscal impacts on the taxing districts and increases in demand for services provided by those districts cannot be accurately assessed within the scope of this plan.

7. Provisions for Amending Redevelopment Plan and Project

This Eligibility Study and Redevelopment Plan and Project document may be amended pursuant to the provisions of the Act.

8. Commitment to Fair Employment Practices and Affirmative Action Plan

The City is committed to and will require developers to follow and affirmatively implement the following principles with respect to this Eligibility Study and Redevelopment Plan. However, the City may implement programs aimed at assisting small businesses, residential property owners, and developers which may not be subject to these requirements.

- A. The assurance of equal opportunity in all personnel and employment actions with respect to this Eligibility Study and Redevelopment Plan and project, including, but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, terminations, etc. without regard to race, color, religion, sex, age, disability, national origin, sexual orientation, ancestry, marital status, parental status, military discharge status, source of income or housing status.
- B. Meeting City standards for participation of Minority Business Enterprise and Women Business Enterprise businesses as required in redevelopment agreements.
- C. The 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.
- D. Meeting City standards for the hiring of City residents to work on redevelopment project construction projects.
- E. Meeting City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

*Appendix 1:
Boundary and Legal Description*

67TH AND CICERO AVENUE TIF

ALL THAT PART OF THE WEST HALF OF THE NORTHWEST QUARTER AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF WEST 67TH STREET WITH THE WESTERLY LINE OF THE BELT RAILWAY COMPANY OF CHICAGO RIGHT OF WAY IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WESTERLY LINE OF THE BELT RAILWAY COMPANY OF CHICAGO RIGHT OF WAY BEING ALSO THE EASTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 19-22-300-009;

THENCE SOUTHERLY, SOUTHWESTERLY AND WESTERLY ALONG SAID WESTERLY LINE AND ALONG THE NORTHERLY LINE OF THE BELT RAILROAD COMPANY OF CHICAGO RIGHT OF WAY AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22, SAID WEST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22 BEING ALSO THE CENTER LINE OF SOUTH CICERO AVENUE AND THE WESTERLY LIMITS OF THE CITY OF CHICAGO;

THENCE NORTH ALONG SAID WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 22 TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF WEST 67TH STREET, AS WIDENED;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF WEST 67TH STREET, AS WIDENED TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 19 IN BLOCK 13 OF MARQUETTE RIDGE, A SUBDIVISION OF THE SOUTH HALF OF THE NORTHWEST QUARTER AND THE NORTH HALF OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 22 TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 19 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH CICERO AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION TO THE NORTH LINE OF WEST 67TH STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 67TH STREET TO THE SOUTHEAST CORNER OF LOT 19 IN BLOCK 16 IN SAID MARQUETTE RIDGE SUBDIVISION;

Chicago Guarantee Survey Co.
601 S. LaSalle St., Suite 400, Chicago, Il., 60605
Ordered by: S> B. Friedman

Date: May 16, 2002
Order No. 0205013 r1

THENCE SOUTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 19 IN BLOCK 16 OF MARQUETTE RIDGE SUBDIVISION TO THE SOUTH LINE OF SAID WEST 67TH STREET

THENCE EAST ALONG THE SOUTH LINE OF WEST 67TH STREET TO THE POINT OF BEGINNING;

ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

*Appendix 2:
Summary of EAV (by PIN)*

Summary of 2000 Equalized Assessed Value By Permanent Index Number (PIN)

No.	PIN	Assessed Value 2000 (AV)	Equalized Assessed Value 2000 (EAV)
1	19 - 22 - 300 - 009 - 0000	EX	EX
	Total:	EX	EX

EX = Tax Exempt Parcels

2000 Equalization Factor 2.2235

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

During 2002, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

Please see attached.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

CERTIFICATION

TO:

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Gwendolyn Clemons, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602
Attn: Jackie Harder

Kim Feeney, Comptroller
Forest Preserve District of Cook County
69 West Washington Street, Room 2060
Chicago, Illinois 60602

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

David Doig, General Superintendent & CEO
Chicago Park District
541 North Fairbanks Court, 7th Floor
Chicago, Illinois 60611

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

Mary West, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611
Attn: Joe Rose

Lawrence Gulotta, Treasurer
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. K. Lime

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq., (the "Act") with regard to the 67th/Cicero Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

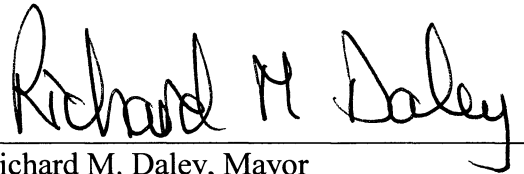
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2002, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

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

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

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2003.

A handwritten signature in black ink that reads "Richard M. Daley". The signature is written in a cursive style with a horizontal line underneath the name.

Richard M. Daley, Mayor
City of Chicago, Illinois

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

Please see attached.



City of Chicago
Richard M. Daley, Mayor

Department of Law

Mara S. Georges
Corporation Counsel

City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-6900
(312) 744-8538 (FAX)
(312) 744-2963 (TTY)

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

June 30, 2003

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Gwendolyn Clemons, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602
Attn: Jackie Harder

Kim Feeney, Comptroller
Forest Preserve District of Cook County
69 West Washington Street, Room 2060
Chicago, Illinois 60602

Martin J. Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
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David Doig, General Superintendent &
CEO
Chicago Park District
541 North Fairbanks Court, 7th Floor
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
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Attn: Linda Wrightsell

Mary West, Director of Finance
Metropolitan Water Reclamation District
of Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611
Attn: Joe Rose

Lawrence Gulotta, Treasurer
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. K. Lime

Re: 67th/Cicero
Redevelopment Project Area (the "Redevelopment Project
Area")

Dear Addressees:

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



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

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

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

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

Very truly yours,



Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

During 2002, there was no financial activity in the Special Tax Allocation Fund.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

During 2002, the City did not purchase any property in the Project Area.

67th/Cicero Redevelopment Project Area 2002 Annual Report

(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)

- (A)** Projects implemented in the preceding fiscal year.
- (B)** A description of the redevelopment activities undertaken.
- (C)** Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/99 to 12/31/02, and of such investments expected to be undertaken in Year 2003; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/02, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

67th/Cicero Redevelopment Project Area 2002 Annual Report

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

During 2002, no projects were implemented.

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

Redevelopment activities undertaken within this Project Area during the year 2002, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

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

During 2002, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

The Project Area has not yet received any increment.

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

During 2002, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

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

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

Since November 1, 1999, no public investment was undertaken in the Project Area. As of December 31, 2002, no public investment is estimated to be undertaken for 2003.

CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on July 12, 2002, at 10:07 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Mr. John McCormick.

PRESENT:

MR. JOHN MCCORMICK, CHAIRMAN
MS. KAY KOSMAL
MS. SUSAN MAREK
MS. DELORES JAVIER
MR. MARK THOMAS
MS. MARY SUE BARRETT

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

1 MR. MCCORMICK: I'd like to open the
2 meeting of the Joint Review Board. We'll
3 first have an introduction of the Joint
4 Review Board members. My name's John
5 McCormick. I represent the City of Chicago.

6 MR. THOMAS: Mark Thomas representing
7 the Chicago Park District.

8 SUSAN MAREK: Susan Marek, Chicago
9 Board of Education.

10 MR. WILSON: Henry Wilson

11 MS. KOSMAL: Kay Kosmal, Cook County.

12 MR. MCCORMICK: Would somebody close
13 the door. For the record, my name's John
14 McCormick. I am a representative of the City
15 of Chicago, which under Section 11-71.4-5 of
16 the Tax Increment Allocation Redevelopment
17 Act, is one of the statutorily designated
18 members of the Joint Review Board.

19 Until the election of a
20 Chairperson, I will moderate the Joint
21 Review Board meetings. For the record, there
22 will be two meetings of the Joint Review
23 Board; one for the 2002 Joint Review Board
24 annual meeting and one to review the Pro-67

1 Cicero Tax Increment Financing District.

2 We will first conduct the 2002
3 annual meeting. Notice of the meeting of the
4 Joint Review Board was also provided by
5 certified mail to each Taxing District
6 represented on the board which includes the
7 Chicago Board of Education, the Chicago
8 Community Colleges, District 508, the
9 Chicago Park District, Cook County, and the
10 City of Chicago and the Public Members.
11 Notice of the meetings were also posted as of
12 Wednesday, July 10, 2002 in various
13 locations through City Hall.

14 Now we will begin the 2002 Joint
15 Review Board Annual meeting. Our first order
16 of business is to select a Chairperson for
17 this annual meeting. Are there any
18 nominations?

19 MS. MAREK: I nominate John
20 McCormick.

21 MR. MCCORMICK: Is there a second?

22 MR. WILSON: I second.

23 MR. MCCORMICK: Are there any other
24 nominations? Let the record reflect there

1 are no other nominations. All in favor of
2 the nomination please vote by saying aye.

3 (Chorus of ayes.)

4 MR. MCCORMICK: All opposed please
5 vote by saying no. Let the record reflect
6 that John McCormick has been elected
7 Chairperson and will now serve as the
8 Chairperson for the remainder of the
9 meeting.

10 This meeting is held pursuant to
11 Section 74.4-5E of the Illinois Tax
12 Increment Allocation Redevelopment Act,
13 commonly known as the TIF Act, and Section
14 74-6-22E of the Illinois Industrial Job
15 Recovery Law, commonly known as IJRL, and
16 Section 3B of the Mayor's Executive Order 97-
17 2A.

18 The purpose of this meeting is to
19 hear an overview of the year 2001 annual TIF
20 reports prepared by the City of Chicago for
21 each TIF and IRJL District that existed as of
22 the end of fiscal year 2001, which ended
23 December 31, 2001, and to review the
24 effectiveness and status of the existing

1 Redevelopment Project Area and Redevelopment
2 Project Plans, TIF, and IJRL Projects and TIF
3 and IJRL Financing, up to that date.

4 As you may be aware, the City's
5 2001 Annual Report was delivered on June 28,
6 2002 to each of the Taxing District's
7 representatives on this Board as well as the
8 office of the State Controller and several
9 other interested agencies. With that I will
10 turn to the Department of Planning and
11 Development for the presentation.

12 MR. KINSIE: Hello everybody, my name
13 is Bob Kinsie, Deputy Commissioner of the
14 Department of Planning and Development.
15 What we're doing now is handing out to you
16 just a couple background sheets on our TIF
17 Districts and actually things we've done and
18 summary sheets that we've done in the
19 districts over the past couple of years.

20 We, what I handed out was a list
21 of the TIF Districts that were established in
22 2001 as well as amendments that were done in
23 2001. Plus there's the summary sheet of
24 activity, cumulative activity in our TIF

1 Districts.

2 I just wanted to spend a little
3 bit of time just sort of highlighting some of
4 the activity that occurred in the TIF
5 Districts in 2001. As of December 31, 2001,
6 we have, we had 112 TIF Districts in place.
7 Nine of those 112 districts were established
8 in 2001. In addition, since December 31,
9 2001 the City has designated an additional
10 nine new TIF Districts and another 15 are in
11 various states of the designation process.

12 However, I do want to say that
13 the designation process, for a variety of
14 reasons, is slowing down. Most new TIF
15 Districts that are currently on their way are
16 really TIF Districts that are associated
17 with specific development deals. Any new
18 area-wide designations were put in process
19 some time ago and we're just sort of
20 finishing out the process now.

21 We actually have not initiated
22 any, what we call, area-wide districts
23 recently. But there will continue to be
24 amendments to TIF Districts, developer-

1 driven TIF Districts, and I presume, over the
2 long term, some additional area-wide
3 designations.

4 The, some other things, you know,
5 we've, we had established a couple of years
6 ago a Neighborhood Improvement Program
7 designed to get TIF money to homeowners in
8 small apartment buildings as well as the
9 Small Business Improvement Program. And
10 we're continuing to do those programs.

11 We implemented one additional
12 Neighborhood Improvement Program last year
13 and one additional Small Business
14 Improvement Program last year. So
15 accusatively we have five Small Business
16 Improvement Programs either completed or
17 active and four Neighborhood Improvement
18 Programs either completed or active.

19 There was one new bond issue last
20 year that was in the Near South TIF District.
21 In 2001, the City acquired slightly over 1000
22 tax parcels throughout the various TIF
23 Districts. 150 of the tax parcels were
24 acquired. Through the City's Power of

1 Eminent Domain, three foreclosures or
2 negotiated sales, an addition 902 parcels
3 were acquired through the City's Tax
4 Reactivation Program.

5 Of 112 TIF Districts that you got
6 reports on, 81 were audited, which is 72
7 percent. The remaining 31 percent were not
8 audited because they are relatively new and
9 had not generated more than the \$100,000 in
10 revenues or the county has not certified the
11 Equalized Assessed Value.

12 Just a little bit of background;
13 in 2001 we collected approximately \$120
14 million dollars in Tax Incremental Revenues.
15 And some additional sales tax revenues and
16 our sales tax TIFs. I don't have that
17 specific number, but it's fairly small. I
18 believe under \$2 million dollars. The City
19 originally has four sales tax TIFs. I think
20 only two of those are collecting revenues
21 today because they have outstanding bond
22 issues.

23 Just to give you a few facts that
24 are reflected on the spreadsheet you have.

1 Again, this is information that's
2 cumulative, shows cumulative information
3 through 2000 and then through 2001. And
4 basically, it's a little different that the
5 information you get in your annual reports.
6 This is based on agreements that have passed
7 City Council.

8 In the past we had done this
9 chart. You have gotten this chart in the
10 past. In the past we've done this chart on
11 the basis of projects that were approved by
12 the community Development Commission, but
13 did not necessarily pass City Council. We
14 thought it was more appropriate to do it on
15 the basis of City Council passage, rather
16 than the CDC.

17 But just a few statistics.
18 Basically in 2001 through executed or
19 through redevelopment agreements that have
20 passed City Council, we either created or
21 will assist in the creation of 903 new or
22 used housing, 1.5 million square feet of
23 industrial space, that's new industrial
24 space, 11,000 square feet of rehab'd

1 industrial space, 1.7 million square feet of
2 new office space, 175,000 square feet of
3 rehab'd office space, 271,000 square feet of
4 new retail space, 188,000 square feet of
5 rehab'd retail space. Approximately 3000
6 were created and 1800 jobs retained and we
7 continue to have an investment ratio of above
8 six. Which is for every dollar of TIF
9 invested we get six dollars of private, over
10 six dollars of private investment.

11 So that was just a few highlights
12 of our program. I can answer any questions
13 if you'd like.

14 MR. MCCORMICK: Any questions from
15 any of the board members? If there are no
16 other questions --

17 MS. BARRETT: I have a question. Hi,
18 Mary Sue Barrett with Metropolitan Home
19 Consultants.

20 MR. MCCORMICK: I'm sorry, just let me
21 mention, let me just introduce yourself and
22 also too we've had two additional board
23 members join us since we started. So Mary
24 Sue just introduced herself.

1 MS. JAVIER: Dolores Javier from the
2 City Colleges of Chicago.

3 MR. MCCORMICK: And Mary Sue has
4 introduced herself.

5 MS. BARRETT: The one to six ratio has
6 been consistent at least for the two years
7 that I've presented here. How does that
8 compare as we look further backwards at the
9 City of Chicago or if you have knowledge of
10 TIF performance elsewhere in the state?

11 MR. KINSIE: Well, this ratio is
12 cumulative.

13 MS. BARRETT: Yes, okay, so.

14 MR. KINSIE: So, it's all projects
15 from now through, now through 2000 and then
16 cumulative through 2001. And then what we
17 did for 2001 off to the right there you can
18 see the break out between Central Loop and
19 neighborhood only TIF's. I don't know what
20 the performance is for the rest of the state.

21 MS. BARRETT: Or whether that ratio
22 has changed as the cumulative numbers
23 continue to be tracked, has one to six been a
24 ballpark for some time?

1 MR. MCCORMICK: We've been sort of
2 doing this table and that statistic for the
3 last few years. It's generally been around
4 six. As you can see cumulatively, it
5 improved slightly from 2000 to 2001. And as
6 I said before, we've changed our format
7 little bit. We thought it was a little more
8 better presentation to do it in terms of
9 what's gone through City Council than
10 through CDC. Even though we make adjustments
11 each year with this, you know, there are some
12 projects that go through CDC that do not get
13 formulated into a final agreement or there
14 are some projects that die, you know, after
15 CDC. Very few projects that happens to if
16 we've gotten through the City Council
17 process.

18 MR. MCCORMICK: Any additional
19 questions?

20 MR. WILSON: I'd just like to raise
21 one question. Is any of this information
22 indicative to the Planning Districts of DPD
23 so that one might be able to measure its
24 impact by planning districts associated

1 without the grants and dollars that goes into
2 planning districts?

3 MR. KINSIE: I don't think so. I'm
4 not sure I exactly understand the question,
5 but.

6 MR. WILSON: Well, for some time back,
7 HUD required five year consolidated planning
8 for the seven planning districts in Chicago
9 to use that as a barometer to determine
10 whether or not the investment on corridor
11 were part of the areas in the planning
12 districts that were impacted. And right now
13 the salvation of sustained ability to render
14 those programs depends on the success of TIF
15 program developments.

16 And by planning districts, each
17 year the capital improvement programs are
18 identified as well as programs in the
19 consolidated planning activities. And in
20 order to make some kind of measurement, for
21 an example, the Englewood Ward is in the
22 southwest planning district. It has two or
23 three of the largest industrial planning
24 districts in the City and it would be

1 interesting to see how that impacts on other
2 dollars that's flowing in.

3 Let me just give you real quickly
4 without taking a lot of the time with this
5 board. We invested a million dollars of the
6 South Fertility Salvation Army new
7 construction on 69th Street which is a new
8 development project that's not even in the
9 TIF area. Last week there was a \$2.5 million
10 dollar award added to that by the death of a
11 person, which really gives sustained ability
12 to the program added and of that one million
13 dollars towards construction. You won't
14 find many of those that will happen around
15 the City.

16 But when you think in terms of
17 the TIF designation and the 63rd and Halsted
18 area, you're losing the tax base of Kennedy
19 King College relocating there and whether
20 the feasibility of restoring the present
21 Kennedy King College location back onto the
22 tax row, all of that needs to impact in some
23 way that will identify one of the seven
24 planning districts in Chicago somehow. It

1 will get lost if we look at it just as the
2 whole City rather than a planning district.

3 I hope I'm making sense in what
4 I'm saying because that's the way we
5 seemingly understand it. And in Englewood we
6 use this first, the conservation plan at the
7 base and now that we've been designated as a
8 renewal community, having the advantage now
9 of tax incentives for private developers, we
10 really have an opportunity there.

11 And I would just like to know if
12 there is some way of having this information
13 be centralized into the planning district, I
14 would just request it of the southwest
15 planning district anyway. That would mean
16 from Stevenson Expressway to the 75th Street
17 south and 87th Street and from Dan Ryan
18 Expressway to the City limits. You know,
19 which includes a number of projects that's
20 taking place in the area.

21 MR. KINSIE: We can look into doing
22 that. The only distinction we've made is
23 between Central Loop and the rest of the
24 neighborhood TIF's. Now within the

1 neighborhood TIF's are some TIF districts
2 that are located not in the Loop but in the
3 central area. But, we did split up the bulk
4 of the TIF's outside the Central Loop, our
5 neighborhood TIF's. But we could, I don't
6 have that data. We could look into it.
7 Obviously we work with our neighborhood
8 industrial and neighborhood division and
9 industrial division staff on a regular
10 basis, obviously, and other TIF district in
11 their areas.

12 But we just attempted to give the
13 board here some overview, you know, summary
14 information because, you know, the annual
15 reports are 112 different annual reports
16 with no easy ability to really look at the
17 program, you know, in total versus by TIF
18 district. But we can look into that.

19 MR. WILSON: Last but not least, I
20 would just like to complement the DPD for the
21 way in which it put the 2001 TIF activities
22 for the Review Board into a perspective
23 because it's more up to date in terms of
24 what's actually happening there and it king

1 of offsets some other kinds of private
2 reporting that's taking place in the
3 community in Englewood.

4 I'm highly sensitive to what is
5 said about Englewood; negative and positive.
6 Even to the most recent thing in Englewood,
7 California could be associated with
8 Englewood, Chicago. Every time you hear the
9 name Englewood, if it's negative, it gets
10 highlighted. If it's not negative it gets
11 downgraded. So I'm looking for everything we
12 can get for credibility.

13 MR. MCCORMICK: Are there any other
14 questions?

15 MR. FAIST: What part of the meeting
16 could I discuss issues with developer and
17 relocation of residents in a TIF district?

18 MR. MCCORMICK: Go ahead.

19 MR. FAIST: Anyway, I guess I was
20 supposed to be at a meeting with you last
21 August 3rd which, I guess, there's an issue
22 right there. I'm from Two Studio. I was a
23 resident there around 20 years. The
24 developer at that point, and the mail had

1 been stopped for like 14 weeks or more. When
2 the City alerted us in April that Two Studio
3 residents and artists were supposed to be
4 leaving we were told we should pay the rent
5 on time and shouldn't leave or that we
6 wouldn't get our relocation money. And I'm
7 sorry, I'm looking at my notes.

8 So anyway, we were supposed to
9 stay there and we didn't leave. The
10 developed, when he had purchased us, he took
11 out our hot water heating. We saw our hot
12 water heaters like out in the lobby. I
13 didn't really understand why. And then later
14 they were doing demolition all throughout
15 the night. We called the City constantly,
16 you know, the Planning and Development, and
17 they're like, well, he's the owner and we'll
18 look into it. We didn't know what in the
19 heck he was smashing out.

20 Before he would have permits he
21 was working, like I said, we didn't get our
22 mail for months because they said it was a
23 demolition for construction zone and, but
24 yet the City was denying any work was being

1 done.

2 We were supposed to have like
3 asbestos and other things. Environmental
4 groups were swarming our building or would
5 come in and try to get into the building. We
6 were supposed to pay our rent on time. We
7 kept in tow. Later on before I was moved our
8 door machine was taken out where no one could
9 even call me to help me to even move. The
10 developer wouldn't return our calls in any
11 way.

12 He also was asking the TIF
13 District for all of our data about our
14 financial situation and they said no to it.
15 We were also promised in the district plans,
16 or their, our TIF District plan that artists
17 was a priority that lived there after a
18 certain amount of time or after a certain
19 date and that we would be able to move back
20 but we haven't heard from the developer. But
21 I've heard from a lot of people saying that
22 they've gotten a place there already.

23 I'm so connected with Two
24 Studios, everyone calls me immediately, you

1 know, to be excited that they're moving back
2 in, but the artists have been ignored. And
3 then the City then said that the developer
4 was the one that was paying our relocation
5 money. A lot of it at the last minute, he
6 was saying that he wouldn't pay us the money
7 and a lot of people weren't getting paid when
8 they moved out. It was a lot of expense. It
9 cost me \$9000 dollars to get out of the door.

10 And then he said that he wouldn't
11 pay anybody until everybody was out of the
12 building. Anyway it was a nightmare. It
13 caused me a lot of stress and hardship.
14 Especially dealing with everybody else's
15 problems coming to me saying, what's going
16 on, what's going on, calling me. Why was the
17 City so silent. Does anybody have any
18 answers?

19 MR. MCCORMICK: Let me, let me say one
20 thing. I think, you know, obviously, you
21 have some things that deal with the
22 Department, possibly. I mean, if they do,
23 the Department of Planning and Development,
24 but I don't know if the Joint Review Board

1 has any say in what you're bringing up.

2 MR. FAIST: Well, yes because it's
3 relocation section and in the TIF, it's
4 because of the TIF we were to get relocation
5 money. But we were, I'm just alerting this
6 group from the record, it's a nightmare
7 working with the TIF Plan Relocation
8 program.

9 MR. MCCORMICK: Okay, that's fine.

10 MR. FAIST: Thank you.

11 MR. MCCORMICK: Thank you.

12 MR. KINSIE: Yes, I just want to say
13 that the people that can respond are not
14 here. My understanding is, the people that
15 were entitled to relocation assistance got
16 that assistance, but unfortunately the
17 people that could respond to the various
18 issues obviously aren't hear and therefore,
19 can't respond.

20 MR. FAIST: It'll be a chapter in my
21 book I'm writing.

22 MR. MCCORMICK: Okay, if there are no
23 other questions --

24 MS. BARRETT: May I jump in, I'm

1 sorry. The tracking of information about the
2 residential development and housing units
3 supported, I'm wondering if there are
4 further breakdowns available that home
5 development and perhaps the City's
6 Department of Housing have coordinated on
7 about the percentage that are for lower
8 income residents. Because that often is
9 obviously been a negotiation and a selling
10 point for the TIF proceeds for the
11 residential. So of the rental, you know,
12 3600 of which 800 are new this past year, a
13 breakdown on affordability? Can you get that
14 information at a later date?

15 MR. KINSIE: We should be able to get
16 that information, so we'll look into it.

17 MR. MCCORMICK: Anybody else?

18 MS. JAVIER: I just have a question.

19 MR. MCCORMICK: Sure.

20 MS. JAVIER: I want to go back to the
21 -- that we talked about. Does the City have
22 a set of objectives as to what that -- would
23 be for each of the districts. And if the
24 goal is not met what kind of course of action

1 do we take so that we know that the revenues
2 between would be there for those districts?
3 Well apparently the six is out because of the
4 11, almost 12 ratio in the City itself, in
5 the Loop. And if you look at the other
6 districts in the TIF.

7 MR. KINSIE: Well, there is no, every
8 deal we negotiate on a deal-by-deal basis, so
9 there is no specific target. We look at each
10 project on a financial need basis. Either in
11 terms of a financial gap or in many
12 industrial projects we're competing with,
13 you know, suburban or out-of-state
14 locations. So often times with industrial
15 projects it's not a financial need it's
16 really a financial competition.

17 We generally don't like to fund
18 projects higher than 20 or 25 percent of
19 total project costs. Though that's not
20 really the basis on how we look at projects.
21 That might be the perception out there in the
22 community. We really look at it from a
23 financial need or financial competition
24 basis. So on that basis we're, you know,

1 we're well below the 20 or 25 percent
2 overall.

3 And we think, and we think it's
4 appropriate that we have a lower investment
5 ratio in the neighborhoods versus Central
6 Loop. I mean, if it was the reverse, we
7 would not like that. I mean, we would expect
8 to give higher percentages of financial
9 assistance in our neighborhood projects than
10 in our Central Loop projects.

11 But, this is just to give you an
12 overview and to show you the trend and if the
13 trend was going down then you should have
14 more concern than if the trend was going up,
15 that sort of thing.

16 MS. JAVIER: Just one last. Of the
17 112, is there any that's reaching or have
18 already completed the 20 year, you know,
19 normally the TIF is a 20 project? Is any of
20 those coming out of the TIF?

21 MR. MCCORMICK: Not yet.

22 MR. KINSIE: Well, the first TIF that
23 will expire will be the Central Loop TIF in
24 2007. Others are in 12, the vast majority

1 are fairly young. I mean, I don't have the
2 exact statistic, but I'd suspect that 60,70
3 of the 112 have probably been established in
4 the last five years. So, in many ways the
5 program is still, you know, very, very young
6 from many perspectives. But Central Loop is
7 the oldest and will expire in 2007. There
8 are some that will expire I think a few years
9 after that.

10 MS. JAVIER: Thank you.

11 MR. MCCORMICK: Committee?

12 MR. WILSON: Just a quick thing. I
13 believe 55th and Dan Ryan is with the Old
14 Neighborhood TIF. When is the expiration
15 date and all of that, because that question
16 had been raised as well?

17 MR. KINSIE: I think the Central Loop
18 was established in 1984. I think the next
19 TIF's after that were around '89, somewhere
20 around --

21 MS. LOPEZ: Yes, '86.

22 MR. KINSIE: '86, was that them, 55th
23 and Day Ryan?

24 MS. LOPEZ: Yes, right.

1 MR. KINSIE: And then I think some of
2 the stockyards were maybe '89. So, yes, that
3 then would expire more like 2009.

4 MR. WILSON: All of those are in the
5 southwest planning district though. Okay.

6 MR. MCCORMICK: Anything else? Okay,
7 if there are no other questions, if there are
8 no other issues to be addressed at this
9 meeting I will take a motion to adjourn. Is
10 there a motion?

11 MS. KOSMAL: Motion to adjourn.

12 VOICE: I second.

13 MR. MCCORMICK: All in favor, please
14 vote by saying aye.

15 (Chorus of ayes.)

16 MR. MCCORMICK: All opposed, vote by
17 saying no. The 2002 annual meeting of the
18 Joint Review Board is hereby adjourned.

19 (Whereupon the annual meeting of
20 the Joint Review Board
21 adjourned.)

22 MR. MCCORMICK: Next the Joint Review
23 Board meeting is being, next on the Review
24 Board meeting is a regular Joint Review Board

1 to look at a project.

2 For the record, my name is John
3 McCormick. I'm the representative of the
4 City of Chicago which under Section 11-74.4-
5 5 of the Tax Increment Allocation
6 Redevelopment Act is one of the statutorily
7 designated members of the Joint Review Board
8 for the 67th and Cicero Tax Increment
9 Financing District.

10 The date of this meeting was
11 announced at and set by the Community
12 Development Commission of the City of
13 Chicago at it's June 11, 2002 meeting. Until
14 the election of a chairperson for the 67th
15 and Cicero Joint Review Board, I will
16 moderate this meeting.

17 Notice of the meeting of the
18 Joint Review Board was provided by certified
19 mail to each taxing district represented on
20 the Board which includes the Chicago Board of
21 Education, the Chicago Community Colleges,
22 District 508, Chicago, Park District, Cook
23 County and the City of Chicago, and the
24 public member. Public notice of this meeting

1 was also posted as of Wednesday, July 10,
2 2002 in various locations throughout City
3 Hall.

4 Our next order of business to
5 select a chairperson for this Joint Review
6 Board. Are there any nominations?

7 MR. THOMAS: I nominate John
8 McCormick.

9 MR. MCCORMICK: Is there a second for
10 the nomination?

11 VOICE: Second.

12 MR. MCCORMICK: Are there any other
13 nominations? Let the record reflect there
14 are no other nominations. All in favor of
15 the nomination please vote by saying aye.

16 (Chorus of ayes.)

17 MR. MCCORMICK: All opposed please
18 vote by saying no. Let the record reflect
19 that John McCormick has been elected
20 chairperson. I will now serve at the
21 chairperson for the remainder of the
22 meeting.

23 As I mentioned, at this meeting
24 we will be reviewing the plan for the 67th

1 and Cicero TIF District proposed by the City
2 of Chicago. Staff of the City's Department
3 of Planning and Development and other
4 departments have reviewed this plan which
5 was introduced at the Community Development
6 Commission on June 11, 2002. We will listen
7 for a presentation by the consultant on the
8 plan. Following the presentation we can
9 address any questions that members might
10 have for the consultant or City staff.

11 The recent amendment to the TIF
12 Act requires us to base our recommendation to
13 approve or disapprove the 67th and Cicero
14 Plan and Designation of the 67th and Cicero
15 TIF Area on the basis of the Area and the
16 plan satisfying the Plan requirements, the
17 eligibility and criteria defined in the TIF
18 Act and objectives of the Act.

19 If the Board approves the Plan
20 and Designation of the Area the Board will
21 then issue an advisory non-binding
22 recommendation of the majority of those
23 present and voting. Such recommendation
24 shall be substituted, submitted to the City

1 within 30 days after the Board meeting.
2 Failure to submit such recommendation shall
3 be deemed to constitute approval by the
4 Board.

5 If the Board disapproves the Plan
6 and the Designation of the Area, the Board
7 must issue a written report describing why
8 the plan and the area fail to meet one or
9 more of the objectives of the TIF Act and
10 both the planning requirements and the
11 eligibility criteria of the Act.

12 The City will then have 30 days
13 to resubmit a revised plan. The Board and
14 the City must also confer during this time to
15 try and resolve the issues that led to the
16 Board's disapproval. If such issues cannot
17 be resolved or if the revised plan is
18 disapproved, the City may proceed with the
19 Plan but the Plan can be approved only with
20 3/5 vote of the City Council excluding
21 positions of members that are vacant and
22 those members that are ineligible to vote
23 because of conflicts of interest.

24 Okay, I think we're ready for the

1 presentation by S.V. Friedman and Company.
2 The people that came for the previous
3 meeting, the annual review, you can stay.

4 MR. FRIEDMAN: My name is Steve
5 Friedman. I'm the President of S.V. Friedman
6 and Company. With me today is Rob Lindquist
7 who is going to make most of the
8 presentation. We were engaged by the
9 developer, Senior Lifestyle Corporation, to
10 work on this project. They are interested in
11 doing a mixed income housing development in
12 this area and Rob will provide a little more
13 discussion of the kind of project that
14 they're contemplating.

15 And the site, as you can see, is
16 67th and Cicero; this is Cicero, this is
17 67th. It's a rather awkward little site and
18 it's surrounded on one side by the belt
19 railroad and is near the Midway Airport area,
20 across from a residential neighborhood and
21 then there are other things that Rob will
22 discuss.

23 It is basically one tax parcel
24 and it is in part used for park type purposes

1 for some playing fields which will, in part,
2 remain. But part of it is not used at all.
3 And part of it's owned by the Board of
4 Education and so there's some land transfers
5 that are also underlying this and some, in
6 order to, and is not needed by the Board, and
7 I believe, has agreed to the transactions
8 involved.

9 The TIF itself is needed in order
10 to make all the things work in terms of the
11 economics of the project and the overall
12 economics of the development. Rob will go
13 through the eligibility criteria and the
14 plan itself and then we'll take questions.

15 MR. LINDQUIST: My name's Rob
16 Lindquist. I'm the project with S.V.
17 Friedman and Company. The study area
18 consists of a single tax parcel
19 approximately 18 acres. The western one
20 third of the study area is owned by the City
21 of Chicago in trust for the schools and the
22 eastern two thirds is owned by the Chicago
23 Park District.

24 It's within the Westlawn

1 Community Area and is bounded on the west by
2 Cicero Avenue, which is also the municipal
3 limits of the City of Chicago. West of
4 Cicero Avenue is Bedford Park. On the north,
5 by 67th Street and on the south and east by
6 the Chicago belt railroad.

7 There are three existing TIF
8 Districts adjacent to this parcel. The first
9 is Central to the northwest, the 63rd and
10 Pulaski to the northeast and then to the
11 south and east you have Greater Southwest
12 Industrial Corridor West TIF District.

13 Although adjacent to these three
14 TIF Districts, it sort of stands on its own.
15 It doesn't necessarily have a direct
16 relationship to the other ones and that's
17 perhaps why it was not included in one of the
18 three that are adjacent.

19 Currently, the site is
20 predominantly vacant. A portion of the
21 parcel or of the property owned by the Park
22 District has been approved with baseball
23 diamonds and some ancillary structures such
24 as trailers and fencing and is dedicated as

1 park number 484. On the whole, the area
2 though is predominantly vacant. All of the
3 western portion and then the area south and
4 east of the baseball fields and the part
5 owned by the Park District.

6 So for purposes of eligibility we
7 consider the whole area to be predominantly
8 vacant. There is two courses to establish
9 eligibility; either for a vacant area or an
10 improved area. We did discuss this with the
11 City's law department and because it was
12 predominantly vacant and there were no real
13 structures that were commercial or
14 residential or industrial we felt it was
15 appropriate to include or to look at it all
16 as predominantly vacant and proceed with the
17 eligibility criteria for vacant land.

18 There's six factors of which two
19 or more must be found to be present to
20 qualify the area. We found that three of the
21 factors were present to a meaningful extent
22 and are reasonable distributed throughout
23 the area. Those are obsolete platting,
24 deterioration of adjacent structures or site

1 improvements and lack of growth in the
2 equalized assessed value.

3 Obsolete platting exists because
4 of, firstly the irregular shape of the parcel
5 which is a quarter circle and then it's
6 somewhat blocked or orphaned by existing
7 man-made structures such as the Belt
8 Railroad and then Cicero Avenue here is
9 actually raised there's an embankment here.
10 So really the only access to this 18 acres is
11 just from this frontage of 67th Street. And
12 platting for right-of-ways and easements for
13 utilities have never been created and this
14 parcel's never been subdivided despite the
15 existence of two owners.

16 MS. MAREK: Excuse me, if that
17 railroad still operational?

18 MR. LINDQUIST: Yes. So obsolete
19 platting is an impediment to develop.
20 Perhaps one reason why nothing's ever
21 happened here. On the second which we found
22 present was the adjacent deterioration.
23 That was found at the corner at Cicero within
24 this existing TIF District, throughout the

1 railroad parcel to the south and east and
2 also across Cicero Avenue to the west and the
3 parcel here in the park.

4 Finally, it is true that there is
5 a lack of growth and equalized assessed value
6 here. The parcel is entirely tax exempt, so
7 of course there's been no growth. But only a
8 portion of it actually serves a public
9 benefit, which is the baseball fields and the
10 rest of this parcel, practically two thirds
11 sits unused as well as vacant and creates
12 nothing for the tax base.

13 In addition to the eligibility
14 criteria, we are required to show that, but
15 for the designation of a TIF District it is
16 unlikely that significant investment will
17 occur. In fact, nothing has happened here
18 and the developer is looking for TIF
19 assistance otherwise we will not be able to
20 do this project. And while there has been
21 some use of a portion of it, the baseball
22 fields, the majority of the land sits vacant
23 and unutilized.

24 There is no housing impact study

1 required in this case because there are no
2 residents. And now I'll quickly go over the
3 goals and objectives from the redevelopment
4 plan. We put in 11 objectives and I'll try
5 to summarize them quickly.

6 To facilitate the assembly and
7 preparation in marketing the vacant and
8 underutilized land for residential
9 development. To promote residential
10 development includes a diverse mix or an
11 economic mix of residents, particularly
12 senior citizens. The proposed development
13 is geared towards senior citizens. To
14 provide public infrastructure were needed to
15 increase the taxable value of the vacant land
16 not affiliated with the existing baseball
17 diamonds. To provide adequate on and off-
18 street parking, to create an environment for
19 recreational and institutional facilities is
20 appropriate by providing opportunities for
21 new public facilities and institutions. To
22 promote new open space uses on the park
23 portion of the land that's not occupied by
24 the baseball fields so the vacant portion of

1 the park district land. To encourage
2 pedestrian friendly uses and facilitate safe
3 pedestrian across wide arterial streets;
4 67th and Cicero. And to support job training
5 programs and new development of any public
6 uses that become inactive. So for instance,
7 if the baseball diamonds ever did become
8 inactive then they could possibly seek, that
9 area could possibly receive TIF assistance
10 in the future.

11 The proposed future land use of
12 the area is residential for the western one
13 third, which is the proposed redevelopment
14 area. And then the two thirds owned by the
15 park district. The proposed, this is the
16 existing land, so this section, this yellow
17 is the proposed residential area and then
18 this green would remain parks and open space
19 under the -- use defined in the redevelopment
20 plan.

21 We identified the estimated
22 eligible cost of the budget for the
23 redevelopment project.

24 MS. MAREK: Can I ask, is the open

1 space going to remain Park District property
2 or is that going to be part of the
3 development?

4 MR. LINDQUIST: This remains Park
5 District property. The total estimated
6 budget or estimated project costs are 8.6
7 million over the course of the TIF, 1.2
8 million for professional services, 1.1
9 million for property assembly, which is
10 basically land acquisition and that's from
11 the cost that the developer is incurring to
12 acquire the land from the schools.
13 Rehabilitation costs; we included 5000 as a
14 base, obviously, there's not much there
15 right now to be rehab'd but there may be some
16 potential in the future for rehabilitation
17 costs.

18 Eligible construction costs make
19 up a large portion of the budget; 2.3
20 million. That's because the proposed
21 residential project will have an affordable
22 portion and this affordable portion is
23 eligible to be assisted through TIF.
24 Approximately 20 percent of the project will

1 be affordable.

2 There's no components to this
3 project; rental apartments for seniors and
4 condominium for-sale units for seniors. 72
5 for-sale condominium units and 126 rental
6 units. We've included again, \$5000 dollars
7 of the -- holder for relocation within the
8 budget. There isn't any anticipated
9 relation now. \$225,000 for public works and
10 improvements which is based on putting in
11 streets and parking that would run adjacent
12 to the baseball diamonds. Job training,
13 \$100,000. Senior Lifestyle Corporation has
14 talked to some area job training
15 organizations about adding to the program,
16 so while this is not something specific right
17 now they have contemplated this. And then
18 3.4 million in interest subsidy to 30 percent
19 of the developer's interest cost can be
20 subsidized by the TIF. And 5000 for daycare.
21 Again, there is n't a specific program
22 contemplated, but there may be something in
23 the future for the long-term well being of
24 the community and the area residents. And

1 Steve and I are both available for questions.

2 MR. MCCORMICK: I think you answered
3 my main one because -- that exist in the
4 future. You know, I'm confused a little bit.
5 Are you going to have senior citizens playing
6 baseball leagues out here now?

7 MR. FRIEDMAN: The developer's, you
8 know, we tried to answer the -- questions too
9 although obviously we're in the framework --
10 The developer is intending to create a street
11 level access through here and to improve the
12 parking that serves the athletic fields. The
13 athletic fields will continue in use and
14 there will actually be, will receive some
15 improvement.

16 And when Rob mentioned the rehab,
17 there is a small Park District building there
18 and that's one of the reasons we have in
19 place the rehab incase they came back and
20 there was money available to work with that.
21 But basically, a portion, the for-sale, part
22 of the for-sale housing is also being
23 contemplated to be done under the City Home-
24 Start Program, which as you know minimizes

1 the cost of the housing by reducing some of
2 the parent costs, but still brings it on as
3 market rate housing. It is, I believe, still
4 under consideration to use that program and
5 then, as Rob said, there's a commitment to
6 affordable within the project overall.

7 MR. MCCORMICK: Any questions?

8 MR. WILSON: I'd like to raise a
9 question. West of the yellow area there,
10 that's not quite to Cicero Avenue, that area
11 there.

12 MR. FRIEDMAN: It is to the right-of-
13 way, it includes the right-of-way to Cicero
14 Avenue.

15 MR. WILSON: That is the right-of-way
16 of Cicero? Because under the project capital
17 plan at one time we were contemplated a YMCA
18 to be located there. Had that been
19 eliminated now?

20 MR. LINDQUIST: Yes, I have not heard
21 of anything.

22 MR. FRIEDMAN: Yes, there was some, at
23 one time there was some discussion of a YMCA
24 and YMCA was, I believe, unable to finance

1 that project and therefore it will be in a
2 different direction. But I believe that this
3 is actually what is currently the right-of-
4 way of the street parcel for whatever
5 historical reason that it is so. Whether
6 anybody is planning to straighten that out,
7 I'm not clear.

8 MR. WILSON: In other words, there is
9 no commitment as to what activity would take
10 plan on that area, in that area?

11 MR. FRIEDMAN: I'm sorry?

12 MR. WILSON: The area along Cicero
13 into the project.

14 MR. FRIEDMAN: Near the right-of-way?

15 MR. WILSON: Well the right-of-way,
16 that would just be a right-of-way into that.

17 MR. FRIEDMAN: Well, there's also an
18 easement for a water main in there which may
19 account for the shape of that property But
20 that's just that street or the easement and
21 the site plan has taken, you know.

22 MR. WILSON: I can understand and
23 really have appreciation again because
24 that's part of the southwest planning

1 district and what it amounts to is our moving
2 a non-tax base to a tax base and that's what
3 we're looking for, okay.

4 And it's further enhanced in that
5 area by the airport, Midway Airport and all
6 the other commercial developments in the
7 town adjacent to it and across the track,
8 Ford City. It's an ideal location to market
9 for housing. And bringing seniors into that
10 also give it eligibility for some federal HUD
11 fund for low income residents and at that
12 would be housed in that area.

13 My comment here is I can see and
14 really support any area location like that
15 that's finally being moved from abandoned
16 land that's increasing our amount of tax
17 basis. It's basically if you give some
18 enhancement to an adjacent TIF area that will
19 be there and whether this will be joined in
20 by the TIF to the north, am I understanding
21 you correctly to say that this will become
22 part of the TIF to the north side in
23 Marquette?

24 MR. FRIEDMAN: No, in a separate TIF.

1 MR. WILSON: A separate, total
2 separate TIF.

3 MR. FRIEDMAN: But it will be, you
4 know, if will have portability between TIF's
5 as is allowed for under law. But it's not
6 contemplated that there's any reporting
7 going on. If there is money available
8 because it's more robust than expected, I
9 suppose that's possible, but the budget is
10 structured and the revenue projections are
11 structured to, basically meet the needs
12 within this district.

13 MR. WILSON: So this is the start of a
14 designation as a TIF?

15 MR. FRIEDMAN: Right.

16 MR. WILSON: With the anchor project
17 being the one that you described?

18 MR. FRIEDMAN: That's correct.

19 MR. MCCORMICK: Any other questions.

20 MR. THOMAS: Yes, just really
21 quickly. Which, you talked about, I see the
22 two thirds of this project and the southeast
23 arc of it undeveloped. And you talked about
24 developing some passive area there.

1 Anything that' within the budget inherent to
2 any specific leases in the budget? You
3 mentioned some improvement to the parking.

4 MR. FRIEDMAN: The key thing is the
5 parking which is the problem now. I do
6 believe it's gravel and unpaved whiihc I
7 think doesn't actually meet City ordinance,
8 because I don't think you're allowed to have
9 unpaved parking in the City of Chicago, or
10 may be the runoff because they have changed
11 that.

12 Basically the key improvement
13 that's included at this time is providing
14 parking property with access with the
15 athletic field and there's sort of a buffer
16 between there and the trains. There are no
17 other improvements that we're aware of at
18 this time.

19 MS. BARRETT: Steve, can you describe
20 the buffer at the Chicago Belt Railway?

21 MR. FRIEDMAN: How it will be in the
22 future?

23 MS. BARRETT: Yes, especially if
24 there's, you know, potential to increase

1 traffic as one of a couple corridor
2 industries looking at very seriously for a
3 Belt use corridor.

4 MR. FRIEDMAN: I have an early site
5 plan which I would say is because we're not,
6 you know, our work doesn't require us to be
7 intrinsically involved in the details of the
8 planning, we haven't required our client to
9 give us up-to-date site plans throughout.

10 But the basic site plan is one in
11 which this is 67th. The buffering from the
12 railroad is occurring by using the parking,
13 one-story covered parking plus surface
14 parking and there's a remaining gravel
15 driveway that serves the railroad as well.
16 So there's a, this would be between the
17 vehicle access and driveways, this is at
18 least 60 or 70 feet. And then the next is a
19 covered parking structure which would be
20 another probably 40-60 feet depending on how
21 we, on how it's designed. And then a five
22 story building, condominium style building
23 which tends to be able to act as a better
24 buffer, as a buffer from other uses to a

1 greater extent than lighter residential.
2 And then the lower would have some
3 residential in the middle. Then up at 67th
4 Street, a six story senior housing building.

5 MS. BARRETT: Are you aware of any
6 increased embankments in addition to the
7 site plans you have?

8 MR. FRIEDMAN: I am not, Sue, do you
9 know, or does anyone from the Department of
10 Planning know how the site plan review is
11 going?

12 MR. ONARELLA: Increased embankments
13 where at? Ken Onarella, I'm sorry.

14 MS. BARRETT: Along the Chicago
15 railway.

16 MR. FRIEDMAN: In this area where the
17 belt railway is on the southern --

18 MR. ONARELLA: No, there's nothing
19 been planned for that. Just want to do an
20 ornamental plants with landscaping along
21 that area.

22 MS. BARRETT: Okay. Visual buffers?

23 MR. WILSON: Has there been a ground
24 field study of that area for the effect that

1 the south stores that used to be in that
2 location? Is there any soil contamination
3 from that or the railroad in terms of soil
4 amenity?

5 MR. FRIEDMAN: There has to be a phase
6 I at least study for almost any land
7 transfer, so the developer is taking that
8 into account, because they would have done
9 that investigating. We're not specifically
10 aware of the study, but I would assume that
11 it has to be done because they won't be able
12 finance the transfer without a clean Phase I
13 or remediation if there is need for it.

14 MR. WILSON: That's usually one of the
15 things developers come back later and say
16 that it's not economically feasible for us to
17 do what we wanted to unless the city pays for
18 ground crew and the soil contamination study
19 and that's why I had a concern about it. It
20 hasn't been done then you're saying?

21 MR. FRIEDMAN: I don't know. I'm
22 almost positive that they've done one in
23 Phase I.

24 MR. MCCORMICK: Yes, let me say

1 something here. I think that we're getting
2 into questions about the developer here
3 where the Community and Development
4 Commission, when he's developing a statement
5 for the Community Development Commission as
6 to the proper writing for that. We're just
7 looking at whether it qualifies as a TIF and
8 all those questions will have to be addressed
9 if this developer goes forwards, you know
10 with his plan.

11 Any other questions? If there
12 are no further questions, I'll entertain a
13 motion that this Joint Review Board finds
14 that the proposed Redevelopment Plan of the
15 67th and Cicero Tax Increment Finance and
16 Redevelopment Project Area satisfies the
17 redevelopment plan requirements under the
18 TIF Act, the eligibility and criteria
19 defined in Section 11-74.4-3 of the TIF Act
20 and the objectives of the TIF Act that based
21 on such findings approve such proposed plan
22 and the designation of such area as a
23 Redevelopment Project under the Act. Is
24 there a motion?

1 MS. KOSMAL: So moved.

2 MR. MCCORMICK: Is there a second for
3 the motion?

4 MS. MAREK: Second.

5 MR. MCCORMICK: Is there any further
6 discussion? If not all vote, all in favor
7 please vote by saying aye.

8 (Chorus of ayes.)

9 MR. MCCORMICK: All opposed please
10 vote by saying no. Let the record reflect
11 the Joint Review Board's approval of the
12 proposed 67th and Cicero Redevelopment Plan
13 and Designation of the 67th and Cicero Tax
14 Increment Financing Redevelopment Project
15 Area as a Redevelopment Project Area under
16 the TIF Act.

17 Is there anybody that moves that
18 we adjourn?

19 MS. MAREK: So moved.

20 VOICE: Second.

21 MR. MCCORMICK: Meeting's adjourned.

22 (Whereupon, the meeting
23 adjourned at 11:10 a.m.)

24

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

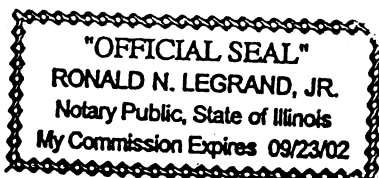
I, JACK ARTSTEIN, depose and say
that I am a verbatim court reporter doing business
in the County of Cook and City of Chicago; that
I caused to be transcribed the proceedings
heretofore identified and that the foregoing is
a true and correct transcript of the aforesaid
hearing.

Jack Artstein

JACK ARTSTEIN

SUBSCRIBED AND SWORN TO
BEFORE ME THIS 5th DAY
OF August
A.D. 2002.

Ronald N. LeGrand, Jr.



**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

During 2002, there were no obligations issued for the Project Area.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

During 2002, there were no obligations issued for the Project Area.

**67th/Cicero Redevelopment Project Area
2002 Annual Report**

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

During 2002, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

67th/Cicero Redevelopment Project Area 2002 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The 67th/Cicero Redevelopment Project Area is generally bounded by Cicero Avenue and the municipality of Bedford Park to the west, 67th Street to the north, and the Chicago Belt Railway railroad right-of-way to the south and east. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

