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# 1997 Annual Report

## West Ridge-Peterson Avenue Redevelopment Project Area



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

*June 30, 1998*

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City of Chicago  
Richard M. Daley, Mayor

Department of Planning  
and Development

Christopher R. Hill  
Commissioner

121 North LaSalle Street  
Chicago, Illinois 60602

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June 30, 1998

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

Ladies and Gentlemen:

The attached information for the West Ridge-Peterson Avenue Redevelopment Project Area along with 43 other individual reports, is presented pursuant to the Mayoral Executive Order 97-2 (Executive Order) regarding annual reporting on the City's tax increment financing (TIF) districts. The City's TIF program has been used to finance neighborhood and downtown improvements, leverage private investment, and create and retain jobs throughout Chicago.

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

Sincerely,

Christopher R. Hill  
Commissioner  
Department of Planning and Development

Walter K. Knorr  
Chief Financial Officer

NEIGHBORHOODS



June 30, 1998

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

Commissioner Hill:

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

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

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

Very truly yours,

*Ernst & Young LLP*

Ernst & Young LLP

# West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report

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## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **Purpose of Report:**

The purpose of the Annual Report for the West Ridge-Peterson Avenue Redevelopment Project Area (Report) is to provide useful information to interested parties regarding the City of Chicago's (City) tax increment financing (TIF) districts in existence on December 31, 1997, as required by the Mayor's Executive Order 97-2 (Executive Order). This Report covers the West Ridge-Peterson Avenue Redevelopment Project Area (Project Area).

### **Methodology:**

In the process of providing information about the Project Area, care was taken to follow the organization of the Executive Order to allow the reader to locate needed information in an efficient manner. Except to the extent that Section (h) also describes completed projects, the Report reflects only TIF economic activity during 1997. As outlined below, several assumptions were made concerning certain required information.

#### **(a) General Description**

The general boundaries of the Project Area were described and illustrated in a map. However, in order to provide ease of reading, only major boundary streets were identified. For exact boundaries, the interested reader should consult the legal description of the Project Area boundaries found in the Redevelopment Plan (Attachment).

#### **(b) Date of Designation and Termination**

For purposes of this Report, the date of termination is assumed to occur 23 years from the date of designation, the maximum duration currently allowed under the Tax Increment Allocation Redevelopment Act.

#### **(c) Copy of Redevelopment Plan**

The Redevelopment Plan, as amended (if applicable), for the Project Area was provided as the Attachment at the end of the Report.

#### **(d) Description of Intergovernmental and Redevelopment Agreements**

Agreements related to the Project Area are either intergovernmental agreements between the City and another public entity or redevelopment agreements between the City of Chicago and private

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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sector entities interested in redeveloping all or a portion of the Project Area. The date of recording of Agreements with the Cook County Recorder of Deeds is included in Section (d) (if applicable).

### **(e) Description of TIF Projects**

Section (e) describes each TIF project in the Project Area that has already received approval by the Community Development Commission. The amount budgeted for project costs and the estimated timetable were obtained from the Project Area's intergovernmental or redevelopment agreement, if such agreements exist. City tax increment project expenditures during 1997, tax increment project expenditures to date, and a description of all TIF financing was included in Section (e). This Report covers only those projects already approved by the Community Development Commission as of December 31, 1997, and which received TIF financing during 1997. Those projects in discussion, pre-proposal stage with a developer, or being reviewed by Community Development Commission staff are not "projects" for purposes of the Report.

### **(f) Description of all TIF Debt Instruments**

Descriptions of all TIF debt instruments in Section (f) were obtained from the City. It should be noted that debt instruments issued without a security pledge of incremental taxes or direct payments from incremental taxes for principal and interest were not included in Section (f). Such instruments do not qualify as TIF debt instruments as defined by the Executive Order.

### **(g) Description of City Contracts**

Section (g) provides a description of City contracts paid with incremental property tax revenues in 1997. For purposes of the Report, "prior calendar year" as defined in the Executive Order means 1997. Section (g) does not cover payments for services related to TIF projects previously reported in Section (e).

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

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(h) Summary of Private and Public Investment Activity**

Section (h) describes each TIF project in the Project Area that has an executed intergovernmental or redevelopment agreement as of December 31, 1997, or that has been approved by the Community Development Commission as of December 31, 1997.

The investment activity reported is based on data for projects described in the intergovernmental or redevelopment agreements and any additional data available to the Commissioner of Planning and Development. Private and public investments are estimated in Section (h) on a completed project basis. The Report contains only the final ratio of private/public investment for each TIF project. Other private investment activity is estimated based on the best information available to the Commissioner of Planning and Development.

### **(i) Description of Property Transactions**

Information regarding these transactions is provided in Section (i) to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area.

### **(j) Financial Summary Prepared by the City Comptroller**

Section (j) provides a 1997 financial summary for the Project Area audited by an independent certified public accounting firm. These statements were prepared in accordance with generally accepted accounting principles.

### **(k) Description of Tax Receipts and Assessment Increments**

Information concerning 1997 tax receipts and assessments associated with the Project Area is provided in Section (k). The amount of incremental property tax equals the incremental EAV from the prior year multiplied by the applicable property tax rates. Actual receipts may vary due to delinquencies, sale of prior years' taxes, and payment of delinquencies. See the financial report for actual receipts.

### **(l) Certain Contracts of TIF Consultants**

Section (l) provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Section (l) are based on responses to a mail survey. This survey was sent to every

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City, as of December 31, 1997.

### **(m) Compliance Statement Prepared by an Independent Public Accountant**

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

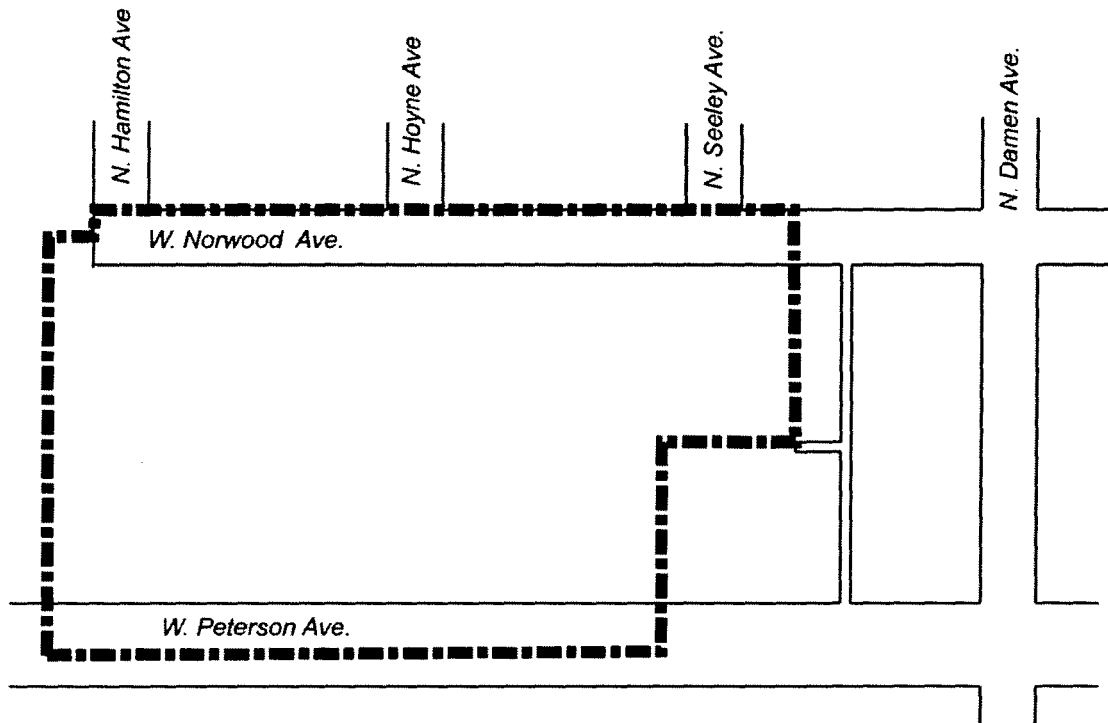


# West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report

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## (a) GENERAL DESCRIPTION

The Project Area is generally bounded by West Norwood Avenue on the north, the north-south alley east of Seeley on the east, West Peterson Avenue on the south, and North Hamilton (extended) on the west. 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 (Attachment).



**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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**(b) DATE OF DESIGNATION AND TERMINATION**

The Project Area was designated by the Chicago City Council on October 27, 1986. The Project Area may be terminated no later than October 27, 2009.

**(c) COPY OF REDEVELOPMENT PLAN**

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

**(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS**

Information pertaining to executed intergovernmental and redevelopment agreements is provided in Table D below. A description of intergovernmental and redevelopment agreements executed in connection with the Project Area, naming parties, dates of authorization by the City Council, dates of execution, and dates of recording in the office of the Cook County Recorder of Deeds (if applicable), is included.

**TABLE D  
INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS**

<b><u>PARTIES TO AGREEMENT WITH CITY</u></b>	<b><u>DATE OF AUTHORIZATION BY CITY COUNCIL</u></b>	<b><u>DATE OF EXECUTION</u></b>	<b><u>DATE OF RECORDING IN RECORDER OF DEEDS OFFICE (if applicable)</u></b>
May Company Department Stores	11/24/88	N.A.(1)	N.A.(1)

(1) N.A. - not available.

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(e) DESCRIPTION OF TIF PROJECT(S)**

The following Table E provides the required information as outlined in the Executive Order about each TIF project which has received TIF financing during the most recently concluded prior calendar year (1997). A description of each TIF project approved by the Community Development Commission or currently under way within the Project Area is included in Table E. The table specifically notes:

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

# West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report

TABLE E  
DESCRIPTION OF TIF PROJECTS APPROVED BY THE COMMUNITY DEVELOPMENT COMMISSION WITH EXPENDITURES

NATURE OF PROJECT	BUDGETED PROJECT COST	TIF ASSISTANCE ALLOCATED TO THE PROJECT	ESTIMATED TIMETABLE	PRIOR YEAR CHANGES IN TIMETABLE	TOTAL CITY TAX INCREMENT EXPENDITURES DURING 1997	TOTAL CITY TAX INCREMENT EXPENDITURES TO DATE	TYPE OF TIF FINANCING	DATE OF TIF FINANCING	TERM OF TIF FINANCING	PRINCIPAL AMOUNT OF TIF FINANCING	PROJECT RECIPIENT	PURPOSE OF PROJECT FINANCING
Site Preparation, Public Improvements	\$12,000,000	\$3,000,000 (2)	N A (1)	N A (1)	\$397,022	\$4,587,456	Tax Increment Allocation Note (West Ridge-Peterson Avenue Redevelopment Project) Series 1986	N.A.(1)	N.A.(1)	\$3,000,000	May Co.	Site Preparation Public Improvements

(1) N.A. - not applicable.  
(2) Exclusive of interest costs incurred.

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(f) DESCRIPTION OF TIF DEBT INSTRUMENTS**

The following Table F provides the required TIF debt information for the Project Area as outlined in the Executive Order. The table contains a description of all TIF debt instruments related to the Project area, including:

- 1) the principal dollar amount of TIF debt instruments;
- 2) the date, dollar amount, interest rate and security of each sale of TIF debt instruments, and type of instrument sold;
- 3) the underwriters and trustees of each sale;
- 4) the amount of interest paid from tax increment during the prior calendar year (1997);
- 5) the amount of principal paid from tax increment during the prior calendar year (1997).

# West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report

TABLE F  
DESCRIPTION OF TIF DEBT INSTRUMENTS RELATED TO THE PROJECT AREA - TERMS

<u>NAME OF DEBT INSTRUMENT</u>	<u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>SECURITY</u>	<u>TYPE</u>	<u>UNDERWRITERS</u>	<u>TRUSTEES</u>	<u>INTEREST PAID DURING PRIOR YEAR (1997)</u>	<u>PRINCIPAL PAID DURING PRIOR YEAR (1997)</u>
City of Chicago Tax Increment Allocation Revenue Note (West Ridge-Peterson Avenue Redevelopment Project) Series 1986	Dated: 11/24/86	\$3,000,000	8% - 5.01%	Incremental Taxes, Municipal Sales Taxes, and State Sales Taxes	Tax Increment Allocation Note	None	John Lawlor, Attorney at Law	\$14,759	\$332,112

**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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**(g) DESCRIPTION OF CITY CONTRACTS**

The following Table G contains the required information as outlined in the Executive Order pertaining to City contracts related to the Project Area. The section contains a description of each City contract related to the Project Area and executed or in effect during the prior calendar year. In addition, the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid is included in the table. This Section (g) does not apply to any contract or contract expenditure reported under (e)(5) of Section 4 of the Executive Order.

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

**TABLE G  
DESCRIPTION OF CITY CONTRACTS RELATED TO THE PROJECT AREA**

<b>CONTRACTING PARTIES WITH THE CITY OF CHICAGO</b>	<b>DATE OF EXECUTION</b>	<b>PURPOSE</b>	<b>AMOUNT OF COMPENSATION PAID IN 1997</b>	<b>PERCENT OF COMPENSATION PAID TO DATE</b>
City TIF Program Administration	1997	Cost of Implementation and Administration	\$8.529	100%
Bansley & Kiener	1997	Audit Fee	\$2.171	100%

**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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**(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY**

The following Table H provides the required information as outlined in the Executive Order pertaining to investment activity, job creation, job retention, and the ratio of private to public investment. It describes each TIF project in the Project Area that has an executed intergovernmental or redevelopment agreement as of December 31, 1997, or that has been approved by the Community Development Commission as of December 31, 1997.

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

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

**TABLE H  
DESCRIPTION OF PRIVATE INVESTMENT ACTIVITY, JOB RETENTION, JOB CREATION,  
AND RATIO OF PRIVATE TO PUBLIC INVESTMENT IN THE PROJECT AREA**

<u>NAME OF TIF PROJECT</u>	<u>JOB CREATION</u>	<u>JOB RETENTION</u>	<u>PRIVATE INVESTMENT ACTIVITY</u>	<u>PUBLIC INVESTMENT</u>	<u>RATIO OF PRIVATE/PUBLIC INVESTMENT</u>
May Company Department Stores	N.A.(1)	N.A.(1)	\$9,000,000	\$3,000,000	3.00
		<b>TOTAL</b>	<b>\$9,000,000</b>	<b>\$3,000,000</b>	<b>3.00</b>

(1) N.A. - not available.

Note<sub>1</sub>: Data gathered by an independent consultant to the City, with the assistance of City staff.



## West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report

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### (i) DESCRIPTION OF PROPERTY TRANSACTIONS

The Executive Order requires information pertaining to property transactions occurring within the Project Area, to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. Specifically, the Executive Order requires descriptions of the following property transactions occurring within the TIF area during the prior calendar year (1997):

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

As mentioned above, the Executive Order requires reporting of property transactions occurring within the Project Area, to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. **However, the City did not take or divest title to real property within the Project Area during 1997. Additionally, the City was not a lessor or lessee of real property within the Project Area during 1997.**

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER**

The audited financial statements provide the required information as outlined in the Executive Order pertaining to financial aspects of the Special Tax Allocation Fund for the Project Area. These statements include:

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

CITY OF CHICAGO, ILLINOIS  
WEST RIDGE-PETERSON AVENUE  
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 1997 AND 1996

CITY OF CHICAGO, ILLINOIS

WEST RIDGE-PETERSON AVENUE REDEVELOPMENT PROJECT

C O N T E N T S

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**BANSLEY AND KIENER, L.L.P.**

**CERTIFIED PUBLIC ACCOUNTANTS**

125 SOUTH WACKER DRIVE

CHICAGO, ILLINOIS 60606-4496

AREA CODE 312 263-2700

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor  
Members of the City Council  
City of Chicago, Illinois

We have audited the accompanying balance sheets of the West Ridge-Peterson Avenue Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1997 and 1996, and the related statement of revenues, expenditures and changes in fund balance for the year then ended. These financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the West Ridge-Peterson Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1997 and 1996, and the results of its operations and changes in fund balance for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of cash activities on page 6 and the schedule of expenditures by statutory code on page 7, which are also the responsibility of the City of Chicago's management, are presented for purposes of additional analysis and are not a required part of the financial statements of West Ridge-Peterson Avenue Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

*Bansley and Kiener, L.L.P.*

Certified Public Accountants

April 30, 1998

CITY OF CHICAGO, ILLINOIS  
WEST RIDGE-PETERSON AVENUE REDEVELOPMENT PROJECT

BALANCE SHEETS  
DECEMBER 31, 1997 AND 1996

	<u>A S S E T S</u>	<u>1997</u>	<u>1996</u>
Cash and investments		\$249,292	\$ 41,822
Property taxes receivable		280,000	246,809
Sales taxes receivable		45,111	47,857
Accrued interest receivable		-	1,546
Total assets		<u>\$574,403</u>	<u>\$338,034</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Due to other City funds		\$ 8,530	\$ -
Vouchers payable		79	36
Deferred revenue		<u>280,000</u>	<u>246,809</u>
Total liabilities		288,609	246,845
Fund balance		<u>285,794</u>	<u>91,189</u>
Total liabilities and fund balance		<u>\$574,403</u>	<u>\$338,034</u>

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

CITY OF CHICAGO, ILLINOIS  
WEST RIDGE-PETERSON AVENUE REDEVELOPMENT PROJECT

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Revenues		
Property tax	\$259,326	\$245,610
Sales tax	339,059	364,705
Interest	<u>3,942</u>	<u>7,341</u>
Total revenues	602,327	617,656
Expenditures		
Capital projects (Note 2)	<u>407,722</u>	<u>613,952</u>
Revenues over expenditures	194,605	3,704
Fund balance, beginning of year	<u>91,189</u>	<u>87,485</u>
Fund balance, end of year	<u>\$285,794</u>	<u>\$ 91,189</u>

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

CITY OF CHICAGO, ILLINOIS  
WEST RIDGE-PETERSON AVENUE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Description of Project

The West Ridge-Peterson Avenue Tax Increment Area Redevelopment Project Area (Project) was established in October 1986. The area has been established to finance improvements, leverage private investment and create and retain jobs. Reimbursements are made to the developer based upon the amount of incremental property taxes imposed upon real property included within the redevelopment area and the amount of state and local sales taxes imposed upon retailers within the redevelopment area.

Basis of Accounting

The Project is accounted for within the special revenue funds of the City.

The financial statements are prepared on the modified accrual basis of accounting and current financial resources measurement focus with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

Management's Use of Estimates

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

Illinois Tax Increment Redevelopment Allocation Act Compliance

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



CITY OF CHICAGO, ILLINOIS  
WEST RIDGE-PETERSON AVENUE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS  
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash and Investments

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

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances. Investments are stated at cost or amortized cost, which approximates market value.

Property Taxes

Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end.

Note 2 - Capital Projects

Capital projects costs include payments to the private developer for repayment of eligible project costs.

SUPPLEMENTARY INFORMATION

SCHEDULE OF CASH ACTIVITIES  
YEAR ENDED DECEMBER 31, 1997 AND 1996

	<u>1997</u>	<u>1996</u>
Cash flows from operating activities		
Property taxes received	\$ 259,326	\$ 245,610
Sales tax received	341,805	365,993
Payments for capital projects	(399,149)	(613,916)
Interest received	<u>5,488</u>	<u>5,795</u>
Increase in cash and investments	207,470	3,482
Cash and investments, beginning of year	<u>41,822</u>	<u>38,340</u>
Cash and investments, end of year	<u>\$ 249,292</u>	<u>\$ 41,822</u>
Reconciliation of revenues over expenditures to net cash provided by operating activities		
Revenues over expenditures	\$ 194,605	\$ 3,704
Adjustments to reconcile revenues over expenditures to net cash provided by operating activities		
Changes in assets - (increase) decrease		
Property tax receivable	(33,191)	6,212
Sales taxes receivable	2,746	1,288
Accrued interest receivable	1,546	(1,546)
Changes in liabilities - increase (decrease)		
Due to other City funds	8,530	-
Vouchers payable	43	36
Deferred revenue	<u>33,191</u>	<u>(6,212)</u>
	<u>\$ 207,470</u>	<u>\$ 3,482</u>

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural engineering, legal, and marketing	\$ 8,530
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	<u>399,192</u>
	<u>\$407,722</u>

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

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

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

All terms used in Section (k) relating to increment amounts and assessed value are construed as in Section 9 of the Illinois Tax Increment Allocation and Redevelopment Act or the Illinois Industrial Jobs Recovery Law.

**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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**TABLE K  
DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1996 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1996</u>
1997	\$159,841	\$181,964	N.A.(1)	N.A.(1)	\$1,617,926	\$4,313,949	\$260,556

(1) N.A. - not applicable.

## **West Ridge-Peterson Avenue Redevelopment Project Area 1997 Annual Report**

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### **(I) CERTAIN CONTRACTS OF TIF CONSULTANTS**

Section (I) provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and any entity that has or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Section (I) are based on responses to a mail survey. This survey was sent to every consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City, as of December 31, 1997. The Executive Order specifically applies to contracts that the City's tax increment advisors or consultants, if any, have entered into with any entity that has received or is receiving payments financed by tax revenues produced by the same Project Area. **No TIF Consultant was paid by the City for assisting to establish the Project Area.**

**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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

For the Project Area's Special Tax Allocation Fund, this Report provides a certified audit report reviewing compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. The audit was performed by an independent public accountant, certified and licensed by the State of Illinois, and in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants. The Report contains a statement from the accountant indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate.



BERNARD J. SULLIVAN, C.P.A.  
RICHARD J. QUINN, C.P.A.  
FRANK S. GADZALA, C.P.A.  
PAUL A. MERKEL, C.P.A.  
THOMAS A. TYLER, C.P.A.  
JOHN W. SANEW III, C.P.A.  
THOMAS A. GERWIN, C.P.A.  
STEPHEN R. PANFIL, C.P.A.  
MICHAEL D. HUELS, C.P.A.  
ROBERT J. MARSCHALK, C.P.A.  
THOMAS J. CAPLICE, C.P.A.  
ROBERT J. HANNIGAN, C.P.A.  
GERARD J. PATER, C.P.A.  
VINCENT M. GUZALDO, C.P.A.

**Bansley and Kiener, L.L.P.**  
Certified Public Accountants

*Established 1922*

MANAGEMENT ADVISORY SERVICES

TIMOTHY R. MULCAHY  
DAVID W. RICHMOND

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INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor  
Members of the City Council  
City of Chicago, Illinois

We have audited, in accordance with generally accepted auditing standards, the balance sheet of West Ridge-Peterson Avenue Redevelopment Project of the City of Chicago, Illinois as of December 31, 1997, and the related statement of revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated April 30, 1998.

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

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

*Bansley and Kiener, L.L.P.*

Certified Public Accountants

April 30, 1998

**West Ridge-Peterson Avenue Redevelopment Project Area  
1997 Annual Report**

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**ATTACHMENT  
REDEVELOPMENT PLAN**

**WEST RIDGE--PETERSON AVENUE  
REDEVELOPMENT PLAN AND PROJECT**

WEST RIDGE--PETERSON AVENUE  
REDEVELOPMENT PLAN AND PROJECT

I. INTRODUCTION.

The City of Chicago's comprehensive plan for the development of the municipality as a whole encourages the growth of commercial areas along its major arterial streets such as Peterson Avenue. See, for example, "The Comprehensive Plan of Chicago", published by the City of Chicago in 1966, the "Chicago 1992 Comprehensive Plan" published in October, 1982 by the City of Chicago, the Chicago Plan Commission and the Chicago Department of Planning and the Chicago Zoning Ordinance (Chapter 194A of the Municipal Code of Chicago). The growth of commercial areas is in the best fiscal interest of the City in order to maintain a diversified economy and secure sales tax revenue derived from the Illinois Municipal Retailers' Occupation Tax Act and from the additional sales taxes derived by the City pursuant to its home rule powers. In the difficult macro-economic climate of the 1980's, it is clearly in the best interest of the municipality to encourage the "recycling" of under-utilized and soon to be vacated property to viable commercial uses which can generate significant additional sales and property tax revenue.

This type of recycling is now called for with respect to a large parcel in the City located at 2036-2136 West Peterson Avenue which has over 675 lineal feet of frontage along one of the municipality's major arterial streets, Peterson Avenue. The

privately owned parcel in question, which is presently owned by Z. Frank, Inc ("Z. Frank") and Five Wheels, Inc. ("Five Wheels"), contains approximately 6.4 acres and is located at 2036-2136 West Peterson Avenue and 2021-2133 West Norwood (the "Fee Property"). A legal description of the Fee Property is attached hereto as Exhibit A and made part hereof. The improvements on the Fee Property (the "Buildings") were constructed in stages beginning in the mid-1950s. No substantial additions have been added since 1964. The Fee Property is currently utilized for auto sales and service, including an auto repair shop and auto body shop. The current occupants of the site, C. James Pontiac and Z. Frank, intend to vacate the Fee Property and consolidate existing operations into property located on Western Avenue. The move is currently scheduled for the fall of 1986 and the improvements on the Fee Property will be vacated by all its present occupants at that time.

As described below in Section IV(E) below, general real estate taxes attributable to the Fee Property have declined or remained stagnant for the past five years. The Fee Property has not been subject to growth and development by its current owner and, without public financial assistance, is not reasonably anticipated to be subject to private development in the foreseeable future, causing the City of Chicago and other taxing districts to forego valuable tax revenues and the inhabitants of the City to forego significant employment and economic opportunities.

The Illinois General Assembly declared in passing Illinois Revised Statutes (1985) Ch. 24, §11-74.4-1 et seq. (the "Act"), that it is essential to the economic and social welfare of each municipality that blighted areas be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken in conformity with the comprehensive plan of the municipality as a whole and in accordance with specific plan for redevelopment of the blighted area officially approved by the corporate authorities of the municipality after public hearings. To achieve this purpose, the Act permits the corporate authorities of a municipality to designate an area of the municipality as a "blighted area" and to exercise the powers enumerated in the Act to carry out and implement a redevelopment plan, including, but not limited to, approving redevelopment plans and redevelopment projects, designating redevelopment project areas, making and entering contracts necessary or incidental to the implementation and furtherance of the redevelopment plan and project, and exercising any and all other powers necessary to effectuate the purposes of the Act.

Pursuant to the Act, the City of Chicago proposes to designate the Fee Property and certain sections of the adjoining streets as a "redevelopment project area" and to adopt a redevelopment plan and project calling for the commercial development of the Fee Property.

The following redevelopment plan specifically outlines the proposed plan and project, the objectives of the plan, the

program to be undertaken to accomplish such objectives, the estimated redevelopment project costs, the sources of funds to pay such costs, the nature and terms of the obligations to be issued, the most recent equalized assessed valuation of the redevelopment project area, an estimate as to the equalized assessed valuation after redevelopment and a general description of the land uses to apply.

## II. DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The proposed "West Ridge--Peterson Avenue Redevelopment Project Area" is legally described on Exhibit B attached hereto and made a part hereof (the "Redevelopment Project Area.") The Redevelopment Project Area is basically comprised of the Fee Property and the West Peterson Avenue and West Norwood Avenue rights-of-way adjacent to the Fee Property.

Engineering studies undertaken by the engineering and architectural firm of Teng & Associates, Inc. indicate the eligibility of the proposed Redevelopment Project Area as a "blighted area" within the meaning of Illinois Revised Statutes, ch. 24, §11-74.4-3(a).

## III. REDEVELOPMENT PLAN OBJECTIVES

The general objectives of the City of Chicago are to promote and protect the health, safety and welfare of the public;

to relieve conditions of unemployment; to encourage private investment and the increase of commerce and industry; and to eradicate blighted areas and enhance the tax base of the City and other taxing districts.

The specific objectives of the City are to encourage the redevelopment and replacement of an aging, obsolete and soon to be vacated auto sales and service center located within the West Ridge--Peterson Avenue Redevelopment Project Area with a commercial shopping center containing approximately 110,000 square feet of floor space.

#### IV. REDEVELOPMENT PROGRAM

##### A. The Redevelopment Project and Objectives.

To accomplish the objectives of the City described above, the City proposes to enter into agreements with one or more private developers in which the private sector agrees to purchase the Fee Property within the Redevelopment Project Area from its present owners for the purpose of demolishing the existing, soon to be vacated automobile sales and service facilities and replacing the same with a redevelopment project consisting of a modern shopping center. In return, the City would agree to furnish development assistance in a principal amount not to exceed \$3,000,000.00, plus interest at eight (8) percent per annum. Any municipal obligations would be non-recourse as to the City of Chicago, the State of Illinois, and other taxing districts. The terms of the aforesaid development agreements



will contain more specific provisions than those stated in this plan.

Since the redevelopment plan does not call for the City to acquire any property within the Redevelopment Project Area by condemnation or otherwise and then dispose of such properties to developers by sale or lease, the City intends to solicit proposals solely from such persons who have the legal right to develop any portion of the property within the Redevelopment Project Area. In accordance with the Act, all such parties will have the opportunity to present alternative plans and projects. If acceptable proposals are not received from such persons, then the redevelopment plan may be either amended by the City in the manner described in Article IV hereof to provide for the acquisition of such properties by the City and to specify procedures for soliciting bids and proposals for the disposition of such properties, or the redevelopment plan will expire and be terminated under the terms of the ordinance approving the redevelopment plan.

B. Estimated Redevelopment Project Costs.

Pursuant to the Act, the statutory definition of redevelopment project costs means and includes the total sum of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs may include, without limitation, the following:

1. Costs of studies and surveys, plans and specifications, professional service costs, includ-

ing but not limited to architectural, engineering, legal, marketing, financial, planning and special services;

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 the clearing and grading of land;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
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 hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 18 months thereafter 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 in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
9. Payment in lieu of taxes;
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced voca-

tional education or career education programs for persons employed or to be employed by employers located in a 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 the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code;

11. [Insert from Senate Bill 1700, as amended, if it becomes a public act].

With respect to the proposed West Ridge--Peterson Avenue Redevelopment Project Area, redevelopment project costs for which the City of Chicago may become responsible under a development agreement shall be limited to those matters described on Exhibit C, attached hereto and made a part hereof, and the City's obligations with respect thereto shall be limited to the principal sum of three million dollars (\$3,000,000.00), plus eight (8) percent interest per annum. Although the total costs for developing the proposed shopping center may be as high as twelve million dollars (\$12,000,000.00), redevelopment project costs in excess of the principal sum of \$3,000,000.00 (plus interest as aforesaid) shall be borne solely by the private sector.

C. Source of Funds to Pay Redevelopment Project Costs.

Redevelopment project costs will be paid by means of municipal obligations which will be retired solely by tax increment allocations pursuant to the Act from increments in the following taxes generated by the new shopping center development: general real estate taxes, Municipal Retailers' Occupation Tax, Municipal Service Occupation Tax, Retailers' Occupation Tax, Service Occupation Tax, Use Tax and Service Use Tax (the "Incremental Revenue"). However, Municipal Service Occupation Taxes, Use Taxes, and Service Use Taxes shall be included as "Incremental Revenue" only if Senate Bill 1700, as amended, becomes a public act.

The real property tax portion of the Increment Revenue which will be used to pay redevelopment costs shall be the incremental taxes attributable to the increase, if any, in the current equalized value of each taxable lot, block, tract, or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each such lot, block, tract or parcel in the Redevelopment Project Area, all in accordance with the provisions of the Act. The sales, service and use tax portion of the Incremental Revenue which will be used to pay redevelopment project costs shall be the incremental taxes attributed to the increase, if any, in such taxes collected from retailers and servicemen on transactions at places of business located within the Redevelopment Project Area over and above the aggregate amount of such taxes as certified by the Illinois

Department of Revenue and paid by retailers and servicemen on transactions at places of business within the Redevelopment Project Area during 1985 (less 1.6% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be retained by the State Treasurer to cover the costs incurred by the Department of Revenue should Senate Bill 1700, as amended, become a public act).

Except with respect to the aforesaid Incremental Revenue, no other taxes or sources of revenue shall be applied by the City, the State of Illinois, or any local taxing districts to pay any redevelopment project costs. Neither the general tax revenue of the nor the full faith and credit of the City, the State of Illinois, or any local taxing district will be pledged to pay any redevelopment project costs.

D. Nature and Term of Obligations to be Issued.

As indicated above, the sole source of financing the redevelopment project costs will be City of Chicago obligations payable solely from the Incremental Revenue derived from the West Ridge--Peterson Avenue Redevelopment Project Area, with said obligations having a maximum term of fifteen (15) years and maturing in any event within twenty-three (23) years of the date of adoption of tax increment financing for the Redevelopment Project Area, and bearing interest at the rate of eight (8) percent per annum.

E. Current Equalized Assessed Valuation of Properties Within the West Ridge--Peterson Avenue Redevelopment Project Area.

The most recent equalized assessed valuation of all real estate located within the Redevelopment Project Area is estimated to be \$1,617,926. This figure is an estimate because a portion of the Fee Property, legally described on Exhibit D (the "East Parcel"), is assessed as part of a single tax parcel known as 14-06-116-035-0000 (the "Consolidated Parcel"). After the City approves an ordinance adopting tax increment financing for the West Ridge--Peterson Avenue Redevelopment Project Area, the Cook County Clerk will be required thereafter to determine and certify the total initial equalized assessed value of the Redevelopment Project Area pursuant to Illinois Revised Statutes (1985), Chapter 24, Section 11-74.4-9. The aforesaid, estimated equalized assessed evaluation is based upon an examination of the property records card of the Cook County Assessor for the Redevelopment Project Area.

The 1985 state equalizer for Cook County, which is the most recent equalization multiplier for Cook County, is 1.8085. Based upon the foregoing, the following is a summary of the initial equalized assessed valuation for the West Ridge--Peterson Avenue Redevelopment Project Area:

SUMMARY OF INITIAL EQUALIZED ASSESSED VALUATION

<u>Permanent Index Number</u>	<u>1985 Assessed Value</u>	<u>1985 Equalized Assessed Value</u>
14-06-116-021-0000	\$ 2,179	\$ 3,941
14-06-116-022-0000	63,496	114,833
14-06-116-024-0000	32,804	59,326
14-06-116-025-0000	128,277	231,989
14-06-116-027-0000	26,214	47,408
14-06-116-028-0000	13,294	24,042
14-06-116-029-0000	26,590	48,088
14-06-116-031-0000	19,912	36,011
14-06-116-032-0000	9,825	17,769
14-06-116-033-0000	14,738	26,654
14-06-116-034-0000	14,823	26,807
14-06-116-035-0000	35,444 <sup>*/</sup>	64,100 <sup>*/</sup>
14-06-116-052-0000	115,936	209,670
14-06-116-053-0000	10,393	18,796
14-06-116-054-0000	127,668	230,888
14-06-116-064-0000	231,115	417,971
14-06-116-065-0000	<u>21,915</u>	<u>39,633</u>
	\$894,623	\$1,617,926

Since 1980, the total assessed value for parcels located in the West Ridge--Peterson Avenue Redevelopment Project Area has

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<sup>\*/</sup> These figures are estimates of the assessed value and the equalized assessed value of the portions of the Consolidated Parcel being purchased from Z. Frank, Inc. and Five Wheels, Inc. (the East Parcel).

declined. In 1980, the total assessed value for such parcels was approximately \$1,013,086. The current total assessment for such parcels is \$894,623. The result has been lost property tax revenue to local taxing districts receiving tax revenue from parcels located in the West Ridge--Peterson Avenue Redevelopment Project Area.

F. Estimate of Equalized Assessed Valuation after Redevelopment.

Assuming that 110,000 square feet of building area is constructed within the West Ridge--Peterson Avenue Redevelopment Project Area, it is estimated that the projected equalized assessed valuation within the Redevelopment Project Area by tax year 1988 will be approximately \$3,390,000. In arriving at this estimate, it is assumed that the state equalizer for Cook County will remain a constant 1.8085.

G. Sales, Use and Service Tax Base and Projections.

The current tax revenue, collected for calendar year 1985 on transactions at places of business located within the West Ridge--Peterson Avenue Redevelopment Project Area from the Municipal Retailers' Occupation Tax Act, the Municipal Service Occupation Tax Act, the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act (hereinafter collectively referred to as the "Sales, Service and Use Taxes") is estimated to be approximately \$451,000. It is estimated that during the first full calendar year of operation,



the total Sales, Service and Use Taxes generated by transactions at places of-business located in the Redevelopment Project Area could be as high as \$1,037,000.

H. General Land Uses to Apply in West Ridge--Peterson Avenue Redevelopment Project Area.

The following general land uses shall be permitted in the Redevelopment Project Area: general merchandise uses; department stores; banks, financial institutions and restaurants (including establishments of the "drive-in" or "drive through" type); retail, office, and service type business and professional uses; such other uses permitted in B5-1 General Service Districts pursuant to the Chicago Zoning Ordinance (except for amusement establishments, second-hand stores and rummage shops, pawn shops, crematories and mausoleums, taverns and sale of automobile fuel); parking, loading, ingress and egress and uses accessory to the aforesaid uses.

V. PROVISIONS FOR AMENDING THE TAX INCREMENT PLAN.

This Redevelopment Plan and Project may be amended pursuant to the Act.

SCHEDULE OF EXHIBITS

- EXHIBIT A                    Legal Description of Fee Property
- EXHIBIT B                    Legal Description of West Ridge--Peterson  
Avenue Redevelopment Project Area
- EXHIBIT C                    Description of Redevelopment Project  
Costs
- EXHIBIT D                    Legal Description of the East Parcel

EXHIBIT A

Legal Description of Fee Property

PARCEL 1:

The North 188.50 feet of Lots 5 and 6; Lots 7, 8, 9, 10 and 11 (except that portion of said lots taken for the widening of Peterson Avenue); Lots 12 and 13; the South 30.0 feet of the West 49.2 feet of Lot 14, all in Barbara Evert's Addition to High Ridge, in the Northwest 1/4 of Section 6, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 2:

The West 255.5 feet of the South 330 feet of the East 1083.5 feet of the Northwest 1/4 of Section 6, Township 40 North, Range 14, East of the Third Principal Meridian, except that part thereof lying South of a line 67 feet North of and parallel with the South line of the Northwest 1/4 of Section 6 aforesaid, as conveyed by John Thillens and Theresa Thillens, his wife, to the City of Chicago, a municipal corporation, by Quitclaim Deed, dated October 6, 1928, and recorded November 2, 1928 as Document No. 10195995, in Cook County, Illinois.

EXHIBIT B

Legal Description of Proposed Redevelopment  
Project Area

PARCEL 1:

The North 188.50 feet of Lots 5 and 6; Lots 7, 8, 9, 10 and 11 (except that portion of said lots taken for the widening of Peterson Avenue); Lots 12 and 13; the South 30.0 feet of the West 49.2 feet of Lot 14, all in Barbara Evert's Addition to High Ridge, in the Northwest 1/4 of Section 6, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

PARCEL 2:

The West 255.5 feet of the South 330 feet of the East 1083.5 feet of the Northwest 1/4 of Section 6, Township 40 North, Range 14, East of the Third Principal Meridian, except that part thereof lying South of a line 67 feet North of and parallel with the South line of the Northwest 1/4 of Section 6 aforesaid, as conveyed by John Thillens and Theresa Thillens, his wife, to the City of Chicago, a municipal corporation, by Quitclaim Deed, dated October 6, 1928, and recorded November 2, 1928 as Document No. 10195995, in Cook County, Illinois.

TOGETHER WITH:

That portion of the entire Norwood Street right-of-way adjacent to the aforesaid lying between the west line of Hamilton Avenue, on the west, and the northerly extension of a point 788.30 feet east of the west line of Hamilton Avenue, on the east;

TOGETHER WITH:

That portion of the entire Peterson Avenue right-of-way adjacent to the aforesaid lying between the southerly extension of the west line of the aforesaid, on the west, and a point 687.27 feet east of said southerly extension of the west line, on the east.

EXHIBIT C

West Ridge--Peterson Avenue Redevelopment Project Costs

Demolition and related costs (estimated to be \$240,000.00); soils improvement, utility relocation and installation, earth work, fill and grading (estimated to be \$216,000.00); common area facilities, including but not limited to paving, curbs and lighting (estimated to be \$335,000.00); traffic signalization, accessways, turning lanes, and deacceleration lanes as may be required (estimated to be \$80,000.00); construction and installation of improvements, including but not limited to fencing and landscaping (estimated to be \$35,000.00); property acquisition and assembly costs (estimated to be \$1,958,000.00); permit costs and the cost of professional services (estimated to be \$136,000.00).

EXHIBIT D

Legal Description of the East Parcel

The North 188.50 feet of Lots 5 and 6 in Barbara Evert's Addition to High Ridge, in the Northwest 1/4 of Section 6, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

