
1998 Annual Report

43rd Street/Cottage Grove Avenue Redevelopment Project Area



Pursuant to Mayor's
Executive Order 97-2

JUNE 30, 1999



City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Christopher R. Hill
Commissioner

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Chicago, Illinois 60602

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June 30, 1999

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

Ladies and Gentlemen:

The attached information for the 43rd Street/Cottage Grove Avenue
Redevelopment Project Area, along with 63 other individual reports, is
presented pursuant to the Mayoral Executive Order 97-2 (Executive
Order) regarding annual reporting on the City's tax increment financing
(TIF) districts. The City's TIF program has been used to finance
neighborhood and downtown improvements, leverage private investment,
and create and retain jobs throughout Chicago.

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

Sincerely,

Christopher R. Hill
Commissioner
Department of Planning and Development

Walter K. Knorr
Chief Financial Officer



June 30, 1999

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

Commissioner Hill:

Enclosed is the required annual report for the 43rd Street/Cottage Grove 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 Department. We have not audited, verified, or applied agreed upon procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

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

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

Very truly yours,

Ernst & Young LLP

Ernst & Young LLP

43rd Street/Cottage Grove Avenue Redevelopment Project Area 1998 Annual Report

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43rd Street/Cottage Grove Avenue Redevelopment Project Area 1998 Annual Report

Purpose of Report:

The purpose of the Annual Report for the 43rd Street/Cottage Grove Avenue Redevelopment Project Area (Report) is to provide information regarding the City of Chicago (City) tax increment financing (TIF) districts in existence on December 31, 1998, as required by the Mayor's Executive Order 97-2 (Executive Order). This Report covers the 43rd Street/Cottage Grove 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. The Report reflects only TIF economic activity during 1998, also referred to in this report as "the prior calendar year." As outlined below, several assumptions were made concerning certain required information.

(a) General Description

The general boundaries of the Project Area are described and illustrated in a map. However, in order to provide ease of reading, only major boundary streets are 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 is provided as the Attachment at the end of the Report.

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(d) Description of Intergovernmental and Redevelopment Agreements

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

(e) Description of TIF Projects

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

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

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(f) Description of all TIF Debt Instruments

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

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

(g) Description of City Contracts

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

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

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(h) Summary of Private and Public Investment Activity

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

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

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

(i) Description of Property Transactions

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

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

**43rd Street/Cottage Grove Avenue Redevelopment Project Area
1998 Annual Report**

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

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

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

(k) Description of Tax Receipts and Assessment Increments

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

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

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

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

(l) Certain Contracts of TIF Consultants

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

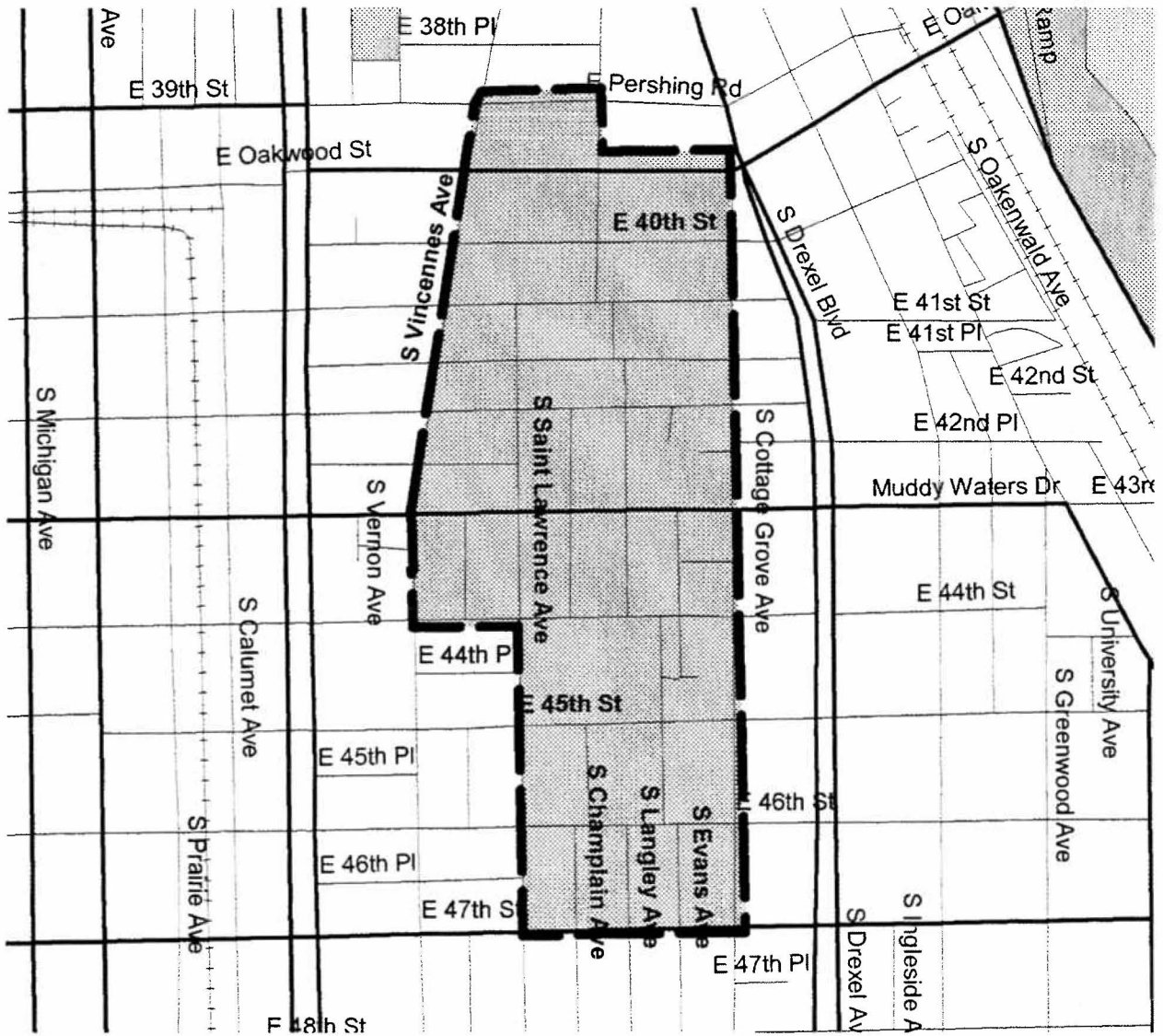
(m) Compliance Statement Prepared by an Independent Public Accountant

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

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(a) GENERAL DESCRIPTION

The Project Area is generally bounded by Pershing Road on the north, South Vincennes Avenue and South St. Lawrence Avenue on the west, South Cottage Grove Avenue on the east, and East 47th Street on the south. 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).



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(b) DATE OF DESIGNATION AND TERMINATION

The Project Area was designated by the Chicago City Council on July 8, 1998. The Project Area may be terminated no later than July 8, 2021.

(c) COPY OF REDEVELOPMENT PLAN

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

(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS

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

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(e) DESCRIPTION OF TIF PROJECT(S)

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

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(f) DESCRIPTION OF TIF DEBT INSTRUMENTS

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

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(g) DESCRIPTION OF CITY CONTRACTS

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

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(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY

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>
Hearts United	0	0	\$11,787,784	\$4,112,216	2.87

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(i) DESCRIPTION OF PROPERTY TRANSACTIONS

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

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(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER

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

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(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1997 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1997</u>
1998	N.A. (1)	N.A. (1)	N.A. (1)	N.A. (1)	\$ 7,666,759 (2)	N.A. (3)	N.A. (3)

(1) N.A. -not applicable.

(2) Source - 43rd Street/Cottage Grove Avenue Redevelopment Plan and Project.

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

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(I) CERTAIN CONTRACTS OF TIF CONSULTANTS

TABLE L
DESCRIPTION OF EXTERNAL CONTRACTS RELATED TO THE AREA - CITY TIF CONSULTANTS

<u>NAME OF CITY TIF CONSULTANT OR ADVISOR</u>	<u>CLIENT RECEIVING TIF ASSISTANCE</u>	<u>NATURE OF SERVICE PROVIDED TO CLIENT</u>
Trkla, Pettigrew, Allen & Payne, Inc.	Bonheur Development	Preparation of Project Eligibility Report, Project Redevelopment Project and Plan, general tax increment revenue estimates, and preparation of TIF benefits analysis.

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

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

**43rd Street/Cottage Grove Avenue Redevelopment Project Area
1998 Annual Report**

**ATTACHMENT
REDEVELOPMENT PLAN**

**THE 43RD STREET/COTTAGE GROVE AVENUE
TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AND PLAN**

City of Chicago, Illinois

Introduced
March 10, 1998

City of Chicago
Richard M. Daley, Mayor

**THE 43RD STREET/COTTAGE GROVE AVENUE
TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AND PLAN**

City of Chicago, Illinois

This Redevelopment Plan is subject to review
and comment and may be revised
after comment and hearing.

Introduced
March 10, 1998

Prepared by:
Trkla, Pettigrew, Allen & Payne, Inc.

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EXHIBIT III: THE 43RD STREET/COTTAGE GROVE AVENUE TAX INCREMENT
FINANCING REDEVELOPMENT PROJECT AREA ELIGIBILITY STUDY

I. INTRODUCTION

The City of Chicago (the "City") is recognized throughout the world as the urban center of America's heartland, serving as a focal point of commerce, industry, finance, culture and education. The City is known for its economic wealth and vitality as well as its diverse population, eclectic neighborhoods and rich cultural heritage.

The "Project Area" is an approximately 200.7 acre area located within the Grand Boulevard Community Area. It is generally bounded by Pershing Road on the north, South Vincennes Avenue and South St. Lawrence Avenue on the west, South Cottage Grove Avenue on the east, and East 47th Street on the south. Located approximately 5 miles south of the City's "Loop," the Grand Boulevard Community Area reflects much of the culture and diversity for which the City is known.

The Project Area is located at the north east section of the Grand Boulevard Community, which experienced growth during the First World War when the population of the Near South Side began to swell with immigrants from the South seeking employment in war-time industries. The population of the Grand Boulevard Community Area increased throughout the first one-half of the twentieth century, peaking at nearly 120,000 in 1950. The population hovered near 80,000 persons in the 1950s and 1960s and dropped throughout the 1970s and 1980s. 1990 census data indicates that approximately 36,000 persons reside in the Grand Boulevard Community Area, less than one-third of the 1950 population.

The loss of more than two-thirds of the population in the area coupled with an aging housing stock, single family housing conversions to multiple dwelling units, creating over-crowded living conditions, and a lack of public and private investment took its toll on the Grand Boulevard Community Area. One sign of the area's decline and lack of investment is 43rd Street, which was once the center of very strong and viable commercial activity. But today, 43rd Street is deteriorated, characterized by a few buildings scattered among large vacant lots. Overall, approximately 18% of the Project Area is vacant land and over 20% of all the buildings are more than a third vacant. The area is also characterized by deteriorating structures with over 55% of the buildings being in seriously deteriorated or structurally substandard condition.

For several years the City has been aware of the deteriorating conditions and the redevelopment potential of the Project Area. Recent planning efforts which address the Project Area and the surrounding areas include the 1993 *Mid-South Strategic Development Plan: Restoring Bronzeville*, the 1997 *47th Street/Cottage Grove Neighborhood Plan*, and the 1997 *Cottage Grove/43rd Street Redevelopment Plan*. These plans set forth recommendations for development and redevelopment of the Project Area and form the basis for many of the recommendations presented in this Redevelopment Plan.

As part of a strategy to encourage managed growth and stimulate private investment in the maintenance and improvement of new and existing residential and commercial locations within the

Project Area. Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") was engaged to investigate whether an approximately 200.7 acre area qualifies for the use of tax increment financing ("TIF"). The area under investigation is referred to as The 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project Area (the "Project Area").

The Project Area, described in more detail below, has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the efforts and leadership of the City.

Trkla, Pettigrew, Allen & Payne Inc. has prepared this Redevelopment Plan (defined below) and the related eligibility study with the understanding that the City would rely on (i) the findings and conclusions of the Redevelopment Plan and the related eligibility study in proceeding with the designation of the Redevelopment Plan, and (ii) the fact that Trkla, Pettigrew, Allen & Payne, Inc. has obtained the necessary information so that the Redevelopment Plan and the related eligibility study will comply with the Act (defined below).

A. TAX INCREMENT FINANCING

In January 1977, TIF was made possible by the Illinois General Assembly through passage of the *Tax Increment Allocation Redevelopment Act* (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et seq.*, as amended. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance redevelopment project costs (sometimes referred to as "Project Costs" or "Redevelopment Project Costs") with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived from the increase in the current equalized assessed valuation ("EAV") of real property within the Project Area over and above the "Certified Initial EAV" of the real property. Any increase in EAV is then multiplied by the current tax rate which results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

To finance Project Costs, a municipality may issue obligations secured by estimated Incremental Property Taxes to be generated within the project area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates; it generates revenues by allowing the municipality to capture, for a specified period of time, the new tax revenues generated by the enhanced valuation of properties resulting from the municipality's redevelopment project, improvements and activities, various redevelopment projects, and the reassessment of properties. Under TIF, all taxing districts continue to receive property taxes levied

on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of surplus Incremental Property Taxes when annual Incremental Property Taxes received exceed any principal and interest obligations for that year and expected redevelopment project cost expenditures necessary to implement the Redevelopment Plan. Taxing districts also benefit from the increased property tax base after Project Costs and obligations are paid.

**B. THE 43RD STREET/COTTAGE GROVE AVENUE TAX
INCREMENT FINANCING REDEVELOPMENT PROJECT AREA**

The Project Area consists of an area of approximately 200.7 acres, including perimeter and interior streets. A total of approximately 64 acres are used for streets and alleys, leaving approximately 136.7 net acres. The area also contains the old vacated South Central rail line. The Project Area is located within the Grand Boulevard Community Area on the City's south side and is generally bounded by Pershing Road on the north, South Vincennes Avenue and South St. Lawrence Avenue on the west, South Cottage Grove Avenue on the east, and East 47th Street on the south. Figure 1, *Project Area Boundary*, illustrates the boundary of the Project Area.

In spite of existing plans and City programs which support the rehabilitation and improvement of existing residential areas, minimal new construction and private investment has occurred in the Project Area. The Project Area developed rapidly more than eighty years ago on a parcel-by-parcel basis without the benefit of community planning guidelines and standards. Today, much of the Project Area is characterized by dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, parcels of inappropriate size and shape for contemporary development, tax delinquencies, deleterious land use and an overall depreciation of physical maintenance.

**C. THE 43RD STREET/COTTAGE GROVE AVENUE TAX
INCREMENT FINANCING REDEVELOPMENT PROJECT AND
PLAN**

As evidenced in Section VI, the Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area will be redeveloped without the use of TIF.

This 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project and Plan (the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act and is intended to guide improvements and activities within the Project Area in order to stimulate

private investment in the Project Area. The goal of the City, through the implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned development basis in order to ensure that private investment in rehabilitation and new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, pedestrian access, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the factors of blight are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the City; and
4. With a reasonable mix of new development and rehabilitation which supports and takes advantage of labor, financial institutions, and other resources or needs to be served within the community.

The Redevelopment Plan sets forth the overall Redevelopment Project to be undertaken to accomplish the above-stated goals. During the implementation of the Redevelopment Project, the City may, from time to time, (i) undertake or cause to be undertaken public improvements and activities as described in Section V of this Redevelopment Plan and (ii) enter into redevelopment agreements with public or private entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Project").

The Redevelopment Plan specifically describes the Project Area and sets forth the blighting factors which qualify the Project Area for designation as a blighted area as defined in the Act.

Successful implementation of this Redevelopment Plan requires that the City utilize Incremental Property Taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the conditions of blight which have precluded development of the Project Area by the private sector.

The use of Incremental Property Taxes will permit the City to direct, implement, and coordinate public improvements and activities to stimulate private investment within the Project Area. These improvements, activities and investments will benefit the City, its residents, and all taxing districts having jurisdiction over the Project Area. The anticipated benefits include:

- An increased property tax base arising from new residential and commercial development and the rehabilitation of existing buildings;

- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties and infrastructure;
- Increased opportunities for affordable housing within the City,
- Increased job opportunities during the construction portions of the Redevelopment Project; and
- Increased job opportunities arising from new commercial development within the Project Area.

II. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements to substantially benefit from the proposed Redevelopment Project to be undertaken as part of this Redevelopment Plan. The boundaries are shown in Figure 1, *Project Area Boundary*, and are generally described below:

The Project Area is generally bounded by Pershing Road on the north, South Vincennes Avenue and South St. Lawrence Avenue on the west, South Cottage Grove Avenue on the east, and East 47th Street on the south.

The boundaries of the Project Area are legally described on the following page.

Project Area Legal Description

THAT PART OF THE EAST 1/2 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SOUTH VINCENNES AVENUE AND EAST 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF LOT 1 IN C.W. HOFF'S SUBDIVISION OF LOTS 18 TO 21 IN WARDS SUBDIVISION OF THE NORTH 1/4, SOUTH 1/2, NORTHWEST 1/4, SOUTHEAST 1/4 OF SECTION 3, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 13, 1897 AS DOCUMENT NO. 2626139; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID EAST 44TH STREET EXTENDED TO AN INTERSECTION WITH THE WEST LINE OF SOUTH ST. LAWRENCE AVENUE, BEING ALSO THE NORTHEAST CORNER OF LOT 1 IN AFORESAID WARD'S SUBDIVISION RECORDED JUNE 13, 1841 (ANTE-FIRE); THENCE SOUTHERLY ALONG THE WEST LINE EXTENDED OF SAID ST. LAWRENCE AVENUE TO AN INTERSECTION WITH THE SOUTH LINE OF EAST 47TH STREET; THENCE EASTERLY ALONG THE SOUTH LINE EXTENDED OF SAID EAST 47TH STREET TO AN INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE OF SOUTH COTTAGE GROVE AVENUE; THENCE NORTHERLY ALONG THE EAST LINE EXTENDED OF SAID COTTAGE GROVE AVENUE TO AN INTERSECTION WITH THE EASTERLY EXTENSION OF THE NORTH LINE OF EAST OAKWOOD BOULEVARD; THENCE WESTERLY ALONG THE NORTH LINE OF SAID OAKWOOD AVENUE TO AN INTERSECTION WITH THE EAST LINE OF SOUTH LANGLEY AVENUE, BEING ALSO THE SOUTHWEST CORNER LOT 15 IN CLEAVERVILLE ADDITION ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 17, 1868, RE-RECORDED MARCH 10, 1873 AS DOCUMENT NO. 88402; THENCE NORTHERLY ALONG THE EAST LINE OF SAID SOUTH LANGLEY AVENUE EXTENDED TO AN INTERSECTION WITH THE NORTH LINE OF PERSHING ROAD; THENCE WESTERLY ALONG THE NORTH LINE OF SAID EAST PERSHING ROAD EXTENDED TO AN INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF VINCENNES AVENUE; THENCE SOUTHWESTERLY ALONG THE WEST LINE EXTENDED OF SAID VINCENNES AVENUE TO AN INTERSECTION WITH THE CENTER LINE OF EAST 40TH STREET; THENCE EASTERLY ALONG THE CENTER LINE OF SAID EAST 40TH STREET TO AN INTERSECTION WITH THE CENTER LINE OF SOUTH VINCENNES AVENUE; THENCE SOUTHWESTERLY ALONG THE CENTER LINE OF SAID SOUTH VINCENNES AVENUE TO AN INTERSECTION WITH THE CENTER LINE OF EAST BOWEN STREET; THENCE WESTERLY ALONG THE CENTER LINE OF SAID EAST BOWEN STREET TO AN INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF SOUTH VINCENNES AVENUE; THENCE SOUTHWESTERLY ALONG THE WEST LINE EXTENDED OF SAID SOUTH VINCENNES AVENUE TO THE SOUTHEAST CORNER OF LOT 36 IN BOTSFORD'S BOULEVARD SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED MAY 20, 1886 AS DOCUMENT NO. 719099; THENCE SOUTHERLY TO AN INTERSECTION WITH THE SOUTH LINE OF EAST 43RD STREET, BEING ALSO THE NORTHEAST CORNER OF LOT 35 IN THE SUBDIVISION OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 3, AFORESAID, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 26, 1892 AS DOCUMENT NO. 1618088; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LOT 35 AND THE WEST LINE OF SOUTH VINCENNES AVENUE TO THE SOUTHEAST CORNER OF LOT 42 IN SAID SUBDIVISION; THENCE WEST ALONG THE SOUTH LINE OF LOT 42 IN AFORESAID SUBDIVISION TO AN INTERSECTION WITH THE WEST LINE OF VINCENNES AVENUE, BEING ALSO THE NORTHEAST CORNER OF LOT 9 IN EMIGH & KILMER'S PLAT RECORDED JUNE 26, 1869 (ANTE-FIRE); THENCE SOUTH ALONG THE EAST LINE OF LOT 9 IN SAID EMIGH & KILMER'S PLAT AND ALONG SAID WEST LINE OF VINCENNES AVENUE EXTENDED TO THE POINT OF BEGINNING, IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

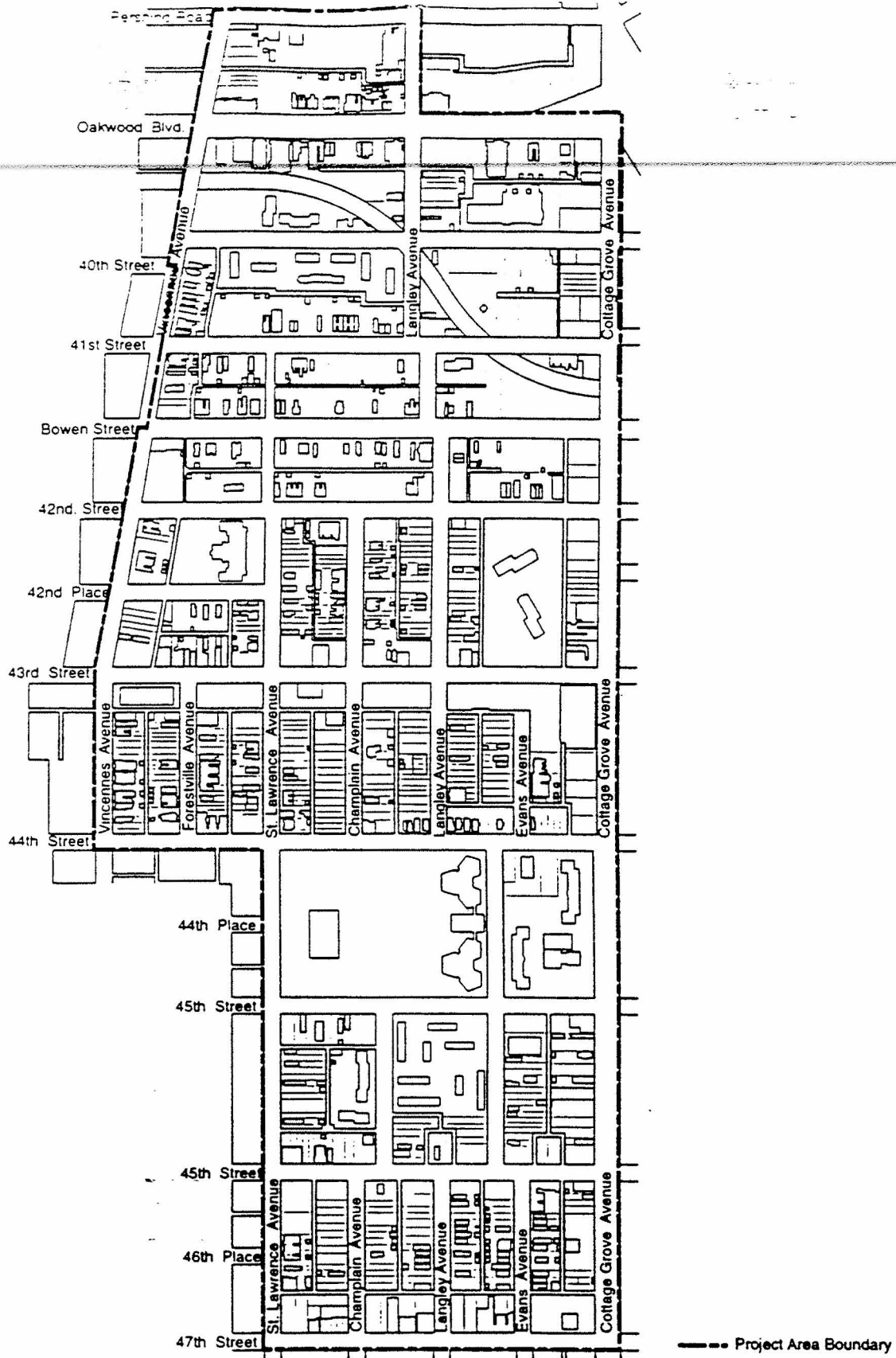


Figure 1
Project Boundary

43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

Prepared By Trkla, Pettigrew, Allen, & Payne, Inc.

III. ELIGIBILITY CONDITIONS

The results summarized in this section are more fully described in a separate report which presents the definition, application and extent of the blight factors in the Project Area. The report, prepared by TPAP and entitled "The 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project Area Eligibility Study," is attached as Exhibit II to this Redevelopment Plan.

A. PROJECT AREA ELIGIBILITY

Based upon surveys, inspections and analyses conducted by TPAP, the Project Area qualifies as a "blighted area" within the requirements of the Act. The Project Area is characterized by the presence of a combination of five or more of the blight factors listed in the Act for improved areas, rendering the area detrimental to the public safety, health and welfare of the citizens of the City. Specifically,

- Of the 14 blighting factors set forth in the Act for "improved" blighted areas, nine are present in the Project Area. Six factors (age, deterioration, structures below minimum code standards, excessive vacancies, depreciation of physical maintenance, and lack of community planning) are present to a major extent and three factors (dilapidation, obsolescence, and deleterious land-use or layout) are present to a limited extent.
- Within the "improved" blighted area, vacant land and vacant parcels exist where buildings have been removed. These vacant sites are characterized by obsolete platting, diversity of ownership, tax delinquency and are adjacent to deteriorating structures or site improvements.
- The factors present are reasonably distributed throughout the Project Area, including the vacant portions of the Project Area.
- All 34 blocks within the Project Area show the presence of blight factors.
- The Project Area includes only real property and improvements to substantially benefit from the proposed Redevelopment Project improvements.

B. SURVEYS AND ANALYSES CONDUCTED

The blight factors found to be present in the Project Area are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building;
2. Site surveys of streets, alleys, sidewalks, curbs and gutters, lighting, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Analysis of original and current platting and building size and layout;
6. Analysis of vacant sites and vacant buildings;
7. Analysis of building floor area and site coverage;
8. Analysis of building permits issued for the Project Area from 1/1/93 through 11/25/97;
9. Analysis of building violations issued by the Department of Buildings for the Project Area from October 1992 through September 1997; and
10. Review of previously prepared plans, studies and data.

IV. REDEVELOPMENT GOALS AND POLICIES

Comprehensive and coordinated area-wide investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area and the elimination of conditions that have impeded redevelopment of the Project Area in the past. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base, additional construction employment and an increase in the residential population of the Project Area.

This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section V of this Redevelopment Plan presents more specific objectives for development and design within the Project Area, and describes the redevelopment activities the City intends to undertake to achieve the redevelopment goals and objectives presented in this Section.

A. GENERAL GOALS

Listed below are the general goals adopted by the City for redevelopment of the Project Area. These goals provide overall focus and direction for this Redevelopment Plan.

1. An improved quality of life in the Project Area, the Grand Boulevard Community Area and the City through the elimination of the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area.
2. An environment within the Project Area which will contribute more positively to the health, safety and general welfare of the City, and preserve or enhance the value of properties adjacent to the Project Area.
3. An increased real estate tax base for the City and other taxing districts having jurisdiction over the Project Area.

B. REDEVELOPMENT OBJECTIVES

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Reduce or eliminate those conditions which qualify the Project Area as a blighted area. These conditions are described in detail in Exhibit III to this Redevelopment Plan.

2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Project Area and the City by increasing taxable values and affordable housing opportunities.
4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Redevelopment Plan and contemporary development needs and standards.
5. Promote the redevelopment of vacant parcels and properties.
6. Encourage the redevelopment or intensification of marginal and underutilized properties.
7. Create an environment which stimulates private investment in new construction and rehabilitation.
8. Provide needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
9. Provide needed incentives to encourage a broad range of improvements in preservation, rehabilitation and new development.
10. Create new job opportunities for City residents utilizing appropriate job training and hiring programs.
11. Establish job training and job readiness programs to provide residents of the City with the skills necessary to secure jobs in the Project Area during the construction period.
12. Provide opportunities for women and minority businesses to share in the redevelopment of the Project Area.

V. REDEVELOPMENT PROJECT

This section presents the Redevelopment Project anticipated to be undertaken by the City and by private entities in furtherance of this Redevelopment Plan. The Redevelopment Project described in this Redevelopment Plan and pursuant to the Act includes the overall redevelopment concept, development and design objectives, a description of redevelopment improvements and activities, a general land use plan, estimated redevelopment project costs, a description of sources of funds to pay estimated redevelopment project costs, a description of obligations that may be issued, identification of the most recent EAV of properties in the Project Area, and an estimate of future EAV.

A. OVERALL REDEVELOPMENT CONCEPT

The Project Area should be redeveloped as a cohesive and distinctive urban neighborhood. It should consist of residential developments with a range of community services, facilities, commercial and retail businesses, and amenities that is compatible with surrounding residential uses; and a range of open space and pedestrian amenities.

The Project Area should be served by a street system and public transportation facilities that provide safe and convenient access to and circulation within the Project Area. The Project Area should be characterized by a planned network of open spaces and public amenities and facilities which will organize and provide focus to the Project Area. An open space network should be created which links residential areas, parks and public spaces, landscaped streets and surrounding neighborhood amenities.

The Project Area should have a coherent neighborhood design and character. Individual developments should be visually and physically linked together. The Project Area should respect Chicago's traditional neighborhood form which is characterized by a grid pattern of streets, buildings facing the street, and a human scale that is attractive and inviting for pedestrians.

The Project Area should become an attractive and desirable neighborhood which provides new affordable housing opportunities, and complements the sound existing community areas located nearby. One proposed phased housing development is described in Section X, *Phasing and Scheduling*, of the Redevelopment Plan.

The City also requires that developers who receive TIF assistance for market rate housing set aside 20 percent of the units (or commit to an alternative affordable housing option pursuant to Department of Housing Guidelines) to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale 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.

It is anticipated that land owned by the Chicago Housing Authority may be made available to one or more developers on a lease basis for the construction of new housing. The City may provide assistance to such development.

B. DEVELOPMENT AND DESIGN OBJECTIVES

Listed below are the specific development and design objectives which will assist the City in directing and coordinating public and private improvement and investment within the Project Area in order to achieve the general goals and objectives identified in *Section IV* of this Redevelopment Plan.

Land Use

- Promote comprehensive, area-wide redevelopment of the Project Area as a planned and cohesive urban neighborhood.
- Remove or minimize physical barriers and other impediments to unified development.
- Promote quality new residential developments throughout the Project Area.
- Provide sites for a wide range of affordable housing types.
- Promote housing types that accommodate a diverse mix of households and income levels.
- Allow for limited and compatible commercial development in selected locations.
- Promote commercial uses that support the needs of area residents and employees.
- Ensure a sensitive transition between residential and non-residential developments in order to minimize conflicts between different land uses.
- Encourage maintenance and upgrading of existing commercial uses.
- School facilities located within the Project Area should be improved and upgraded wherever possible.
- Locate parks, open spaces and other community facilities within walking distance of residential developments.

Transportation, Circulation and Infrastructure

- Maintain the majority of the grid pattern of streets and blocks that exists in surrounding areas.
- Consider the limited use of traffic calming devices such as cul-de-sacs, limited access and street closures to control traffic circulation where necessary.
- Upgrade infrastructure throughout the Project Area.

Open Space and Pedestrian Facilities

- Develop new neighborhood parks in the vicinity of and easily accessible from new residential developments.
- Provide well-defined and safe pedestrian connections between residential developments within the Project Area, and between the Project Area and nearby neighborhood destinations.

Urban Design

- Establish a distinctive and cohesive visual identity for the Project Area.
- Ensure high quality and harmonious architectural and landscape design throughout the Project Area.
- Enhance the appearance of the Project Area by landscaping the streets and creating areas for pedestrian activity.
- Preserve buildings with historic and architectural value.
- Require new developments to respect the architectural character and scale of the surrounding community.
- Provide distinctive design features, including landscaping and signage, at the major entryways into the Project Area.

C. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES

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

The City may enter into Redevelopment Agreements with public or private entities for the furtherance of this Redevelopment Plan. Such Redevelopment Agreements may be for the assemblage of land; the construction, rehabilitation, renovation or restoration of improvements or facilities; the provision of services; or any other lawful purpose. Redevelopment Agreements may contain terms and provisions which are more specific than the general principles set forth in this Redevelopment Plan and which include affordable housing requirements as described in Section V.A., *Overall Redevelopment Concept*.

1. Property Assembly

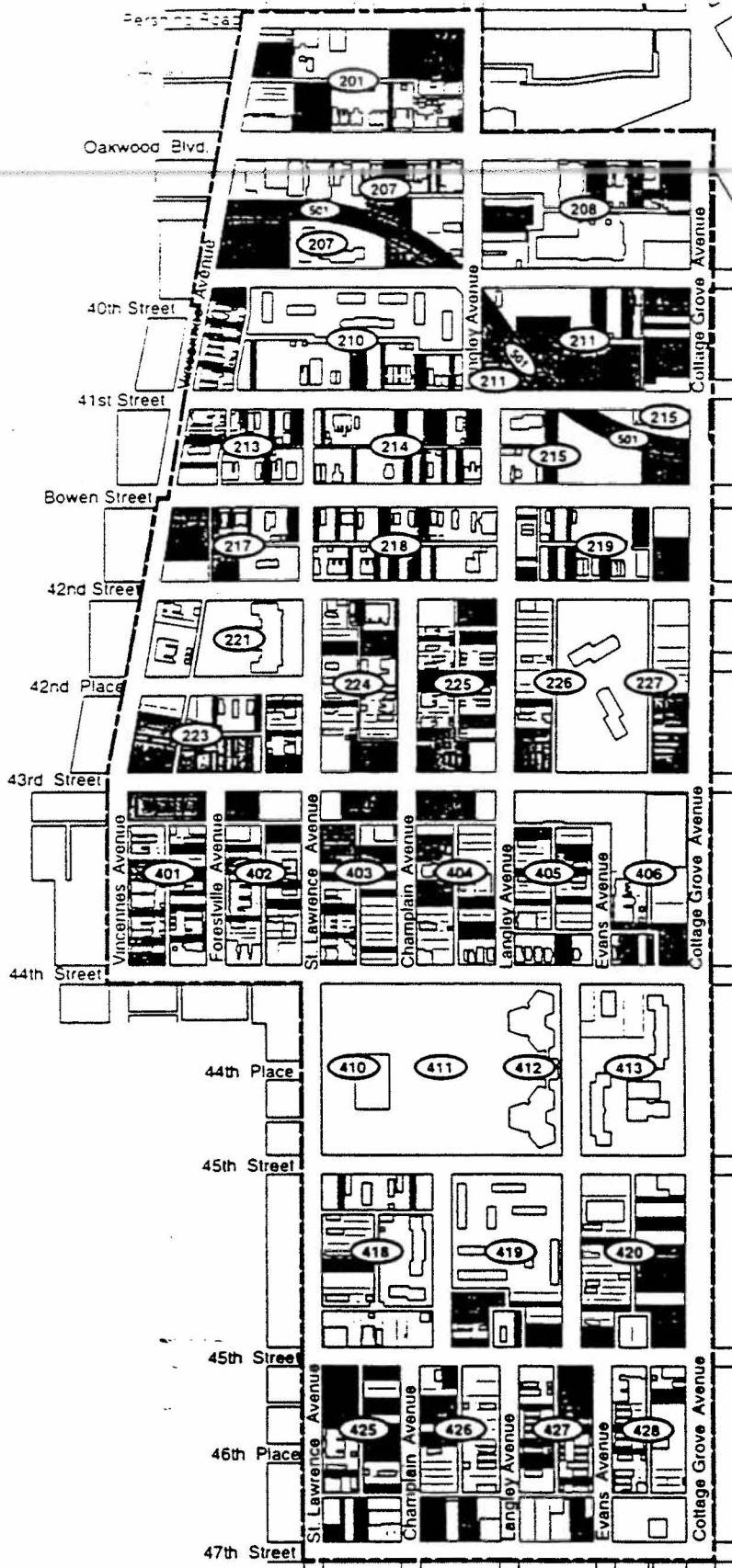
To meet the goals and objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties.

Figure 2, *Acquisition Map*, indicates the parcels currently proposed to be acquired for clearance and redevelopment in the Project Area. Exhibit I lists the *Parcel Identification Numbers* (PIN) which correspond to the property as identified in Figure 2, *Acquisition Map*. The properties identified to be acquired have been carefully selected to cause minimal residential and business relocation. The majority of the sites are vacant lots adjacent to existing vacant City owned lots, creating sizable areas conducive to redevelopment.

In connection with the City exercising its power to acquire real property not currently identified on the following Acquisition Map, including the exercise of the power of eminent domain, under the Act in implementing the Plan, the City will follow its customary and otherwise required procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City.

As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and redevelopment. The City may demolish improvements, remove and grade soils and prepare sites with soils and materials suitable for new construction. Clearance and demolition will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods and so that the adverse effects of clearance activities may be minimized.

The City may incorporate any historic structure or historic feature into a development on the subject property or adjoining property.



■ Parcels Authorized to be Acquired

Figure 2
Acquisition Map

43rd Street/ Cottage Grove Ave.

Chicago, Illinois

2. **Relocation**

~~Much of the Project Area consists of vacant land and underutilized buildings and~~ relocation activities by the City are not currently anticipated. However, in the event that active businesses or other occupants are displaced by the public acquisition of property, relocation services in conjunction with property acquisition will be provided in accordance with City policy.

3. **Provision of Public Works or Improvements**

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

a) *Streets and Utilities*

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

b) *Parks, Open Space and Landscaping*

Improvements to existing or future parks, open spaces and public plazas may be provided and a range of public improvements, including the construction of public walkways, screening the active railroad through berming, landscaping, lighting and general beautification improvements which may be provided for the use of the general public.

c) *Schools and Public Facilities*

Improvements and maintenance to existing or future schools and public facilities within the Project Area may be provided.

4. **Rehabilitation of Existing Buildings**

The City will encourage the rehabilitation of buildings that are basically sound and/or historically significant, and are located so as not to impede the Redevelopment Project. Incremental Property Taxes may be used in connection with Department of Housing programs to assist in the rehabilitation of housing.

5. **Job Training and Related Educational Programs**

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

6. **Taxing Districts Capital Costs**

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

7. Interest Subsidies

Funds may be provided to developers or redevelopers for a portion of interest costs incurred by a developer or redeveloper 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 30 percent of the annual interest costs incurred by the developer or redeveloper with respect to the redevelopment project during that year;
- (c) if there are not sufficient funds available in the special tax allocation fund to make the payment, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
- (d) the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total (i) costs paid or incurred by a developer or redeveloper for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act.

Funds may be provided in connection with Department of Housing programs to assist in the rehabilitation of housing

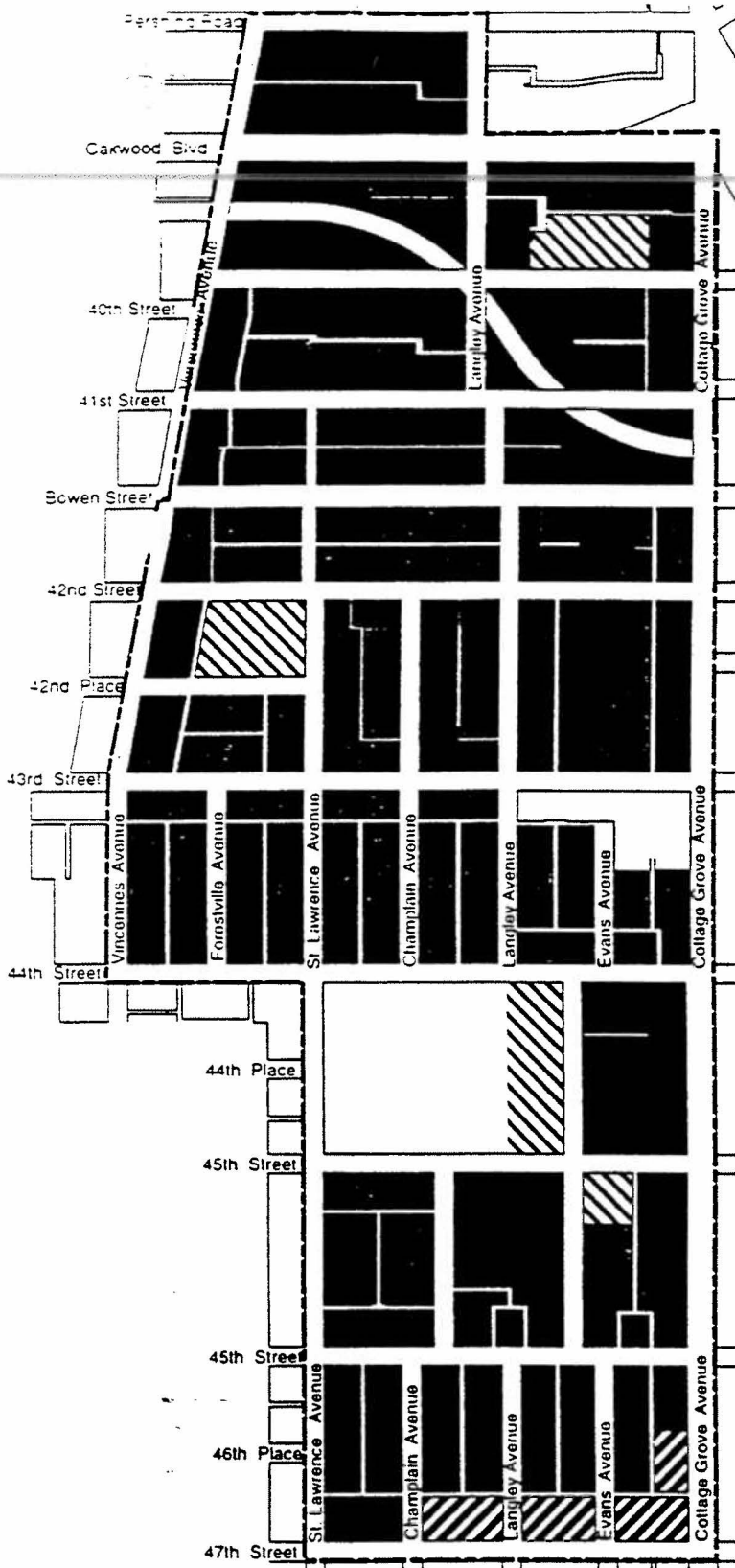
8. Analysis, Administration, Studies, Surveys, Legal, etc.

The City, developers, or redevelopers may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Redevelopment Plan.

D. GENERAL LAND-USE PLAN

Figure 3 presents the General Land-Use Plan that will be in effect upon adoption of this Redevelopment Plan.

As indicated in Figure 3, the Project Area should be redeveloped as a planned and cohesive urban neighborhood providing sites for a range of housing types, limited commercial development, and parks and open space. The various land uses should be arranged and located so that there is a sensitive transition between residential and non-residential developments in order to minimize conflicts between different land uses.



- Residential
- Commercial/ Retail-Service
- Education
- Parks/ Recreation

Figure 3
Generalized Land-Use Plan

The Land-Use Plan identifies the land use to be in effect upon adoption of this Redevelopment Plan. The primary land use category within the Project Area is General Residential with limited Retail/Service Areas. The land use and its permitted uses include those described and listed below.

1. General Residential
 - a) Dwellings, one-family, two-family, and multiple-family attached or detached including housing for elderly persons
 - b) Churches, rectories and parish houses
 - c) Parks and playgrounds, publicly owned and operated
 - d) Schools
 - e) Community centers and libraries
 - f) Similar and compatible uses as permitted under the City Zoning Ordinance

2. Retail/Service
 - a) Retail development or service related businesses
 - b) Similar and compatible uses as permitted under the City Zoning Ordinance

E. REDEVELOPMENT PROJECT COSTS

The various redevelopment expenditures which are eligible for payment or reimbursement under the Act are reviewed below. Following this review is a list of estimated redevelopment project costs which are deemed to be necessary to implement this Redevelopment Plan (the "Redevelopment Project Costs").

1. Eligible Redevelopment Project Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this Redevelopment Plan pursuant to the Act. Such costs may include, without limitation, the following:

- a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided that no charges for professional services are based on a percentage of the tax increment collected;

- b) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
- c) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
- d) Costs of the construction of public works or improvements;
- e) Costs of job training and retraining projects;
- f) 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 a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- g) All or a portion of a taxing district's capital costs resulting from a 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;
- h) 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;
- i) Payment in lieu of taxes as defined in the Act;
- j) 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 vocational 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 (as cited in the Act) and by school

districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code (as cited in the Act);

- k) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
1. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
 2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 4. the total of such interest payments incurred pursuant to the Act may not exceed 30 percent of the total: (i) costs paid or incurred by the redeveloper for such redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act.
- l) Unless explicitly provided in the Act, 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.

2. **Estimated Redevelopment Project Costs**

A range of redevelopment activities and improvements will be required to implement this Redevelopment Plan. The activities and improvements and their estimated costs (1998 dollars) are set forth in Exhibit II of this Redevelopment Plan.

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

F. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

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

The Project Area is contiguous to the Martin Luther King, Jr. Drive and 41st Street Tax Increment Financing Redevelopment Project Area and may, in the future, be contiguous to, or separated only by a public right of way from, other redevelopment project areas. The City may utilize net incremental property taxes received from the Project Area to pay eligible Redevelopment Project Costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right of way from the Project Area, and vice versa. The amount of revenue from the Project Area made available to support such contiguous redevelopment project areas, or those separated only by a public right of way, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area, shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan.

G. ISSUANCE OF OBLIGATIONS

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, 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 Redevelopment Plan and the Act shall be retired within twenty-three (23) years from the adoption of the ordinance approving the Project Area and Redevelopment Plan, such ultimate retirement date occurring no later than the year 2021. Also, the final maturity date of any such obligations which are issued may not be later than twenty (20) years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

In addition to paying Redevelopment Project Costs, Incremental Property Taxes may be used for the scheduled retirement of obligations, mandatory or optional redemptions, establishment of debt service reserves and bond sinking funds and any other lawful purpose. To the extent that Incremental Property Taxes are not needed for these purposes, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the Project Area in the manner provided by the Act.

H. VALUATION OF THE PROJECT AREA

1. Most Recent EAV of Properties in the Project Area

The most recent EAV of all taxable parcels in the Project Area is estimated to total \$7,666,759. This EAV is based on 1996 EAV and is subject to verification by the County Clerk. After verification, the final figure shall be certified by the County Clerk of Cook County, Illinois. This certified amount shall become the Certified Initial EAV from which all Incremental Property Taxes in the Project Area will be calculated by the County. EAV of the Project Area is summarized by tax block in Table 1, *1996 EAV by Tax Block*.

2. Anticipated Equalized Assessed Valuation

By the year 2020 (Collection Year 2021) and following the completion of the Redevelopment Project, the EAV of the Project Area is estimated to total between \$38,000,000 and \$53,000,000. This estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) the EAV of existing development and new development will inflate at the rate of 2 percent per annum; 3) between 400 - 700 single family homes will be constructed with an average EAV of \$23,000 per unit; 4) approximately 600 - 800 rental units will be constructed with an average EAV of \$13,000 per unit; and 5) the five year average state equalization factor of 2.124 (for the years 1992 - 1996) is used in all years to calculate estimated EAV.

Table 1: 1996 EAV by Tax Block
The 43rd Street - Cottage Grove Tax Increment Financing Redevelopment Project Area

<u>BLOCK</u>	<u>1996 EAV</u>
Block 201	\$708,733
Block 207	303,966
Block 208	52,162
Block 210	296,433
Block 211	367,812
Block 213	107,906
Block 214	128,097
Block 215	134,569
Block 217	184,913
Block 218	134,696
Block 219	61,233
Block 221	45,532
Block 223	302,021
Block 224	221,115
Block 225	150,744
Block 226	37,345
Block 227	197,948
Block 401	1,254,551
Block 402	244,978
Block 403	140,220
Block 404	133,479
Block 405	81,100
Block 406	122,924
Block 410	tax exempt
Block 411	tax exempt
Block 412	tax exempt
Block 413	tax exempt
Block 418	160,736
Block 419	31,154
Block 420	425,268
Block 425	286,041
Block 426	263,454
Block 427	381,430
Block 428	706,199
Block 501	tax exempt
<u>TOTAL</u>	<u>\$7,666,759.</u>

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

As described in *Section III* of this Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous blighting factors, and these factors are reasonably distributed throughout the area. Blighting factors within the Project Area are widespread and represent major impediments to sound growth and development.

The lack of private investment is evidenced by the following:

- The Project Area is characterized by age, deterioration, structures below minimum code standards, excessive vacancies, depreciation of physical maintenance, lack of community planning, dilapidation, obsolescence, and deleterious land-use or layout.
- Between 1991 and 1996, the assessed valuation (the "AV") of the Project Area increased by only 4.17 percent, while the AV of the City as a whole increased by 7.10 percent between the same time period.
- Approximately 30% (60.6 acres) of the Project Area is vacant and 26% (98) of the buildings within the Project Area are either partially or totally vacant. Fifty-five percent (208) of the 378 total buildings are either in seriously deteriorated or structurally substandard condition which is evidence of the lack of private investment.
- Within the last five years, a total of 174 building permits were issued for the Project Area, which totaled \$2,334,104. Approximately 87% of these permits were for smaller scale projects requiring \$10,000 or less worth of work, indicating few major developments or renovations in the area. Of these 174 permits, 79 (45%) were for demolitions. Ninety-four percent of the demolitions were for residential structures. These demolitions indicate a decline in private investment in the area since the demolitions have not been replaced with new construction. Only 14 of the 174 building permits were for new construction or additions, totaling only \$573,787. Only one permit was issued in the Project Area for a major improvement. This permit was in the amount of \$323,500 for an addition at Holy Angels School. The remaining permits for new construction and additions were for miscellaneous structures such as garages, elevators and fences, indicating few significant developments or renovations in the Project Area.
- Within the last five years, the City of Chicago's Building Department issued 158 building code violations to 158 different buildings within the Project Area. This is approximately 42% of the total buildings within the area which indicates a decline of private investment and building maintenance in the Project Area.
- The City of Chicago owned 207 vacant parcels during the 1996 tax year. These parcels constitute approximately 10 acres of vacant land which indicates the lack of private investment in the area.

The following impediments illustrate why the Project Area would not reasonably be anticipated to be developed without the intervention of the City and the adoption of this Redevelopment Plan.

- The population within the Grand Boulevard Community has decreased significantly since 1950. 1990 census data indicates that approximately 36,000 persons reside in the community, which is less than one third of the 1950 population.
- There are 25 Chicago Housing Authority developments within the Project Area. In these developments, 25 buildings (60%) are either 100% vacant or more than a third vacant. Sixty two percent of these buildings are in need of major repair.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. The Project Area would not reasonably be expected to be developed without the adoption of this Redevelopment Plan for the Project Area.

VII. FINANCIAL IMPACT

Without the adoption of this Redevelopment Plan and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives there is a prospect that blighted conditions will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the maintenance and improvement of existing buildings and sites. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Redevelopment Plan describes the comprehensive Redevelopment Project proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as the Redevelopment Project set forth in this Redevelopment Plan. Successful implementation of this Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate deteriorating problem conditions and to return the area to a long-term sound condition.

The Redevelopment Project is expected to have both short- and long-term positive financial impacts on the taxing districts affected by the Redevelopment Plan. In the short-term, the City's effective use of TIF can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment improvements and activities, the Redevelopment Project and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in EAV caused by the Redevelopment Project.

VIII. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes against properties located within the Project Area:

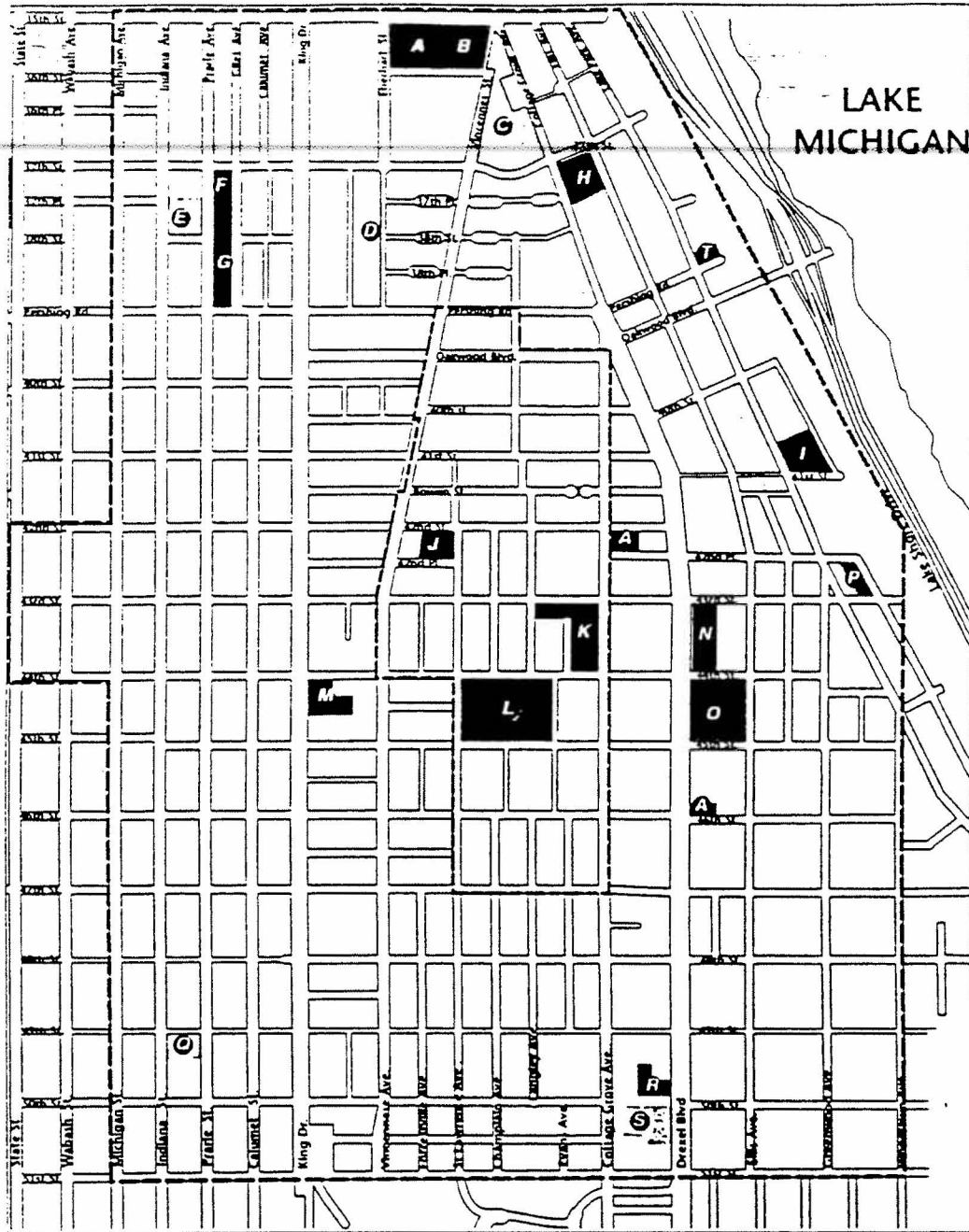
Cook County. The County has principal responsibility for the protection of persons and property, the provision of public health services and the maintenance of County highways.

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.

Metropolitan Water Reclamation District of Greater Chicago. The district provides the main trunk lines for the collection of waste water from cities, villages and towns, and for the treatment and disposal thereof.

Chicago Community College District 508. The 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.

Board of Education. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of educational services for kindergarten through twelfth grade. Fuller Elementary and Carter G. Woodson North and South Public Schools are located within the boundaries of the Project Area. Not included in the Project Area but within four blocks of the Project Area boundary are the following public schools: Doolittle Upper, Doolittle Primary, Mayo Elementary, Phillips High School, Donaghue Elementary, Oakenwald Elementary, Irvin C. Mollison, Florence Price Elementary, M.L. King High School, Jackie Robenson Elementary, Overton Elementary, William Claude Reavis, and Einstein Elementary. The location of the above mentioned schools are indicated in Figure 4, *TIF Boundary and Surrounding Public Facilities*.



Major Community Facilities Located Within Project Area Boundary

- Ⓐ Fuller Elementary
- Ⓚ M.L. King community Center
- Ⓛ Carter G. Woodson North and South

Major Community Facilities Located Within 4 Blocks of Project Area Boundary

- Ⓐ Doolittle Upper
- Ⓑ Doolittle Primary
- Ⓒ Ellis Park
- Ⓓ Madden Park
- Ⓔ Anderson Park
- Ⓕ Mayo Elementary
- Ⓖ Phillips High School
- Ⓗ Donaghue Elementary
- Ⓘ Oakenwald Elementary
- Ⓜ Irvin C. Mollison
- Ⓝ Florenee Price Elementary
- Ⓞ M. L. King High School
- Ⓟ Jackie Robenson Elementary
- Ⓠ Overton Elementary
- Ⓡ William Claude Reavis
- Ⓢ Park # 278
- Ⓣ Einstein Elementary

----- 4 Block Radius
 - - - - - Project Area Boundary

Ⓜ Parks
 ■ Public Schools/ Community Center

Figure 4
 Major Public Facilities

Chicago Park District. The 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. Not included in the Project Area but within four blocks of the Project Area boundary are the following parks: Ellis Park, Madden Park, Anderson Park, and Park #278. The location of the above mentioned parks are indicated in Figure 4, *TIF Boundary and Surrounding Public Facilities*.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

City of Chicago. The City is responsible for the provision of the full range of municipal services typically associated with large, mature cities, including the following: police and fire protection; capital improvements and maintenance; water production and distribution; sanitation service; building, housing and zoning codes, etc.

City of Chicago Library Fund. General responsibilities of the Library Fund include the provision, maintenance and operation of the City's library facilities.

New residential development may cause increased demand for services or capital improvements to be provided by the Board of Education, Community College District 508, Chicago Park District, and City of Chicago. Replacement of vacant and underutilized buildings and sites with active and more intensive uses will result in additional demands on services and facilities provided by the Metropolitan Water Reclamation District of Greater Chicago (the "WRD"). Other than the extension of storm water drainage and various lines which will be necessary through portions of the Project Area, it is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the WRD.

New private investment in residential and non-residential development, and public investment in infrastructure improvements may increase the demand for public services or capital improvements provided by the City and the Chicago Park District within and adjacent to the Project Area. These public services or capital improvements may include, but are not necessarily limited to, the provision of additional open spaces and recreational facilities by the Chicago Park District. There may also be an increased use of streets within and near the Project Area. However, it is not possible at this time to predict, with any degree of reliability, the increased level of demand for services or capital improvements to be provided by any taxing district as a result therefrom.

However, as described more fully in Section V.C.3, *Redevelopment Improvements and Activities-- Provision of Public Works or Improvements*, the City and one or more private developers will provide public improvements and facilities to service the Project Area. Such improvements will mitigate some of the additional service and capital improvement demands placed on taxing districts as a result of the implementation of the Redevelopment Project.

Increases in the City population and in the number of school age children are anticipated to result from the Redevelopment Project. Utilizing the Illinois School Consulting Service's (ISCS) methodology for estimating school age children, the completion of 400 - 700 single family homes and a total of 600 - 800 rental units in the Project Area should result in approximately 400 to 700 children who may attend public schools in the Project Area. The Chicago Public Schools System may use the ISCS standards for estimating school impact or may use other techniques for estimating school age children based on actual experience in other neighborhoods in the City.

The public schools serving the Project Area are the following: Woodson North, grades 5-8 operating at approximately 29% of capacity, Woodson South, pre-school to grade 4, operating at approximately 39% of capacity, Fuller Elementary, pre-school to grade 8, operating at approximately 50% of capacity, and King High School operating at approximately 35% capacity. It is anticipated that the current capacity at existing public schools in the area can accommodate an estimated 3,350 additional children, enabling full service for the estimated 400 - 700 children from the Redevelopment Project Area.¹ However, the City will work with the Chicago Board of Education to monitor the number of school aged children from the Project Area who may enroll at public schools.

¹ Source: *Chicago Public Schools*

IX. CONFORMITY OF THE REDEVELOPMENT PLAN TO THE PLANS FOR DEVELOPMENT OF THE CITY OF CHICAGO AS A WHOLE AND USES THAT HAVE BEEN APPROVED BY THE PLAN COMMISSION OF THE CITY

This Redevelopment Project and the Redevelopment Plan described herein include land uses which will be approved by the Chicago Plan Commission prior to the adoption of the Redevelopment Plan.

The Redevelopment Plan is in conformance to *The Cottage Grove - 43rd Street Redevelopment Plan* which was adopted in May of 1997 by the City of Chicago Community Development Commission. Having identical project boundaries, both plans allow for similar type of land-uses which include residential, commercial, institutional, and open space. The Redevelopment Plan has been written in accordance to the goals and objectives of the adopted 1997 plan. These include:

- Coordinate and encourage residential and related development that meets the need of the residents of Grand Boulevard and its surrounding communities.
- Reduce or eliminate blighting conditions in the Redevelopment Area.
- Provide sound economic development in the Redevelopment Area.
- Increase the real estate and sales tax base for the City of Chicago, County of Cook, State of Illinois, and other taxing districts within the Redevelopment Area.
- Create an environment that stimulates private investment in new construction, expansion, and rehabilitation.
- Create an environment within the Redevelopment Area which contributes to the health, safety, and general welfare of the community and City as a whole.
- Provide a framework for infrastructure improvements within the Redevelopment Area.
- Assemble land into functionally adaptable parcels for disposition and redevelopment in accordance with contemporary development needs and standards.
- Encourage quality appearance of buildings, rights-of-way, and open spaces.
- Provide sites for public improvements or facilities in proportion to the projected demand for such facilities and in accordance with accepted design criteria.

X. PHASING AND SCHEDULING

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area. The redevelopment of the Project Area will occur in phases over the 23 year life of the TIF district. The actual market demand and forces will determine the phasing of the Redevelopment Project.

It is estimated that the first phase of development will contain 150 to 200 units over a two year period. These units will be a mix of three to six unit flats, townhomes and single family homes, ranging between two to four bedrooms. Development of scattered and contiguous vacant sites will be encouraged in Phase I and all subsequent phases.

It is anticipated that City expenditures for Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Property Taxes by the City.

The estimated date for completion of the Redevelopment Project and retirement of obligations, if any, issued to finance Project Costs is no later than the year 2021.

XI. PROVISIONS FOR AMENDING THE REDEVELOPMENT PLAN

This Redevelopment Plan may be amended pursuant to the Act.

XII. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the Redevelopment Plan:

- A) The assurance of equal opportunity in all personnel and employment, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
- B) This commitment to affirmative action will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- C) Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprises and Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in Redevelopment Agreements.

In order to implement these principles for this Redevelopment Plan, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the City shall be required to agree to the principles set forth in this section.

**EXHIBIT I: Land Acquisition Listed by Parcel Identification
Number**

Count	PIN
-------	-----

Block 201

1	20-03-201-001-0000
2	20-03-201-009-0000
3	20-03-201-017-0000
4	20-03-201-028-0000
5	20-03-201-029-0000
6	20-03-201-030-0000
7	20-03-201-040-0000
8	20-03-201-052-0000
9	20-03-201-053-0000
10	20-03-201-054-0000
11	20-03-201-055-0000
12	20-03-201-056-0000
13	20-03-201-056-0000
14	20-03-201-057-0000
15	20-03-201-058-0000
16	20-03-201-059-0000
17	20-03-201-060-0000
18	20-03-201-071-0000

Block 207

19	20-03-207-007-0000
20	20-03-207-012-0000
21	20-03-207-014-0000
22	20-03-207-020-0000
23	20-03-207-021-0000
24	20-03-207-027-0000
25	20-03-207-028-0000
26	20-03-207-029-0000
27	20-03-207-036-0000
28	20-03-207-037-0000

Block 208

29	20-03-208-008-0000
30	20-03-208-009-0000
31	20-03-208-014-0000
32	20-03-208-015-0000
33	20-03-208-017-0000
34	20-03-208-018-0000
35	20-03-208-019-0000
36	20-03-208-021-0000
37	20-03-208-022-0000

38 20-03-208-024-0000
39 20-03-208-025-0000
40 20-03-208-026-0000
41 20-03-208-027-0000
42 20-03-208-039-0000

Block 210

43 20-03-210-001-0000
44 20-03-210-004-0000
45 20-03-210-006-0000
46 20-03-210-010-0000
47 20-03-210-038-0000
48 20-03-210-051-0000
49 20-03-210-052-0000
50 20-03-210-053-0000
51 20-03-210-056-0000
52 20-03-210-062-0000
53 20-03-210-063-0000
54 20-03-210-067-0000

Block 211

55 20-03-211-001-0000
56 20-03-211-002-0000
57 20-03-211-003-0000
58 20-03-211-004-0000
59 20-03-211-005-0000
60 20-03-211-006-0000
61 20-03-211-007-0000
62 20-03-211-012-0000
63 20-03-211-017-0000
64 20-03-211-018-0000
65 20-03-211-021-0000
66 20-03-211-022-0000
67 20-03-211-024-0000
68 20-03-211-025-0000
69 20-03-211-026-0000
70 20-03-211-027-0000
71 20-03-211-029-0000
72 20-03-211-031-0000
73 20-03-211-032-0000
74 20-03-211-033-0000
75 20-03-211-034-0000

Block 213

76 20-03-213-005-0000
77 ~~20-03-213-006-0000~~
78 20-03-213-008-0000
79 20-03-213-009-0000
80 20-03-213-012-0000
81 20-03-213-016-0000
82 20-03-213-019-0000
83 20-03-213-020-0000
84 20-03-213-027-0000

Block 214

85 20-03-214-002-0000
86 20-03-214-013-0000
87 20-03-214-014-0000
88 20-03-214-017-0000
89 20-03-214-018-0000
90 20-03-214-019-0000
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96 20-03-214-039-0000
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98 20-03-214-044-0000
99 20-03-214-046-0000

Block 215

100 20-03-215-009-0000
101 20-03-215-014-0000
102 20-03-215-017-0000
103 20-03-215-018-0000
104 20-03-215-034-0000
105 20-03-215-035-0000
106 20-03-215-040-0000

Block 217

107 20-03-217-001-0000
108 20-03-217-002-0000
109 20-03-217-005-0000
110 20-03-217-007-0000
111 20-03-217-010-0000
112 20-03-217-017-0000

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114 20-03-217-020-0000
115 20-03-217-021-0000

Block 218

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Block 219

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150 20-03-219-047-0000

Block 221

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153 20-03-221-005-0000
154 20-03-221-010-0000

Block 223

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156 20-03-223-004-0000
157 20-03-223-005-0000
158 20-03-223-006-0000
159 20-03-223-007-0000
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166 20-03-223-024-0000
167 20-03-223-025-0000
168 20-03-223-026-0000
169 20-03-223-027-0000
170 20-03-223-030-0000
171 20-03-223-035-0000
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Block 224

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189 20-03-224-051-0000
190 20-03-224-052-0000

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210 20-03-225-044-0000

Block 226

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218 20-03-226-056-0000

Block 227

219 20-03-227-034-0000
220 20-03-227-035-0000
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222 20-03-227-038-0000
223 20-03-227-043-0000
224 20-03-227-044-0000

Block 401

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226 20-03-401-002-0000
227 20-03-401-003-0000
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237 20-03-401-028-0000
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239 20-03-401-031-0000
240 20-03-401-034-0000
241 20-03-401-037-0000
242 20-03-401-042-0000

Block 402

243 20-03-402-001-0000
244 20-03-402-004-0000
245 20-03-402-005-0000
246 20-03-402-007-0000
247 20-03-402-008-0000
248 20-03-402-016-0000
249 20-03-402-023-0000
250 20-03-402-029-0000
251 20-03-402-031-0000

Block 403

252 20-03-403-002-0000
253 20-03-403-003-0000
254 20-03-403-004-0000
255 20-03-403-005-0000
256 20-03-403-006-0000
257 20-03-403-007-0000
258 20-03-403-008-0000
259 20-03-403-010-0000
260 20-03-403-014-0000
261 20-03-403-015-0000
262 20-03-403-020-0000
263 20-03-403-022-0000

Exhibit I: Land Acquisition Listed by Parcel Identification Number (PIN)

264 20-03-403-024-0000
265 20-03-403-029-0000
266 20-03-403-033-0000
267 20-03-403-036-0000

Block 404

268 20-03-404-001-0000
269 20-03-404-002-0000
270 20-03-404-003-0000
271 20-03-404-007-0000
272 20-03-404-008-0000
273 20-03-404-011-0000
274 20-03-404-012-0000
275 20-03-404-013-0000
276 20-03-404-014-0000
277 20-03-404-015-0000
278 20-03-404-030-0000
279 20-03-404-033-0000
280 20-03-404-034-0000

Block 405

281 20-03-405-004-0000
282 20-03-405-005-0000
283 20-03-405-010-0000
284 20-03-405-014-0000
285 20-03-405-021-0000
286 20-03-405-022-0000
287 20-03-405-023-0000
288 20-03-405-025-0000
289 20-03-405-029-0000
290 20-03-405-037-0000
291 20-03-405-038-0000

Block 406

292 20-03-406-021-0000
293 20-03-406-023-0000
294 20-03-406-024-0000
295 20-03-406-025-0000
296 20-03-406-027-0000
297 20-03-406-036-0000
298 20-03-406-037-0000
299 20-03-406-038-0000
300 20-03-406-039-0000

Block 418

301 20-03-418-002-0000
302 20-03-418-012-0000
303 20-03-418-021-0000
304 20-03-418-022-0000

Block 419

305 20-03-419-028-0000
306 20-03-419-029-0000
307 20-03-419-030-0000
308 20-03-419-031-0000
309 20-03-419-034-0000
310 20-03-419-038-0000
311 20-03-419-052-0000
312 20-03-419-055-0000
313 20-03-419-056-0000

Block 420

314 20-03-420-007-0000
315 20-03-420-016-0000
316 20-03-420-023-0000
317 20-03-420-025-0000
318 20-03-420-028-0000
319 20-03-420-029-0000
320 20-03-420-031-0000
321 20-03-420-033-0000
322 20-03-420-034-0000
323 20-03-420-035-0000
324 20-03-420-036-0000
325 20-03-420-037-0000
326 20-03-420-038-0000
327 20-03-420-039-0000

Block 425

328 20-03-425-001-0000
329 20-03-425-002-0000
330 20-03-425-010-0000
331 20-03-425-012-0000
332 20-03-425-015-0000
333 20-03-425-016-0000
334 20-03-425-018-0000
335 20-03-425-019-0000
336 20-03-425-020-0000
337 20-03-425-021-0000

338 20-03-425-025-0000
339 20-03-425-027-0000
340 20-03-425-028-0000
341 20-03-425-030-0000

Block 426

342 20-03-426-005-0000
343 20-03-426-007-0000
344 20-03-426-008-0000
345 20-03-426-009-0000
346 20-03-426-010-0000
347 20-03-426-011-0000
348 20-03-426-012-0000
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350 20-03-426-021-0000
351 20-03-426-023-0000
352 20-03-426-024-0000
353 20-03-426-032-0000
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359 20-03-426-039-0000

Block 427

360 20-03-427-005-0000
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364 20-03-427-016-0000
365 20-03-427-017-0000
366 20-03-427-018-0000
367 20-03-427-019-0000
368 20-03-427-020-0000
369 20-03-427-021-0000
370 20-03-427-023-0000
371 20-03-427-029-0000
372 20-03-427-031-0000
373 20-03-427-034-0000
374 20-03-427-035-0000
375 20-03-427-037-0000

Block 428

376	20-03-428-008-0000
377	20-03-428-010-0000
378	20-03-428-015-0000
379	20-03-428-016-0000

Block 501

380	20-03-501-007-6001
381	20-03-501-007-6003

EXHIBIT II: ESTIMATED REDEVELOPMENT PROJECT COSTS

EXHIBIT II: Estimated Redevelopment Project Costs

43RD STREET/COTTAGE GROVE AVENUE TIF

<u>ELIGIBLE EXPENSE</u>	<u>ESTIMATED COST</u>
Analysis, Administration Studies, Surveys, Legal, Etc.	\$ 500,000
Property Assembly	
- Acquisition	\$ 6,000,000
- Site Prep and Demolition	\$ 3,500,000
Rehabilitation of Existing Buildings	\$ 5,000,000
Public Works & Improvements	
- Streets and Utilities	\$35,000,000
- Parks and Open Space	\$ 2,500,000
Relocation	\$ 1,500,000
Taxing Districts Capital Costs	\$ 2,500,000
Job Training	\$ 500,000
Developer/Interest Costs	<u>\$30,000,000</u>
TOTAL REDEVELOPMENT COSTS ⁽¹⁾	\$87,000,000

⁽¹⁾ 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 Project Costs. Total Project Costs are inclusive of Redevelopment Project Costs in contiguous redevelopment project areas, or those separated only by a public right of way, that are permitted under the Act to be paid from incremental property taxes generated in the Project Area, but are not inclusive of Redevelopment Project Costs incurred in the Project Area which are paid from Incremental Property Taxes generated in such contiguous areas, or those separated only by a public right of way.

EXHIBIT III

**THE 43RD STREET/COTTAGE GROVE AVENUE
TAX INCREMENT FINANCING
ELIGIBILITY STUDY**

City of Chicago, Illinois

Introduced
March 10, 1998

City of Chicago
Richard M. Daley, Mayor

**THE 43RD STREET/COTTAGE GROVE AVENUE
TAX INCREMENT FINANCING
ELIGIBILITY STUDY**

City of Chicago, Illinois

This Eligibility Study is subject to review
and comment and may be revised
after comment and hearing.

Introduced
March 10, 1998

Prepared by:
Trkla, Pettigrew, Allen & Payne, Inc.

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EXECUTIVE SUMMARY

The purpose of this study is to determine whether the 43rd Street/Cottage Grove Avenue Project Area (the "Project Area") qualifies for designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et. seq.*, as amended.

The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") for the Project Area of approximately 200.7 acres located five miles south and approximately 3/4 miles east of the Central Business district of Chicago, Illinois.

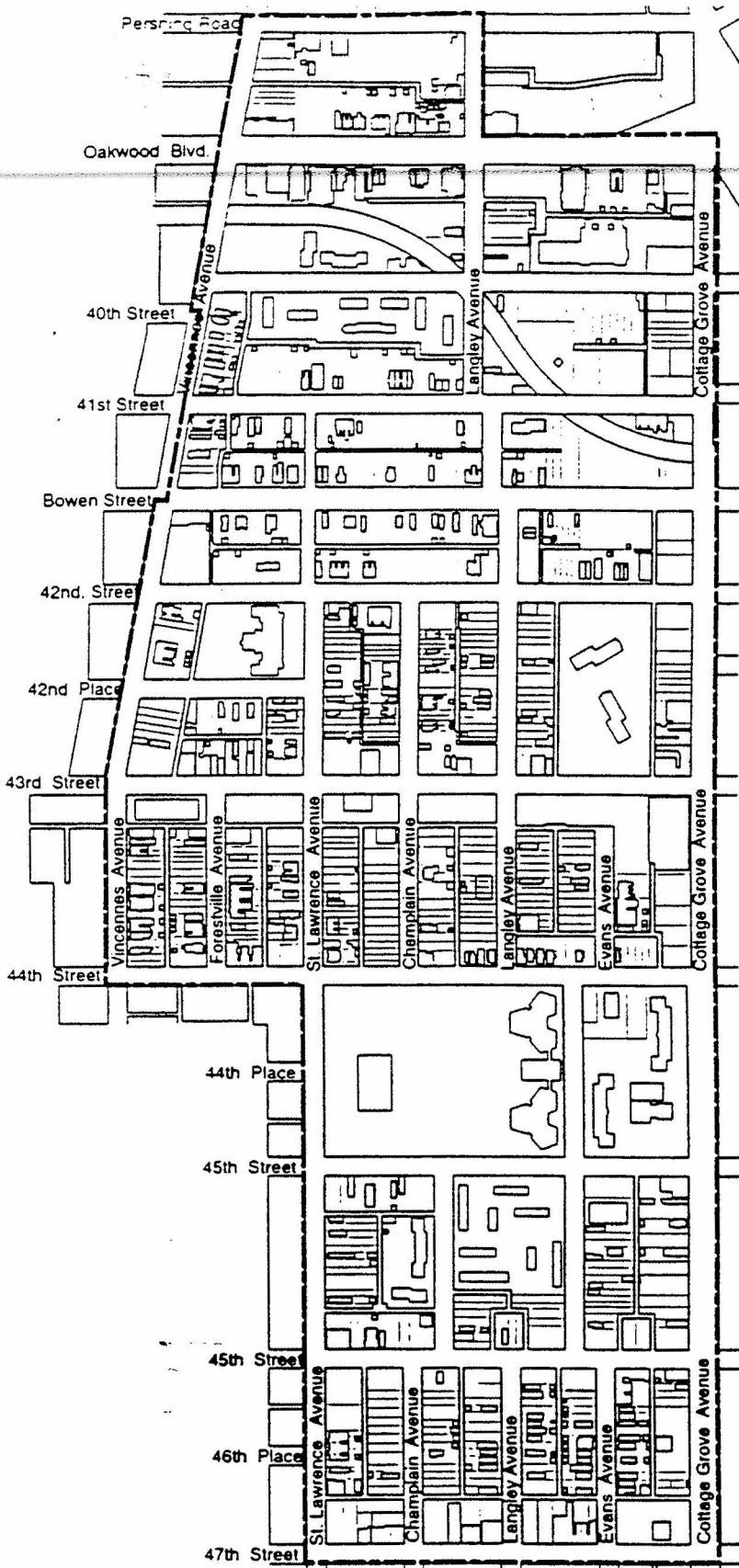
The Project Area is an improved area that encompasses 34 blocks and 1,254 tax parcels of various sizes. The Project Area is generally bounded by Pershing and Oakwood Boulevard on the north; Cottage Grove Avenue on the east; 47th Street on the south and Vincennes Avenue and St. Lawrence Avenue on the west..

The boundaries of the Project Area are shown on Figure 1, *Project Boundary*. A more detailed description of the Project Area is presented in Section II, *The 43rd Street/Cottage Grove Avenue Project Area*.

Figure 2, *Current Generalized Land Use*, demonstrates the generalized view of current land use patterns within the Project Area. This figure is generalized and does not constitute the totality of land uses on a parcel by parcel basis within the Project Area.

As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than 1½ acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area, a blighted area, a conservation area, or a combination of both blighted and conservation areas. The Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of three or more of the following factors--dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning--is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area.



--- Project Area Boundary

Figure 1
Project Boundary



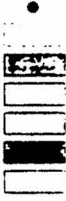
43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Rec development Project Area

Prepared By Trkla, Pettigrew, Allen, & Payne, Inc.

Existing Generalized Land Use

1



As set forth in the Act, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if ~~improved industrial, commercial and residential buildings or improvements~~ because of a combination of five or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by: (1) a combination of two or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least five years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 or more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of the subsections (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of blight, this evaluation was made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of blighting factors throughout the study area must be reasonable so that basically good areas are not arbitrarily found to be conservation areas or blighted simply because of proximity to areas which are blighted.

On the basis of this approach, the Project Area is found to be eligible as a blighted area within the definitions set forth in the Act. Specifically:

- Of the 14 blighting factors set forth in the Act for "improved" blighted areas, nine are present in the Project Area. Six factors (age, deterioration, structures below minimum code standards, excessive vacancies, depreciation of physical maintenance and lack of community planning) are present to a major extent and three factors (dilapidation, obsolescence, and deleterious land-use or layout) are present to a limited extent. Determination of "major" and "limited" extent is not simply a determination of a majority or minority of blocks with the factor present to a major or limited extent. When assessing whether a factor is present throughout the Project Area as a whole to a major or limited extent, the scope and severity of that factor is considered and analyzed.

- Within the "improved" blighted area, vacant land and vacant parcels exist where buildings have been removed. These vacant sites are characterized by obsolete platting, diversity of ownership, tax delinquency and are adjacent to deteriorating structures or site improvements.
- The factors present are reasonably distributed throughout the Project Area, including the vacant portions of the Project Area.
- All 34 blocks within the Project Area show the presence of blight factors.
- The Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

I. BASIS FOR REDEVELOPMENT

The Illinois General Assembly made two key findings in adopting the Act:

1. That there exists in many municipalities within the State blighted and conservation areas: and
2. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that a prospective redevelopment project qualifies either as a "blighted area" or as a "conservation area" within the definitions for each set forth in the Act (in Section 11-74.4-3). These definitions are described below:

ELIGIBILITY OF A BLIGHTED AREA

A blighted area may be either improved or vacant. If the area is improved (*e.g.*, with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five or more of the following 14 factors:

- Age
- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning.

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one of the following criteria:

- ~~A combination of two or more of the following factors: obsolete platting of the vacant land;~~ diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
- The area immediately prior to becoming vacant qualified as a blighted improved area.
- The area consists of an unused quarry or unused quarries.
- The area consists of unused railyards, rail tracks or railroad rights-of-way.
- The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is) in proximity to any improvement on real property which has been in existence for at least five years and which substantially contributes to such flooding.
- The area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites.
- The area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five years prior to the designation of the redevelopment project area, and which the area meets at least one of the factors itemized in provision (1) of the subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

ELIGIBILITY OF A CONSERVATION AREA

A conservation area is an improved area in which 50 percent or more of the structures in the area have an age of 35 years or more and there is a presence of a combination of three or more of the 14 factors listed below. Such an area is not yet a blighted area, but because of a combination of three or more of these factors, the area may become a blighted area.

- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Abandonment
- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate utilities
- Excessive land coverage

- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning

While the Act defines a blighted area and a conservation area, it does not define the various factors for each, nor does it describe what constitutes the presence or the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable criteria should be developed to support each local finding that an area qualifies as either a blighted area or as a conservation area. In developing these criteria, the following principles have been applied:

1. The minimum number of factors must be present and the presence of each must be documented;
2. For a factor to be considered present, it should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. The factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the area as a whole; it is not required that eligibility be established for each and every property in the project area.

II. THE 43RD STREET/COTTAGE GROVE AVENUE PROJECT AREA

The Project Area is generally bounded on the north by Pershing and Oakwood Boulevards; on the east by South Cottage Grove Avenue; on the south by 47th Street; and on the west by Vincennes Avenue and St. Lawrence Avenue, south of East 44th Street.

In total, the Project Area contains 378 buildings, 34 blocks and 1,254 tax parcels of various sizes and encompasses approximately 200.7 acres of land. The acreage is divided as indicated in Table 1 below. The entire Project Area contains a significant amount of vacant land consisting of major portions of blocks in some cases, as well as scattered sites and individual parcels throughout the Project Area. The Boundary of the Project Area is illustrated in Figure 1, *Boundary Map*.

**Table 1: Acreage Distribution
43rd Street/Cottage Grove Avenue Project Area**

Area	Improved Area Acres	Vacant Land Acres	Total
• Abandoned Rail Line	--	2.5	2.5
• Residential Property	40.0	49.1	89.1
• Commercial Property	8.2	9.0	17.2
• Public/Semi-Public Property	27.9	--	27.9
• Streets and alley rights-of-way	64.0	--	64.0
Total	140.1	60.6	200.7

The overall condition and characteristic of the area is a concentration of severe blight within both the residential blocks and along the commercial corridors. The process of vacating aging and declining buildings, vandalism, weather exposure and ultimate advanced deterioration and demolition has resulted in the removal of many of the residential structures, both large and small, as well as many commercial buildings within the entire area. Vacant non-productive land is widespread, particularly in the blocks north of East 45th Street. Problem conditions include: aging buildings; widespread deterioration of building and site conditions; obsolete building types; vacant buildings, including boarded up vacant buildings and vacant space within buildings; vacant and underutilized land areas littered with debris; and deferred maintenance and marginal commercial activity along the main commercial corridors.

III. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS: IMPROVED AREAS

An analysis was made of each of the eligibility factors listed in the Act for blighted areas to determine whether each or any are present in the Project Area, and if so, to what extent and in what locations. Surveys and analyses conducted by TPAP include:

1. Exterior survey of the condition and use of each building;
2. Site surveys of streets, alleys, sidewalks, curbs and gutters, lighting, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Analysis of original and current platting and building size and layout;
6. Analysis of vacant sites and vacant buildings;
7. Analysis of building floor area and site coverage;
8. Analysis of building permits issued for the Project Area from October 1992 through November 1997;
9. Analysis of building violations issued by the Department of Buildings for the Project Area from October 1992 through September 1997; and
10. Review of previously prepared plans, studies and data.

Figure 3 presents the survey form used to record building conditions.

A factor noted as "not present" indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A factor noted as "present to a limited extent" indicates that conditions exist which document that the factor is present, but that the distribution or impact of the blight condition is limited. Finally, a factor noted as "present to a major extent" indicates that conditions exist which document that the factor is present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

The following statement of findings is presented for each blight factor listed in the Act. The conditions that exist and the relative extent to which each factor is present in the Project Area are described. What follows is the summary evaluation of the 14 factors for an "improved" blighted area. The factors are presented in order of their listing in the Act.

EXTERIOR BUILDING SURVEY FORM

PROJECT	BLK.				ACTIVITY	Lot No. 1		Lot No. 2		Lot No. 3		Lot No. 4		Lot No. 5		Lot No. 6		Lot No. 7		Lot No. 8		Lot No. 9		Lot No. 10		Lot No. 11		Lot No. 12		Lot No. 13		Lot No. 14		Lot No. 15		Lot No. 16		Lot No. 17		Lot No. 18		Lot No. 19		Lot No. 20		Lot No. 21		Lot No. 22		Lot No. 23		Lot No. 24		Lot No. 25		Lot No. 26		Lot No. 27		Lot No. 28		Lot No. 29		Lot No. 30		Lot No. 31		Lot No. 32		Lot No. 33		Lot No. 34		Lot No. 35		Lot No. 36		Lot No. 37		Lot No. 38		Lot No. 39		Lot No. 40		Lot No. 41		Lot No. 42		Lot No. 43		Lot No. 44		Lot No. 45		Lot No. 46		Lot No. 47		Lot No. 48		Lot No. 49		Lot No. 50		Lot No. 51		Lot No. 52		Lot No. 53		Lot No. 54		Lot No. 55		Lot No. 56		Lot No. 57		Lot No. 58		Lot No. 59		Lot No. 60		Lot No. 61		Lot No. 62		Lot No. 63		Lot No. 64		Lot No. 65		Lot No. 66		Lot No. 67		Lot No. 68		Lot No. 69		Lot No. 70		Lot No. 71		Lot No. 72		Lot No. 73		Lot No. 74		Lot No. 75		Lot No. 76		Lot No. 77		Lot No. 78		Lot No. 79		Lot No. 80		Lot No. 81		Lot No. 82		Lot No. 83		Lot No. 84		Lot No. 85		Lot No. 86		Lot No. 87		Lot No. 88		Lot No. 89		Lot No. 90		Lot No. 91		Lot No. 92		Lot No. 93		Lot No. 94		Lot No. 95		Lot No. 96		Lot No. 97		Lot No. 98		Lot No. 99		Lot No. 100	
	NO.	1	2	3		4	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100																																																																																																			
PARCEL		BLK.		ACTIVITY		Lot No. 1		Lot No. 2		Lot No. 3		Lot No. 4		Lot No. 5		Lot No. 6		Lot No. 7		Lot No. 8		Lot No. 9		Lot No. 10		Lot No. 11		Lot No. 12		Lot No. 13		Lot No. 14		Lot No. 15		Lot No. 16		Lot No. 17		Lot No. 18		Lot No. 19		Lot No. 20		Lot No. 21		Lot No. 22		Lot No. 23		Lot No. 24		Lot No. 25		Lot No. 26		Lot No. 27		Lot No. 28		Lot No. 29		Lot No. 30		Lot No. 31		Lot No. 32		Lot No. 33		Lot No. 34		Lot No. 35		Lot No. 36		Lot No. 37		Lot No. 38		Lot No. 39		Lot No. 40		Lot No. 41		Lot No. 42		Lot No. 43		Lot No. 44		Lot No. 45		Lot No. 46		Lot No. 47		Lot No. 48		Lot No. 49		Lot No. 50		Lot No. 51		Lot No. 52		Lot No. 53		Lot No. 54		Lot No. 55		Lot No. 56		Lot No. 57		Lot No. 58		Lot No. 59		Lot No. 60		Lot No. 61		Lot No. 62		Lot No. 63		Lot No. 64		Lot No. 65		Lot No. 66		Lot No. 67		Lot No. 68		Lot No. 69		Lot No. 70		Lot No. 71		Lot No. 72		Lot No. 73		Lot No. 74		Lot No. 75		Lot No. 76		Lot No. 77		Lot No. 78		Lot No. 79		Lot No. 80		Lot No. 81		Lot No. 82		Lot No. 83		Lot No. 84		Lot No. 85		Lot No. 86		Lot No. 87		Lot No. 88		Lot No. 89		Lot No. 90		Lot No. 91		Lot No. 92		Lot No. 93		Lot No. 94		Lot No. 95		Lot No. 96		Lot No. 97		Lot No. 98		Lot No. 99		Lot No. 100	

Figure 3 Exterior Survey

43rd Street Cottage Grove Ave.
 Tax Incremental Financing Redevelopment Project Area

Chicago, Illinois
 Prepared By: Tikla, Pallitrew, Allen, & Payne, Inc.

- GENERAL INSTRUCTIONS**
1. SEE FIRST
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A. AGE

Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, temperature, moisture and level of maintenance over an extended period of years, structures which are 35 years or older typically exhibit more problems and require greater maintenance than more recently constructed buildings. Structures within the Project Area date back to when the area was first developed during the 1920's and earlier.

Conclusion

Of the 378 buildings within the Project Area, 357, or 97.9%, are 35 years of age or older. Age as a factor of blight is present to a major extent in all 34 blocks.

Figure 4, *Age*, illustrates the location of all buildings in the Project Area which are more than 35 years of age.

B. DILAPIDATION

Dilapidation refers to advanced disrepair of buildings and site improvements. Webster's New Collegiate Dictionary defines "dilapidate," "dilapidated" and "dilapidation" as

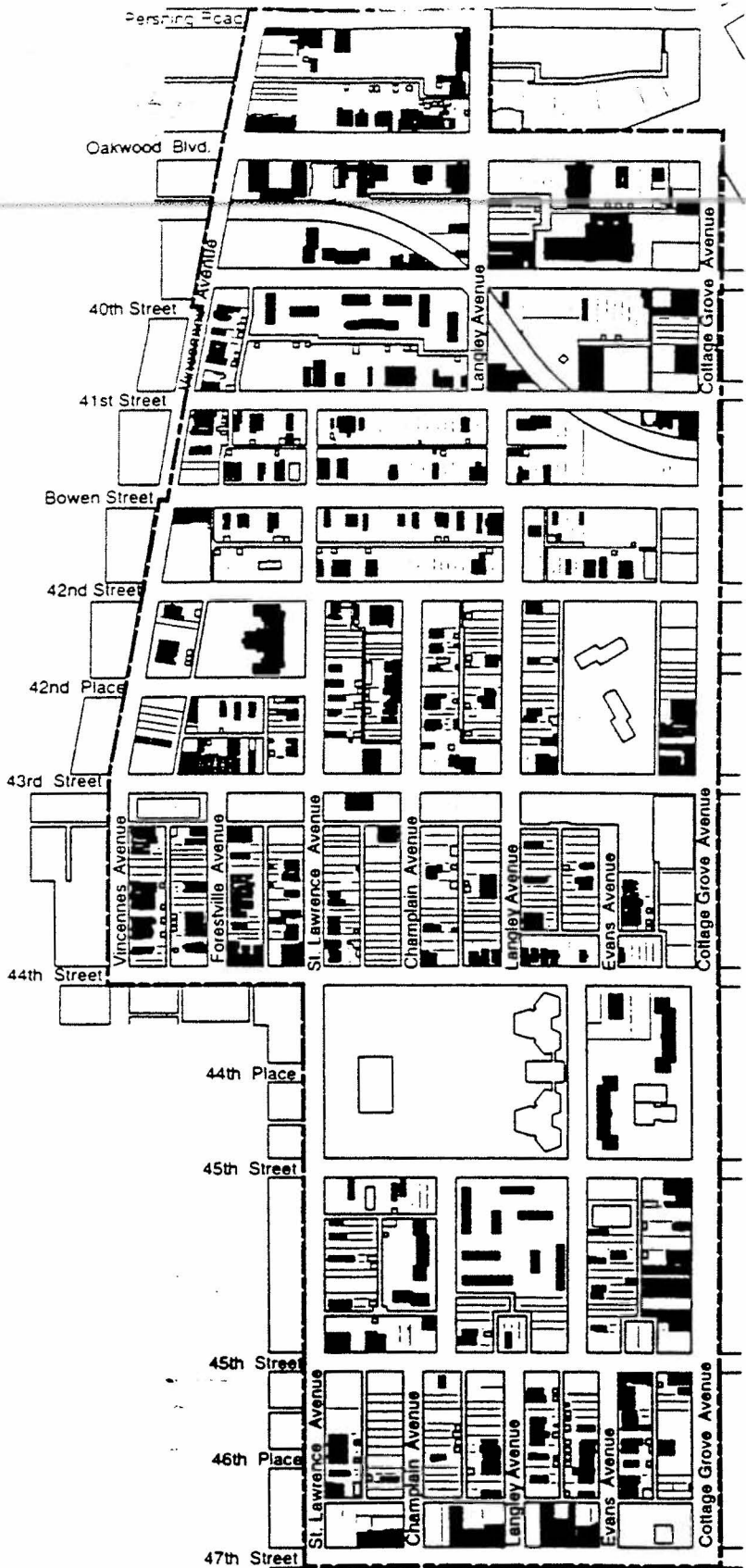
Dilapidate, "... to become or cause to become partially ruined and in need of repairs, as through neglect."

Dilapidated, "... falling to pieces or into disrepair; broken down; shabby and neglected."

Dilapidation, "... dilapidating or becoming dilapidated; a dilapidated condition."

To determine the existence of dilapidation, an assessment was undertaken of all the buildings within the Project Area. The process used for assessing building conditions, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation are presented below.

The building condition analysis is based on an exterior inspection of all buildings undertaken during May and November of 1997. Noted during the inspections were structural deficiencies in building components and related deficiencies in street, curb, sidewalk and alley surface conditions.



■ Buildings 30 Years of Age and Older

Figure 4
Age

43rd Street/ Cottage Grove Ave.

Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

Prepared By Trkla, Pettigrew, Allen, & Payne, Inc.

1. Building Components Evaluated.

During the field survey, each component of a building was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two types:

Primary Structural

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

Secondary Components

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

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

2. Building Rating Classifications

Based on the evaluation of building components, each building was rated and classified into one of the following categories:

Sound

Buildings which contain no defects, are adequately maintained, and require no treatment outside of normal maintenance as required during the life of the building.

Deficient

Buildings which contain defects (loose or missing material or holes and cracks) over either limited or widespread areas which may or may not be correctable through the course of normal maintenance (depending on the size of the building or number of buildings in a large complex). Deficient buildings contain defects which, in the case of limited or minor defects, clearly indicate a lack of or a reduced level of maintenance. In the case of major defects, advanced defects are present over widespread areas and would require major upgrading and significant investment to correct.

Dilapidated

Buildings which contain major defects in primary and secondary components over widespread areas. The defects are so serious and advanced that the building is considered to be substandard, requiring improvements or total reconstruction. Corrective action may not be feasible.

Conclusion

Of the 378 buildings within the Project Area, 74, or 19.5% are in a substandard (dilapidated) condition. The factor of dilapidation is present to a major extent in 3 (9%) blocks and to a limited extent in 23 (68%) blocks of the 34 blocks containing buildings.

Figure 5, *Dilapidation*, illustrates the location of substandard buildings in the Project Area.

C. OBSOLESCENCE

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

Functional Obsolescence

Historically, structures have been built for specific uses or purposes. The design, location, height, and space arrangement are intended for a specific occupant at a given time. Buildings become obsolete when they contain characteristics or deficiencies which limit their use and marketability after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper orientation of the building on its site, etc., which detracts from the overall usefulness or desirability of a property.

Economic Obsolescence

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values.

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

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

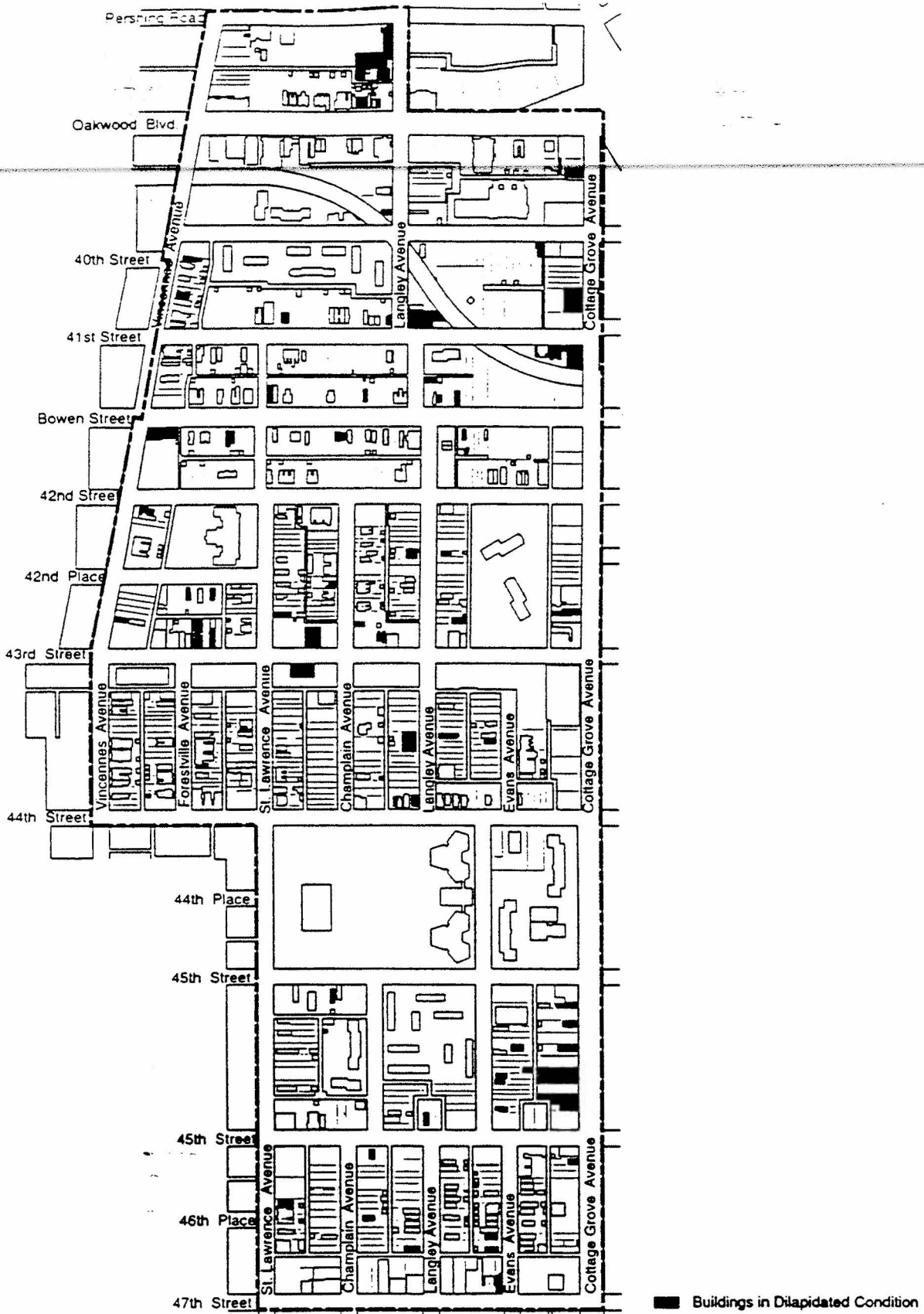


Figure 5
Dilapidation

43rd Street/ Cottage Grove Ave.

Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

Prepared By Trkla, Pettigrew, Allen, & Payne, Inc.

1. Obsolete Building Types

~~Functional or economic obsolescence in buildings, which limits their long-term use or reuse, is~~ typically difficult and expensive to correct. Deferred maintenance, deterioration and vacancies often result. The presence of obsolete buildings can have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

Characteristics observed in the obsolete buildings include the following:

- Small, narrow buildings with limited floor plate.
- Single purpose buildings designed for a specific use which are not easily adaptable or suited to other uses.
- Commercial buildings converted to accommodate other uses other than the type of activity for which these buildings were constructed.
- Residential buildings converted to accommodate additional units or converted/expanded to accommodate commercial activity.

Conclusion

Thirteen of the 378 buildings in the Project Area are impacted by obsolescence. Buildings characterized by obsolescence are limited in their efficient or economic use consistent with contemporary standards. Obsolescence, with respect to obsolete buildings is present to a limited extent in 11 blocks.

2. Obsolete Platting

The Project Area was originally platted in the early 1900's. The alignment of the former elevated railroad right-of-way contributed to an inconsistent pattern of parcel sizes within the blocks north of Bowen Street. Residential blocks are platted in the typical grid pattern dominated by narrow parcels of 25 feet in width and also include some smaller parcels. Overall, the platting within the Project Area is not consistent with modern day development standards.

Conclusion

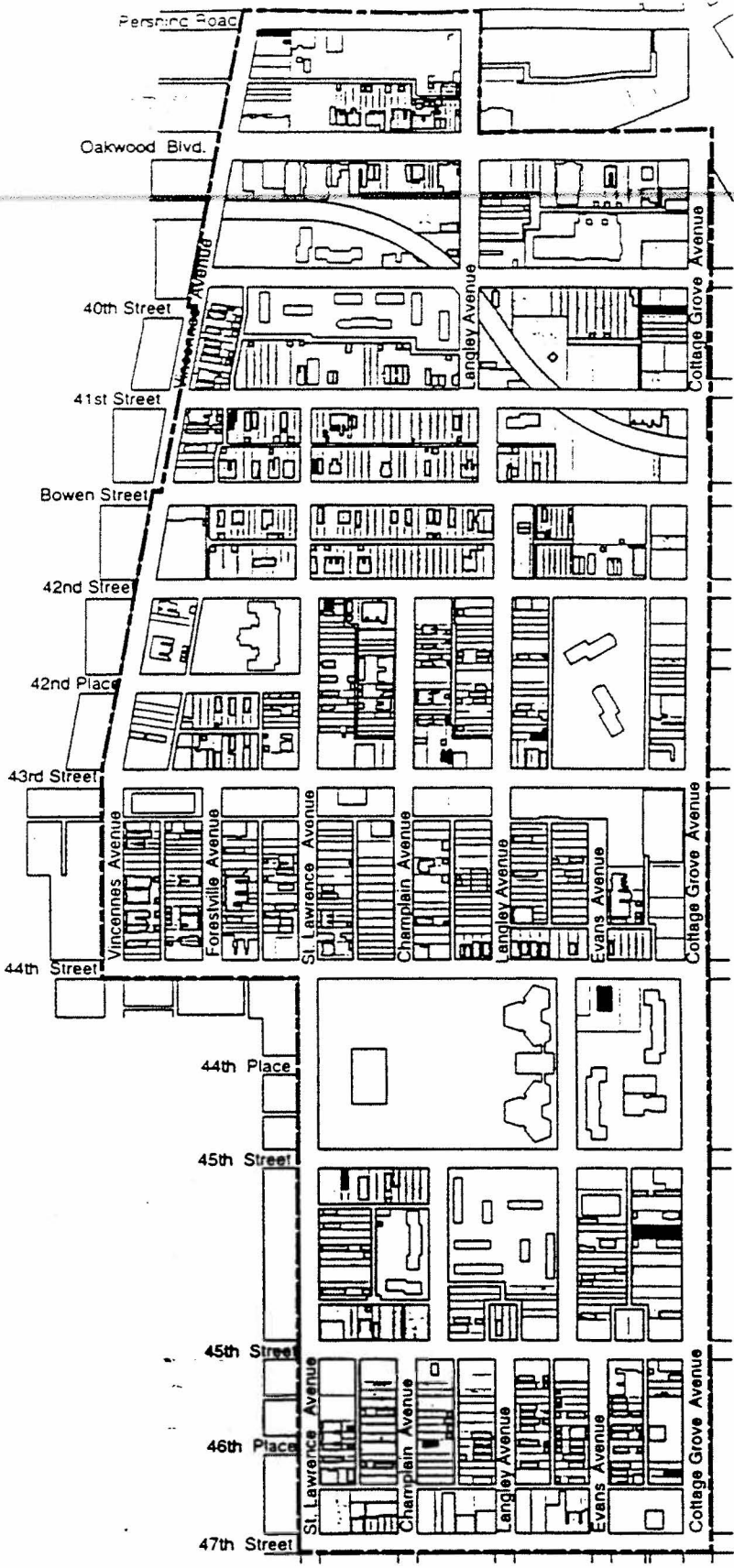
Obsolete platting as a factor is present to a major extent in 28 blocks.

Figure 6, *Obsolescence*, illustrates the location of obsolete buildings and obsolete platting in the Project Area.

D. DETERIORATION

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

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of painting, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.



Obsolete Structures
 Obsolete Platting

Figure 6
Obsolescence

43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

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- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as ~~minor deficient or major deficient buildings, depending upon the degree or extent of~~ defects. Minor deficient and major deficient buildings are characterized by defects in the secondary building components (e.g., doors, windows, fire escapes, gutters and downspouts, fascia materials, etc.), and defects in primary building components (e.g., foundations, exterior walls, floors, roofs, etc.), respectively.

It should be noted that all buildings and site improvements classified as dilapidated are also deteriorated.

Deterioration of Buildings

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation." Of the total 378 buildings, including dilapidated buildings, 343, or 91%, are classified as deteriorating or deteriorated.

Table 2. *Summary of Building Deterioration*, summarizes building deterioration within the blocks containing buildings in the Project Area.

Deterioration of Street Pavement, Alleys, Curbs, Gutters and Sidewalks

Deterioration of alley include all alleys except in one block. Alleys within the area consist of either sand and gravel surface or deteriorated and patched asphalt and irregular surface. Broken, missing or deteriorated sections of curb and gutter are present throughout the area affecting 30 of the 34 blocks. Deteriorated and missing sections of sidewalk impact the entire area, except along Pershing Road, Oakwood Boulevard and along two blocks of Cottage Grove Avenue.

Conclusion

Deterioration as a factor is present to a major extent in all of the blocks within the Project Area.

Figure 7. *Deterioration*, illustrates deterioration within the Project Area.

E. ILLEGAL USE OF INDIVIDUAL STRUCTURES

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

No illegal uses of individual structures were evident from the field surveys conducted.

Table 2: Summary of Building Deterioration

Survey Block No.	No. of Buildings	Building Condition		
		Sound	Deteriorated/ Deteriorating	Substandard/ Dilapidated
201	19	1	13	5
207	14	4	9	1
208	7	0	6	1
210	27	1	21	5
211	9	0	6	3
213	12	0	12	0
214	11	0	9	2
215	8	0	2	6
217	5	1	2	2
218	15	1	13	1
219	10	2	7	1
221	4	0	3	1
223	16	1	11	4
224	15	0	12	3
225	17	1	10	6
226/ 227	13	1	9	3
401	18	5	13	0
402	16	3	11	2
403	7	0	6	1
404	8	0	5	3
405	11	0	9	2
406	4	1	3	0
410/411/412	3	3	0	0
413	5	1	4	0
418	16	2	13	1
419	11	0	10	1
420	17	1	5	11
425	11	0	9	2
426	13	1	9	3
427	20	1	16	3
428	16	4	11	1
Total	378	35	269	74
Percent	100.0%	9.2%	71.2%	19.6%

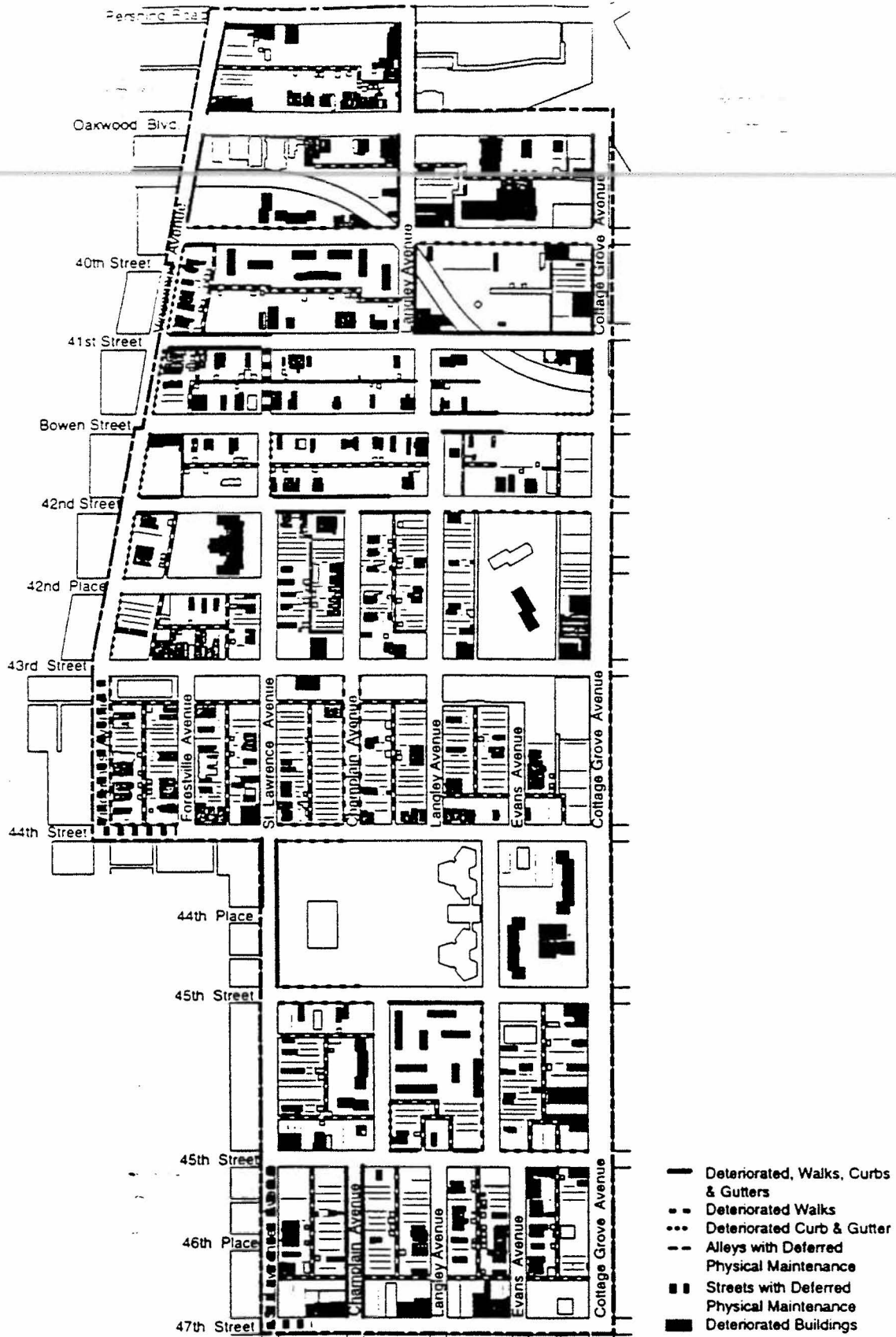


Figure 7
Deterioration

F. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS

Structures below minimum code standards include all structures which do not meet the standards of subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property. The principal purposes of such codes are to require buildings to be constructed so that they will be strong enough to support the loads expected, to be safe for occupancy against fire and similar hazards, and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which threaten health and safety.

Determination of the presence of structures below minimum code standards was based upon visible defects and advanced deterioration of building components from the exterior surveys. Of the total 378 buildings, 218, or 58%, exhibited advanced deterioration and defects which are below the standards for existing buildings and property maintenance codes of the City of Chicago.

Within the last five years, the City of Chicago's Building Department issued 158 building code violations to 158 different buildings within the Project Area. This is approximately 42% of the total buildings within the area which indicates a decline of private investment and building maintenance in the Project Area.

Conclusion

The factor of structures below minimum code standards is present to a major extent in 27 blocks and to a limited extent in 4 blocks of the total 34 blocks containing buildings. Figure 8, *Structures Below Minimum Code*, illustrates the location of buildings below minimum code standards.

G. EXCESSIVE VACANCIES

Excessive vacancies refers to the presence of buildings which are either unoccupied or not fully utilized, and which exert an adverse influence on the surrounding area because of the frequency or duration of vacancies. Excessive vacancies include properties for which there is little expectation for future occupancy or utilization.

Excessive building vacancies are found throughout much of the Project Area. Vacancies include buildings which are entirely vacant and buildings with vacant floor areas. Vacancies are prevalent in both residential and commercial buildings.

Information regarding vacancies in individual buildings was obtained from exterior building surveys conducted by TPAP. Vacancies were determined on a combination of shuttered or gutted buildings, boarded buildings, obvious vacant units or areas based on visible signs of either a lack of occupants or signs advertising space available.

In addition to vacant buildings and vacancies within buildings, the Project Area contains large vacant areas and vacant parcels within all blocks. Vacant land areas within the Project Area is discussed later in this report.

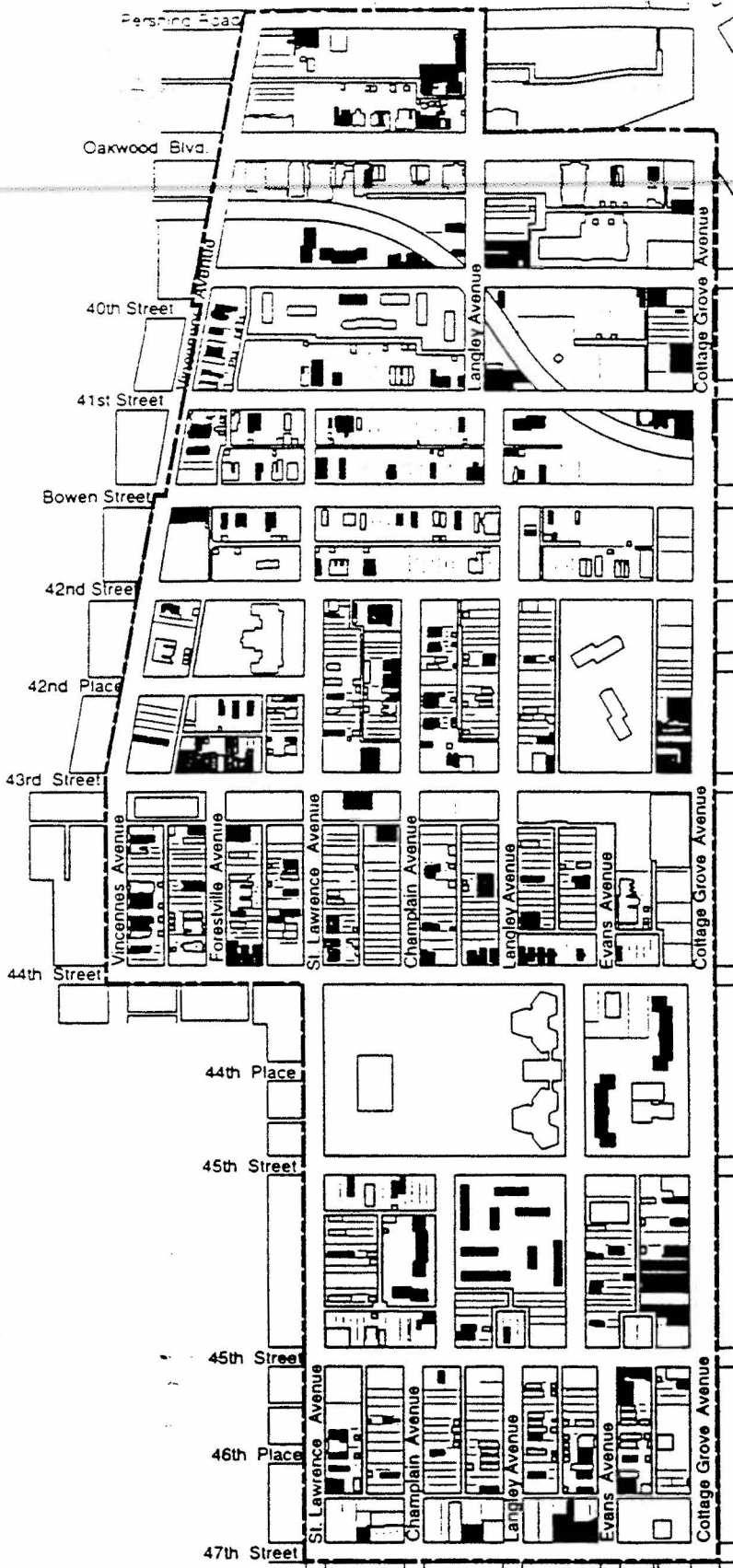


Figure 8
Structures Below Minimum Code

43rd Street/ Cottage Grove Ave.

Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

Prepared By Trkla, Pettigrew, Allen, & Payne, Inc.

Conclusion

Of the total 378 buildings, 47 buildings are totally vacant and 56 are partially vacant. Buildings with vacancies represent 27 percent of the total buildings in the area. Excessive vacancies as a factor is present to a major extent in 12 blocks and to a limited extent in 16 blocks.

Figure 9, *Excessive Vacancies*, illustrates buildings in the Project Area which are 20 percent or more vacant.

H. OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES

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

Conclusion

No conditions of overcrowding of structures and community facilities have been documented as part of the exterior or interior surveys undertaken within the Project Area.

I. LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES

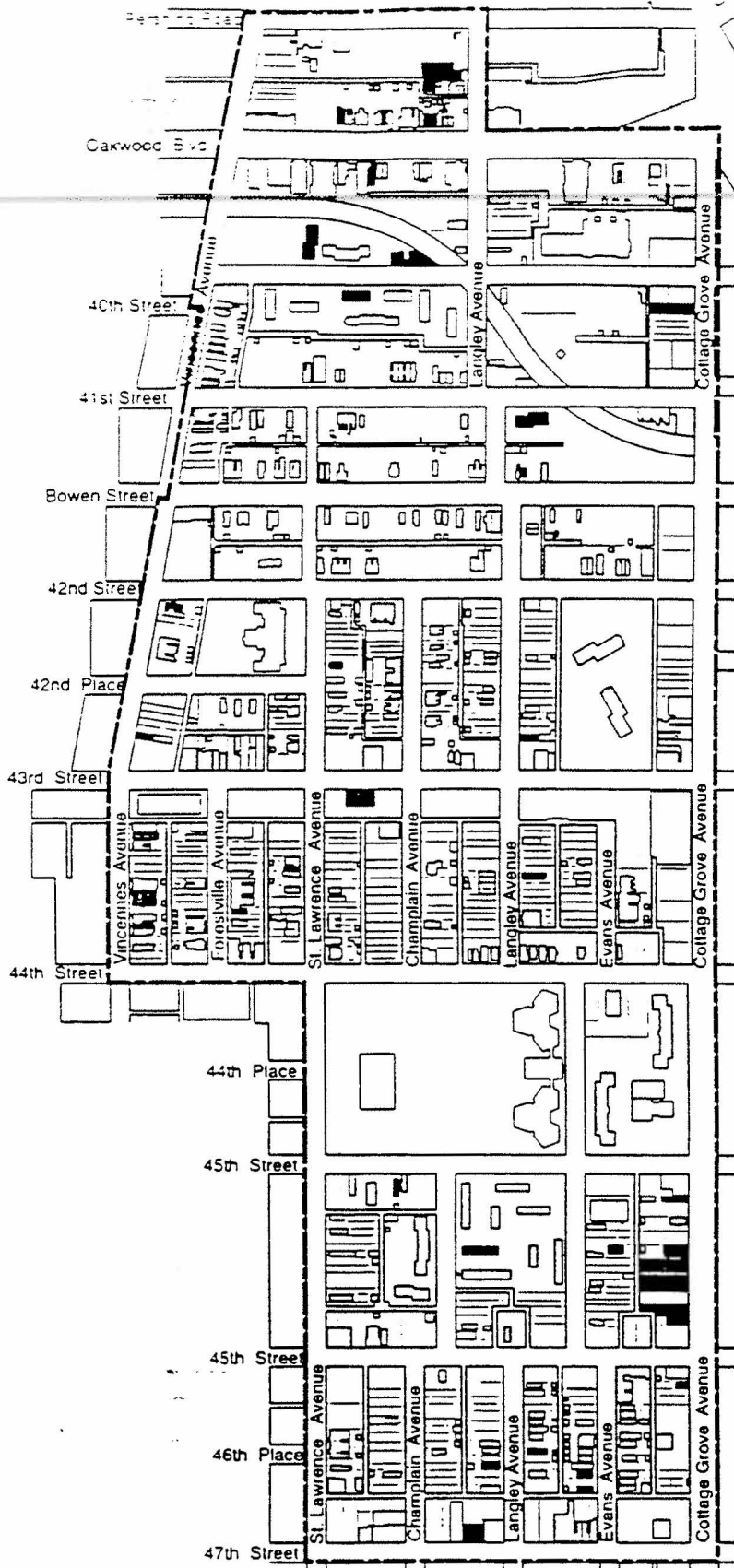
Lack of ventilation, light, or sanitary facilities refers to substandard conditions which adversely affect the health and welfare of building occupants, e.g., residents, employees, or visitors.

Typical requirements for ventilation, light, and sanitary facilities include:

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

Conclusions

The factor of lack of ventilation, light, or sanitary facilities is not documented as part of the exterior surveys conducted for the Project Area.



- Vacant Buildings
- Buildings Showing Partial Vacancies

Figure 9
Excessive Vacancies

43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

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J. INADEQUATE UTILITIES

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

Conclusions

No determination of existing utilities and conditions of inadequate utilities has been documented as part of the exterior surveys and analyses undertaken within the Project Area. However, existing utilities may need to be relocated or upgraded to adequately serve new development.

K. EXCESSIVE LAND COVERAGE

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

The area is mainly residential in character with commercial frontage along the major half mile and mile interval streets. A significant number of medium size multi-family structures and larger apartment buildings cover parcels to a degree that limit off-street parking. However, many buildings have been removed, reducing building coverage density. Lot size and building coverage in the area is not unlike the typical pattern within similar neighborhoods elsewhere in the city.

Conclusion

The factor of excessive land coverage is not sufficiently present in the Project Area to be considered present as a blighting factor.

L. DELETERIOUS LAND-USE OR LAYOUT

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, and uses which may be considered noxious, offensive or otherwise environmentally unsuitable.

Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of improper layout of buildings on parcels and in relation to other nearby buildings.

Eight blocks contain isolated commercial uses in blocks which are residential. A limited number of commercial uses are present within buildings by conversion of buildings which were intended to be residential. A number of properties contain multiple buildings on the same parcel. The incompatible mix and resulting conditions continue to have a negative affect in the areas adjacent to blocks in which these conditions are present.

Conclusion

The factor of deleterious land-use or layout including incompatible uses and improper platting is present to a major extent in 28 blocks and to a limited extent in 1 block.

Figure 10, *Deleterious Land Use or Layout*, illustrates these conditions in the Project Area.

M. DEPRECIATION OF PHYSICAL MAINTENANCE

Depreciation of physical maintenance refers to the deferred maintenance of buildings, parking areas and public improvements such as alleys, sidewalks and streets.

The presence of this factor within the Project Area includes:

- Buildings and Premises. Of the 378 buildings, 343 suffer from deferred maintenance of windows, doors, store fronts, exterior walls, cornices, fire escapes, porches and steps, fascias, gutters, downspouts and chimneys. Yards and premises throughout much of the area contain high weeds, deteriorated fencing, exposed junk storage, including junk cars and debris.
- Streets, Alleys, Sidewalks, Curbs and Gutters. One block of Vincennes Avenue and one block of St. Lawrence Avenue contains poor sections of pavement. All alleys require permanent paved surfaces. Sidewalks, curbs and gutters require replacement in sections of 25 of the 37 blocks.

Conclusion

The factor of depreciation of physical maintenance is present to a major extent in 31 (91%) of the 34 blocks in the Project Area.

Figure 11, *Depreciation of Physical Maintenance*, illustrates the presence of this factor in the Project Area.

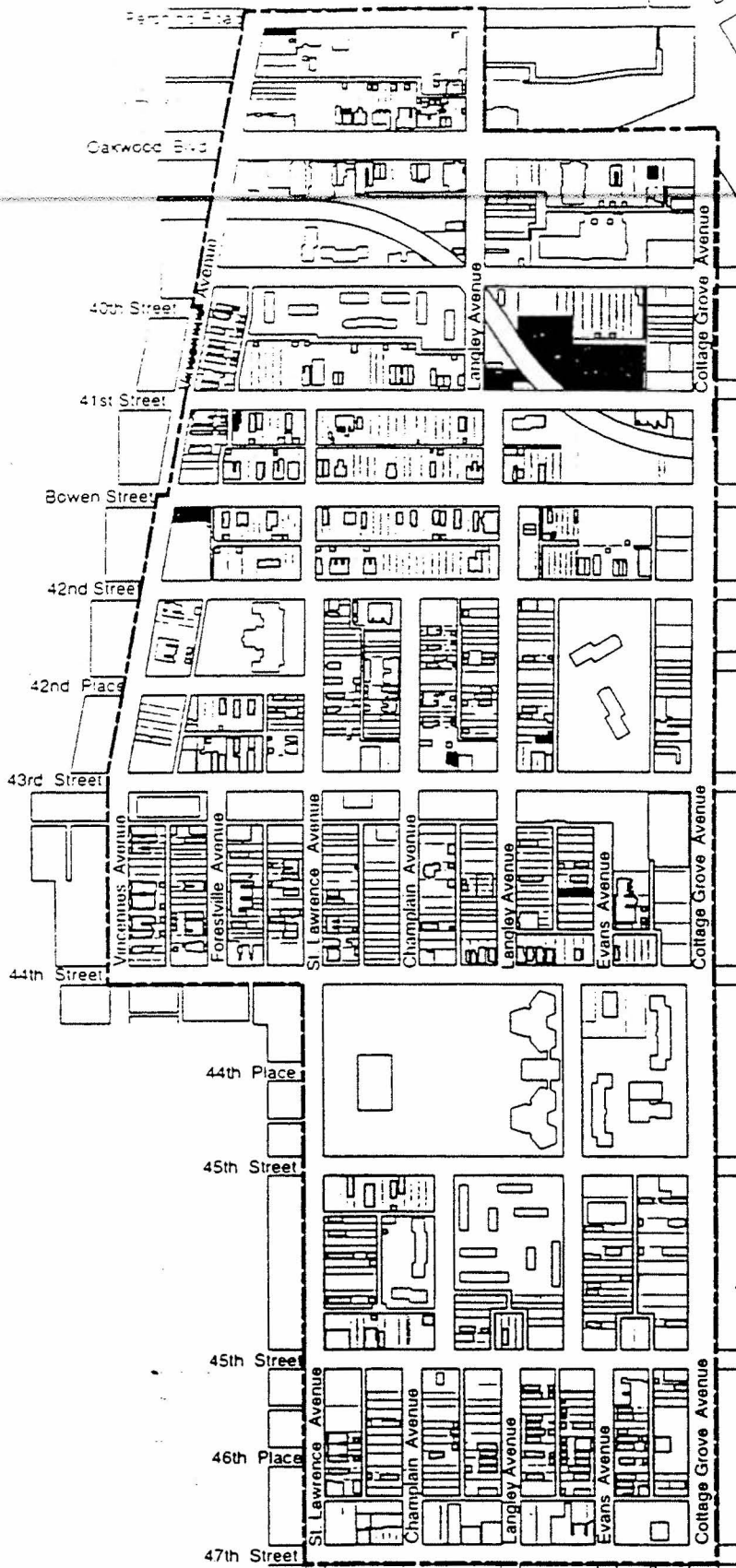


Figure 10
 Deleterious Land-use or Layout

43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

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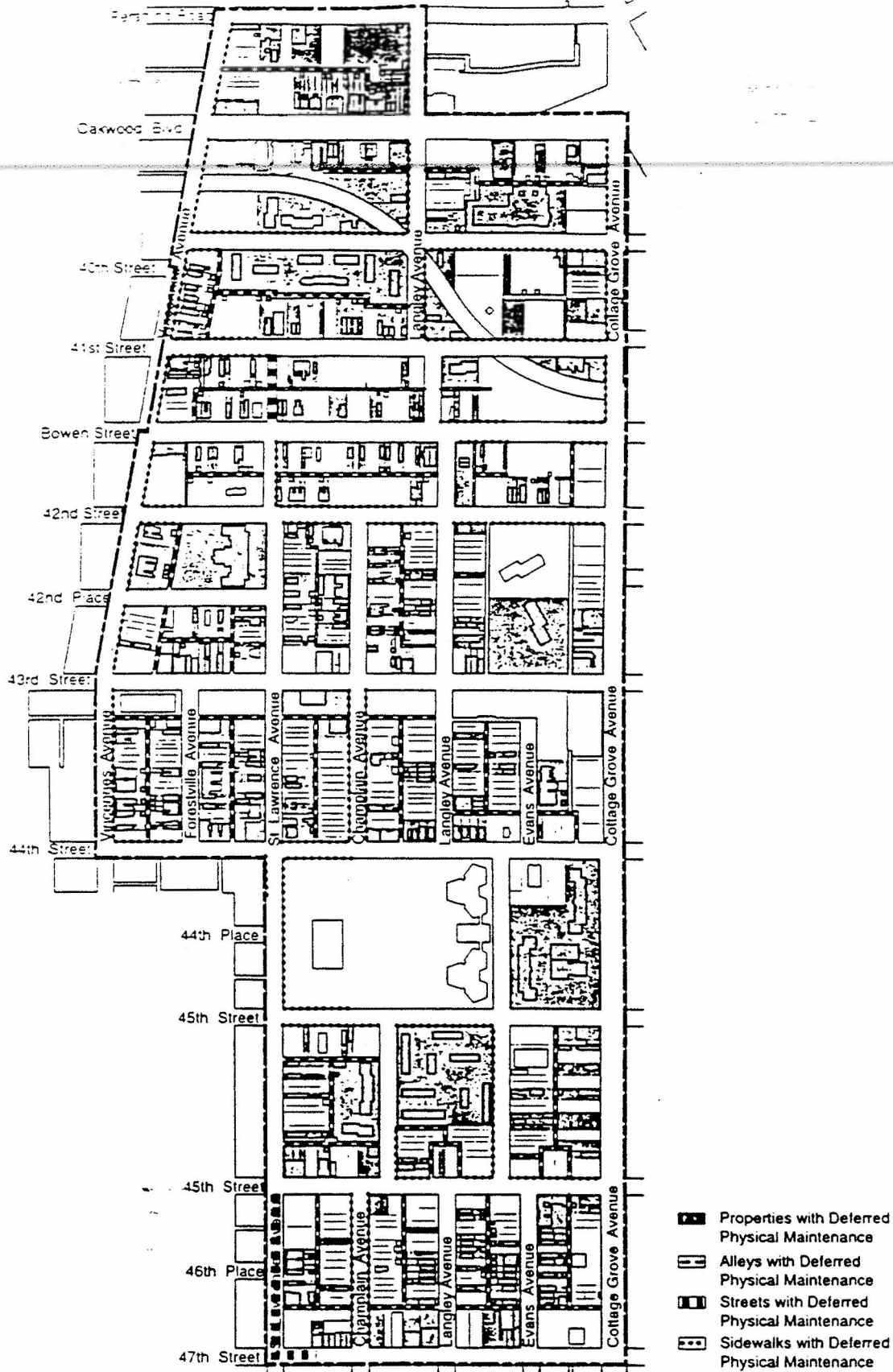


Figure 11
 Depreciation of Physical Maintenance

43rd Street/ Cottage Grove Ave. Chicago, Illinois

Tax Increment Financing Redevelopment Project Area

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N. LACK OF COMMUNITY PLANNING

The Project Area blocks were platted and buildings constructed prior to the existence of a ~~community plan. Residential blocks and the commercial frontage along the main streets were~~ originally platted and developed on a parcel-by-parcel and building-by-building basis, with little evidence of coordination and planning among buildings and activities. Large multi-story housing was placed as land became available adjacent to or in close proximity to low density housing, creating super blocks. Incompatible commercial activity impacts adjacent residential uses in several areas. The lack of community planning prior to development has contributed to some of the problem conditions which characterize the overall Project Area.

Conclusion

The factor of lack of community planning is present to a major extent throughout the entire Project Area.

IV. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS: VACANT AREAS

The entire Project Area contains a significant amount of vacant land consisting of major portions of blocks, in some cases, as well as scattered sites and individual parcels along the commercial frontage and within residential blocks.

Eligibility factors for vacant land areas as set forth in the Act have been evaluated for application within the entire area. Vacant land factors considered as part of this additional research and analysis include:

- Obsolete Platting
- Diversity of Ownership
- Tax and special assessment delinquencies of such land
- Deterioration of structures or site improvement adjacent to the vacant land

Obsolete Platting

Obsolete platting includes parcels of limited or narrow size and configuration, land-locked or parcels of irregular shape that would be difficult to develop on a planned individual basis and in a manner compatible with contemporary standards and requirements.

Diversity of Ownership

Diversity of ownership of the vacant land is documented to determine where separate ownership and interests in the land are sufficient in number to retard the ability to assemble the land for development of parcels of sufficient size to meet present-day standards.

Tax and Special Assessment Delinquencies

Tax or special assessment delinquencies refers to evidence of nonpayment of real estate property taxes and/or special assessments.

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

This factor is documented on the basis that deterioration of structures and site improvements are present and wide-spread as previously described in the "improved" portion of the Project Area under the "deterioration" factor and includes all vacant parcels and vacant land areas scattered throughout the entire Project Area.

Vacant Areas Factors

Vacant land, where residential or commercial buildings have been removed, consists of approximately 60.6 acres, or 30 percent of the total area. The blighted conditions for the "vacant" portion of the area include the following:

- Of the 34 blocks containing vacant parcels, all are impacted by obsolete platting, with parcels of limited size, or width, or irregular shape.
- Within the 34 block area, diversity of ownership among the vacant parcels includes 511 separate vacant tax parcels under 233 separate owners, or 45%.
- Within the entire Project Area, 156 of the 511 vacant parcels included delinquencies for assessment year 1995. 140 of the 156 parcels (82 percent) with delinquent 1995 taxes were also delinquent in at least one of the two previous years.
- Deterioration of structures and site improvements in areas adjacent to vacant land is documented for the Project Area as a whole.

V. DETERMINATION OF PROJECT AREA ELIGIBILITY

Improved Area

The "improved" portion of the Project Area meets the requirements of the Act for designation as an improved "blighted area." There is a reasonable presence and distribution of nine of the 14 factors listed in the Act for improved blighted areas. These blighting factors include the following:

1. Age
2. Dilapidation
3. Obsolescence
4. Deterioration
5. Structures below minimum code standards
6. Excessive vacancies
7. Deleterious land-use or layout
8. Depreciation of physical maintenance
9. Lack of community planning

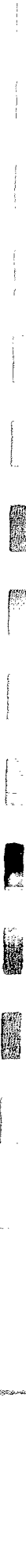
Of the nine factors found to be present, the following six factors are present to a major extent and reasonably distributed throughout the Area: Age, Deterioration, Structures below minimum code standards, Excessive vacancies, Depreciation of physical maintenance and Lack of community planning. The presence of five factors is required under the Act.

Vacant Area

The vacant areas within the Project Area meet the requirements of the Act for designation as a vacant "blighted area". Four of the five factors listed in the Act are present in the Project Area. These four factors are present in every block that contain vacant parcels. Two factors are required for eligibility as set forth in the Act. The factors for a vacant "blighted area" present in the Project Area include:

1. Obsolete Platting
2. Diversity of Ownership
3. Tax and special assessment delinquencies
4. Deterioration of structures or site improvement in areas adjacent to vacant land

A summary of blight factors by block is contained in Figure 12, *Summary of Blight Factors* and in Table 3, *Distribution of Blighting Factors*.



**Table 3: Distribution of Blighting Factors
Improved Area Factors**

<u>Blight Factors</u>	<u>BLOCK NUMBERS</u>										
	201	207	208	210	211	213	214	215	217	218	219
Age	■	■	■	■	■	■	■	■	■	■	■
Dilapidation	□	□	□	□	□		□	■	□	□	□
Obsolescence	□	□	□	□	□	□	□	□	□	□	□
Deterioration	■	■	■	■	■	■	■	■	■	■	■
Illegal use of individual structures											
Structures below minimum code	■	□	■	■	■	■	■	■	■	■	□
Excessive vacancies	■	□	□	■	□	□	□	■		□	□
Overcrowding of structures and community facilities											
Lack of ventilation, light or sanitary facilities											
Inadequate utilities											
Excessive land coverage											
Deleterious land-use or layout	□	□	□	□	■	□	□	□	□	□	□
Depreciation of physical maintenance	■	■	■	■	■	■	■	■	■	■	■
Lack of community planning	■	■	■	■	■	■	■	■	■	■	■

- Not present or not examined
- Present to a limited extent
- Present to a major extent

--continued--

Table 3 Distribution of Blighting Factors
--continued--

<u>Blight Factors</u>	<u>BLOCK NUMBERS</u>									
	406	410- 412	413	418	419	420	425	426	427	428
1 Age	■	■	■	■	■	■	■	■	■	■
2 Dilapidation				□	□	■	□	□	□	□
3 Obsolescence	□		□	□	□	□	□	□	□	□
4 Deterioration	■		■	■	■	■	■	■	■	■
5 Illegal use of individual structures										
6 Structures below minimum code	□		■	■	■	■	■	■	■	■
7 Excessive vacancies			■	■	■	■	□	□	□	□
8 Overcrowding of structures and community facilities										
9 Lack of ventilation, light or sanitary facilities										
10 Inadequate utilities										
11 Excessive land coverage										
12 Deleterious land-use or layout	□		□	□	□	□	□	□	□	□
13 Depreciation of physical maintenance	■	□	■	■	■	■	■	■	■	■
14 Lack of community planning	■	■	■	■	■	■	■	■	■	■

Not present or not examined
 Present to a limited extent
 Present to a major extent

The eligibility findings indicate that the Project Area is in need of revitalization and guided growth ~~to ensure that it will contribute to the long-term physical, economic, and social well-being of the~~ City. The Project Area is a blighted area and is deteriorating and declining. All factors indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without public action.