
2015 Annual Report

Read-Dunning Redevelopment Project Area



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

JUNE 30, 2016

FY 2015
ANNUAL TAX INCREMENT FINANCE
REPORT



STATE OF ILLINOIS
COMPTROLLER
LESLIE GEISSLER MUNGER

Name of Municipality: City of Chicago Reporting Fiscal Year: **2015**
County: Cook Fiscal Year End: **12/31/2015**
Unit Code: 016/620/30

TIF Administrator Contact Information

First Name: David L. Last Name: Reifman
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Telephone: (312) 744-4190 City: Chicago Zip: 60602
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Mobile n/a E-mail-required
Mobile Provider n/a Best way to contact Email Phone
 Mobile Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of Chicago is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Written signature of TIF Administrator

June 28, 2016

Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
24th/Michigan	7/21/1999	7/21/2022
26th and King Drive	1/11/2006	12/31/2030
35th and Wallace	12/15/1999	12/31/2023
35th/Halsted	1/14/1997	12/31/2021
35th/State	1/14/2004	12/31/2028
43rd/Cottage Grove	7/8/1998	12/31/2022
47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
49th Street/St. Lawrence Avenue	1/10/1996	12/31/2020
51st/ Archer	5/17/2000	12/31/2024
51st/Lake Park	11/15/2012	12/31/2036
53rd Street	1/10/2001	12/31/2025
60th and Western	5/9/1996	5/9/2019
63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
67th/Wentworth	5/4/2011	12/31/2035
69th/Ashland	11/3/2004	12/31/2028
71st and Stony Island	10/7/1998	10/7/2021
73rd/University	9/13/2006	12/31/2030
79th and Cicero	6/8/2005	12/31/2029

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Name of Municipality: Chicago Reporting Fiscal Year: **2015**
 County: Cook Fiscal Year End: **12 /31/2015**
 Unit Code: 016/620/30

79th Street Corridor	7/8/1998	7/8/2021
79th Street/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
95th and Western	7/13/1995	12/31/2019
105th/Vincennes	10/3/2001	12/31/2025
107th Halsted	4/2/2014	12/31/2038
111th Street/Kedzie Avenue Business District	9/29/1999	9/29/2022
119th and Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
126th and Torrence	12/21/1994	12/21/2017
Addison Corridor North	6/4/1997	6/4/2020
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2023
Archer/ Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2022
Bryn Mawr/Broadway	12/11/1996	12/11/2019
Calumet Avenue/Cermak Road	7/29/1998	7/29/2021
Calumet River	3/10/2010	12/31/2034
Canal/Congress	11/12/1998	12/31/2022
Central West	2/16/2000	12/31/2024
Chicago/ Kingsbury	4/12/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago Lakeside Development – Phase 1 (USX)	5/12/2010	12/31/2034
Cicero/Archer	5/17/2000	12/31/2024
Clark Street and Ridge Avenue	9/29/1999	9/29/2022
Clark/Montrose	7/7/1999	7/7/2022
Commercial Avenue	11/13/2002	12/31/2026
Devon/Sheridan	3/31/2004	12/31/2028
Devon/Western	11/3/1999	12/31/2023
Diversey/Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Drexel Boulevard	7/10/2002	12/31/2026
Edgewater/ Ashland	10/1/2003	12/31/2027

Name of Municipality: Chicago Reporting Fiscal Year: **2015**
 County: Cook Fiscal Year End: **12/31/2015**
 Unit Code: 016/620/30

Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	12/31/2025
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Forty-first Street and Dr. Martin Luther King, Jr. Drive	7/13/1994	12/31/2018
Foster California	4/2/2014	12/31/2038
Fullerton/ Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	12/31/2023
Goose Island	7/10/1996	7/10/2019
Greater Southwest Industrial Corridor (East)	3/10/1999	12/31/2023
Greater Southwest Industrial Corridor (West)	4/12/2000	12/31/2024
Harlem Industrial Park Conservation Area	3/14/2007	12/31/2031
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan-Arthington	2/5/1998	2/5/2021
Humboldt Park Commercial	6/27/2001	12/31/2025
Irving Park/Elston	5/13/2009	12/31/2033
Irving/Cicero	6/10/1996	12/31/2020
Jefferson Park Business District	9/9/1998	9/9/2021
Jefferson/ Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	12/31/2022
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
LaSalle Central	11/15/2006	12/31/2030
Lawrence/ Kedzie	2/16/2000	12/31/2024
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Lincoln-Belmont-Ashland	11/2/1994	12/31/2018
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026
Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2025
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2036
Montclare	8/30/2000	12/31/2024
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	7/30/2020
North Branch (North)	7/2/1997	12/31/2021
North Branch (South)	2/5/1998	2/5/2021
North Pullman	6/30/2009	12/31/2033
North-Cicero	7/30/1997	7/30/2020

Name of Municipality: Chicago Reporting Fiscal Year:
 County: Cook Fiscal Year End:
 Unit Code: 016/620/30

2015
 12 /31/2015

Northwest Industrial Corridor	12/2/1998	12/31/2022
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Pershing/King	9/5/2007	12/31/2031
Peterson/Cicero	2/16/2000	12/31/2024
Peterson/Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2022
Portage Park	9/9/1998	9/9/2021
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Corridor	6/9/1999	12/31/2023
Randolph and Wells	6/9/2010	12/31/2034
Ravenswood Corridor	3/9/2005	12/31/2029
Read-Dunning	1/11/1991	12/31/2027
River South	7/30/1997	7/30/2020
River West	1/10/2001	12/31/2025
Roosevelt/Canal	3/19/1997	12/31/2015
Roosevelt/Cicero	2/5/1998	2/5/2021
Roosevelt/Racine	11/4/1998	12/31/2034
Roosevelt/Union	5/12/1999	5/12/2022
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary Drainage and Ship Canal	7/24/1991	12/31/2027
South Chicago	4/12/2000	12/31/2024
South Works Industrial	11/3/1999	12/31/2023
Stevenson/Brighton	4/11/2007	12/31/2031
Stockyards Annex	12/11/1996	12/31/2020
Stockyards Southeast Quadrant Industrial	2/26/1992	12/31/2016
Stony Island Avenue Commercial and Burnside Industrial Corridors	6/10/1998	12/31/2034
Touhy/Western	9/13/2006	12/31/2030
Washington Park	10/8/2014	12/31/2038
Weed/Fremont	1/8/2008	12/31/2032
West Irving Park	1/12/2000	12/31/2024
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue Rock Island	2/8/2006	12/31/2030
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	2/5/2021
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	1/20/2022

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2015**

Name of Redevelopment Project Area: Read-Dunning Redevelopment Project Area
Primary Use of Redevelopment Project Area*: Combination/Mixed
If "Combination/Mixed" List Component Types: Commercial/Industrial
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/> Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A		X
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2015, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2015

TIF NAME: Read-Dunning Redevelopment Project Area

Fund Balance at Beginning of Reporting Period \$ 13,201,617

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	2,298,956	\$ 43,654,368	81%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	40,695	1,100,213	2%
Land/Building Sale Proceeds			0%
Bond Proceeds		7,035,000	13%
Transfers from Municipal Sources		1,811,000	3%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period 2,339,651

Cumulative Total Revenues/Cash Receipts \$ 53,600,581 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) 665,180

Distribution of Surplus 603,915

Total Expenditures/Disbursements 1,269,095

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS 1,070,556

FUND BALANCE, END OF REPORTING PERIOD* \$ 14,272,173

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Total Amount Restricted (Carried forward from Section 3.3) \$ 13,280,173

(a) Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the extraordinary administrative burden of developing cumulative City records prior to the City's conversion to its current accounting system in 2003.

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 665,180

Section 3.2 B

FY 2015

TIF NAME: Read-Dunning Redevelopment Project Area

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

Name	Service	Amount
City Staff Costs ¹	Administration	\$59,683
Sebis Direct	Professional Service	\$13,263
Camiros Ltd.	Professional Service	\$13,343
SomerCor 504, Inc.	Rehabilitation Program	\$37,231
MQ Sewer & Water Contractors	Public Improvement	\$102,789
Chastain & Associates	Public Improvement	\$172,719
John McDonough	Public Improvement	\$18,084
Civiltech Engineering	Public Improvement	\$229,149

¹ Costs relate directly to the salaries and fringe benefits of employees working solely on tax increment financing districts.

* This table may include payments for Projects that were undertaken prior to 11/1/1999.

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FY 2015

TIF NAME: Read-Dunning Redevelopment Project Area

FUND BALANCE, END OF REPORTING PERIOD \$ 14,272,173

Amount of Original Issuance	Amount Restricted
-----------------------------	-------------------

1. Description of Debt Obligations

	\$ -	\$ -
Restricted for debt service		

Total Amount Restricted for Obligations \$ - \$ -

2. Description of Project Costs to be Paid

		\$ 13,280,173
Restricted for future redevelopment project costs		

Total Amount Restricted for Project Costs \$ 13,280,173

TOTAL AMOUNT RESTRICTED \$ 13,280,173

SURPLUS*/(DEFICIT) \$ 992,000

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See instructions and statutes)

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2015

TIF NAME: Read-Dunning Redevelopment Project Area

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

 X No property was acquired by the Municipality Within the Redevelopment Project Area

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

PAGE 1

FY 2015

TIF NAME: Read-Dunning Redevelopment Project Area

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			
			<u>3</u>
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken	\$ 22,118,427	\$ -	\$ 2,000,000
Public Investment Undertaken	\$ 3,707,529	\$ 63,500	\$ 1,440,616
Ratio of Private/Public Investment	5 85/88		1 33/85
Project 1:			
Autumn Green		Project Completed	
Private Investment Undertaken	\$ 22,118,427		
Public Investment Undertaken	\$ 3,214,100		
Ratio of Private/Public Investment	6 82/93		0
Project 2:			
Small Business Improvement Fund (SBIF) **		Project is Ongoing ***	
Private Investment Undertaken			\$ 2,000,000
Public Investment Undertaken	\$ 114,750	\$ 11,500	\$ 1,000,000
Ratio of Private/Public Investment	0		2
Project 3:			
TIFWorks - Read Dunning **		Project is Ongoing ***	
Private Investment Undertaken			
Public Investment Undertaken	\$ 378,679	\$ 52,000	\$ 440,616
Ratio of Private/Public Investment	0		0
Project 4:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 8:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 13:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

** Depending on the particular goals of this type of program, the City may: i) make an advance disbursement of the entire public investment amount to the City's program administrator, ii) disburse the amounts through an escrow account, or iii) pay the funds out piecemeal to the program administrator or to the ultimate grantee as each ultimate grantee's work is approved under the program.

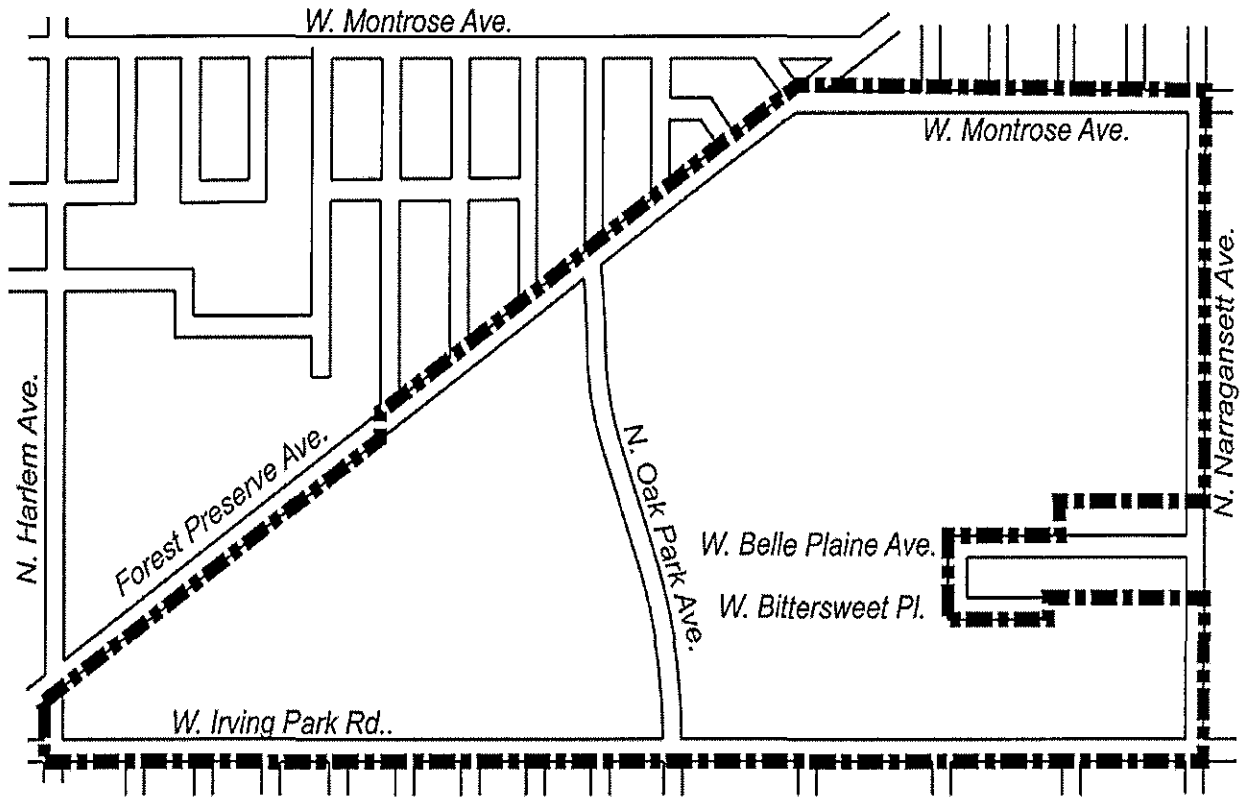
*** As of the last date of the reporting fiscal year, the construction of this Project was ongoing; the Private Investment Undertaken and Ratio figures for this Project will be reported on the Annual Report for the fiscal year in which the construction of the Project is completed and the total Private Investment figure is available.

General Notes

(a) Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenues. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

(b) Each amount reported here under Public Investment Undertaken, Total Estimated to Complete Project, is the maximum amount of payments financed by tax increment revenues that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Section 3 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions, including interest that may be payable on developer notes as set forth in the Project's operating documents.

**Read-Dunning Redevelopment Project Area
2015 Annual Report**



READ/DUNNING TAX INCREMENT
REDEVELOPMENT PROJECT AREA

REDEVELOPMENT PLAN AND PROJECT

Plan Approved: January 11, 1991
Revision Number 1 Approved: December 13, 2000

Revision Number 2

February 27, 2015

Prepared for:
The City of Chicago

By:
Camiros, Ltd.

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EXECUTIVE SUMMARY

To induce redevelopment pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), the City Council (the "City Council") of the City of Chicago (the "City") adopted three ordinances on January 11, 1991, approving the Read/Dunning Redevelopment Project Area Plan and Project (the "Original Plan"), designating the Read/Dunning Redevelopment Project Area (the "R.P.A.") as a redevelopment project area under the Act, and adopting tax increment allocation financing for the Redevelopment Project Area. On December 13, 2000, the City Council adopted an ordinance approving an amendment to the Original Plan ("Revision Number 1"). The Original Plan as amended by Revision Number 1 shall be known herein as the "Redevelopment Plan," a copy of which is included as Exhibit 7 in the Appendix hereof.

The Redevelopment Plan is now being amended further by this Revision Number 2 to extend the estimated date of completion of the Redevelopment Project pursuant to Public Act 098-0667 authorizing such extension, to update the General Land Use Plan and budget to reflect the land use pattern resulting from the initial redevelopment phases and provide land use guidance through the extension period, and to update certain Redevelopment Plan language in accordance with the provisions of the Act.

The R.P.A. is generally bounded by Harlem Avenue to the west, Forest Preserve Drive and Montrose Avenue to the north, Narragansett Avenue to the east and Irving Park Road to the south. Excluded from the R.P.A. is the Dunning Estates subdivision (West Belle Plaine Avenue, Neenah Avenue and Bittersweet Place). There is no change to the Project Area boundary.

While the R.P.A. did not include any residential units at the time of its original designation, as a result of implementation of the Redevelopment Plan there are currently 823 residential units within the R.P.A. This total does not include the 200-bed Chicago-Read Mental Health Center, which is an in-patient psychiatric hospital located at 4200 North Oak Park Avenue. A discussion of housing impact has been added as a new section of this Revision Number 2 as described below.

This Revision Number 2 summarizes the analyses and findings of the work of Camiros, Ltd. (the "Consultant"), which work, unless otherwise noted, is the responsibility of the Consultant. The City is entitled to rely on the findings and conclusions of this Revision Number 2 in amending the Redevelopment Plan under the Act. The Consultant has prepared this Revision Number 2 with the understanding that the City would rely on: 1) the eligibility findings and conclusions of the Redevelopment Plan, and 2) the fact that the Redevelopment Plan, as amended hereby, contains the necessary information to be compliant with the Act.

MODIFICATIONS TO READ/DUNNING REDEVELOPMENT PLAN

The amendments to the Redevelopment Plan are outlined below. Each of the changes detailed below follow the format of Redevelopment Plan, which is included as Exhibit 7 in the Appendix.

SECTION I. INTRODUCTION

No changes.

SECTION II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

No changes.

SECTION III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

Replace the introductory paragraph of this section with the following language:

The Redevelopment Plan is consistent with City plans for the area and agreements with the State of Illinois. The land uses conform to those approved by the Chicago Planning Commission and development will be consistent with the requirements of the Chicago Zoning Ordinance. The following goals and objectives are provided to guide development of the R.P.A.

Under "General Goals" add the following additional general goal:

- 7) Reduce or eliminate those conditions that qualified the R.P.A. as a "blighted area" under the Act.

Under "Specific Objectives" replace the first objective as follows:

- 1) To encourage redevelopment of the land located within the RPA, as well as any vacant or underutilized properties nearby for industrial, commercial, institutional, public, residential or appropriate mixed uses.

Under "Redevelopment Objectives" add the following additional redevelopment objective:

- f) Provide public facilities, including schools, to serve Project Area residents and residents in the surrounding neighborhood.

SECTION IV. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

No changes.

SECTION V. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

Replace Subsection A in its entirety with the new Subsection A, provided below.

A. **Redevelopment Plan**

The City proposes to achieve the Redevelopment Plan's goals through the use of public financing techniques, including tax increment financing, and by undertaking some or all of the following actions:

Property Assembly and Site Preparation

To meet the goals and objectives of this Plan, the City may acquire and assemble property throughout the R.P.A. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the City's 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. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

In connection with the City exercising its power to acquire real property, including the exercise of the power of eminent domain, under the Act in implementing the Redevelopment Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Plan.

Intergovernmental and Redevelopment Agreements

The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

Terms of redevelopment as part of a redevelopment project may be incorporated in appropriate redevelopment agreements. For example, the City may agree to reimburse a developer for incurring certain eligible redevelopment project costs under the Act. Such agreements may contain specific development controls as allowed by the Act.

Affordable Housing

The City requires that developers who receive TIF assistance for market rate housing set aside 20 percent of the units to meet affordability criteria established by the City's Department of Planning and Development or any successor agency. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 100 percent of the area median income, and affordable rental units should be affordable to persons earning no more than 60 percent of the area median income.

Job Training

To the extent allowable under the Act, job training costs may be directed toward training activities designed to enhance the competitive advantages of the R.P.A and to attract additional employers to the R.P.A. Working with employers and local community organizations, job training and job readiness programs may be provided that meet employers' hiring needs, as allowed under the Act. A job readiness/training program is a component of the Redevelopment Plan. The City expects to encourage hiring that maximizes job opportunities for Chicago residents, especially those persons living in and around the R.P.A.

Relocation

Relocation assistance may be provided in order to facilitate redevelopment of portions of the R.P.A., and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.

Analysis, Professional Services and Administrative Activities

The City may undertake or engage professional consultants, engineers, architects, attorneys, and others to conduct various analyses, studies, administrative legal services or other professional services to establish, implement and manage the Redevelopment Plan.

Provision of Public Improvements and Facilities

Adequate public improvements and facilities may be provided to service the R.P.A. Public improvements and facilities may include, but are not limited to construction of new public streets, street closures to facilitate assembly of development sites, upgrading streets, signalization improvements, provision of pedestrian improvements, streetscape amenities, parking improvements, utility improvements and relocation of public facilities to accommodate new development. Construction of new public schools or other public facilities within the R.P.A. as well as linkages between public facilities may also be considered.

Financing Costs Pursuant to the Act

Interest on any obligations issued under the Act accruing during the estimated period of construction of the redevelopment project and other financing costs may be paid from the incremental tax revenues pursuant to the provisions of the Act.

Interest Costs Pursuant to the Act

Pursuant to the Act, the City may allocate a portion of the incremental tax revenues to pay or reimburse developers for interest costs incurred in connection with redevelopment activities in order to enhance the redevelopment potential of the R.P.A.

B. Redevelopment Activities

Replace Subsection B in its entirety with the new Subsection B, provided below.

B. Redevelopment Project Description

The Redevelopment Plan seeks to facilitate redevelopment of the R.P.A. through phased redevelopment to: 1) facilitate consolidation of State of Illinois facilities to allow private development to occur within the R.P.A., 2) attract private investment to the R.P.A. primarily in the form of new residential and industrial development, and 3) complete the redevelopment of the R.P.A. through the provision of new roadways and other public infrastructure and public facilities. The resulting land use mix is intended to accommodate a broad mix of public, private and institutional uses.

The Redevelopment Plan recognizes that new private investment is needed to improve and revitalize the R.P.A. Public investments in infrastructure and community facilities will also be required. The redevelopment of the R.P.A. is expected to encourage economic revitalization within the R.P.A. and the surrounding area. The major physical improvement elements anticipated as a result of implementing the Redevelopment Plan are outlined below.

Public Facilities and Improvements

The City may provide a variety of public improvements within the R.P.A. to enhance the immediate area as a whole, to support the Redevelopment Plan and Project, and to serve the needs of City residents and businesses. Relocation and reconstruction of certain public facilities may be required to facilitate the preparation of private development sites or to accommodate the construction of new streets or the extension of utility lines to serve the R.P.A. or improve access. Certain properties that may be acquired by the City and certain properties presently owned by the City (e.g. street rights-of-way and public facilities) may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the City to a private developer, in whole or in part, for redevelopment subject to invitation for proposal requirements contained in the Act or otherwise required by City policy.

Industrial Development

In order to strengthen the industrial district that has developed in and adjacent to the R.P.A., land may be assembled and sold to industrial users.

Residential Development

Residential development represents a continuation of the residential neighborhoods that surround the R.P.A. In view of the intensity of the use mix planned for the Project Area, multi-family development is the most appropriate residential development type.

Institutional Uses

A variety of institutional uses are located within the R.P.A., which are supported by the uses provided on the State of Illinois campus located within the R.P.A. west of Oak Park Avenue.

C. General Land Use Plan

Delete the existing text contained in this subsection and replace with the following language:

As shown in Exhibit 4, prior to adoption of the Read/Dunning Tax Increment Redevelopment Plan and Project, existing land uses were institutional, industrial and commercial/retail. Exhibit 5: General Land Use Plan identifies the land uses expected to result from implementation of the Redevelopment Plan and include the following:

- ***Commercial*** – This land use category includes retail facilities, offices and other complementary commercial and service uses.
- ***Industrial*** – This land use category includes industrial and complementary commercial, office and service uses.
- ***Industrial/Commercial*** – This land use designation includes property that may transition from industrial to commercial use or vice versa as a result of redevelopment activity.
- ***Residential*** – Multi-family buildings are the predominant residential development type under this land use category.
- ***Institutional*** – This land use designation includes religious and educational facilities.
- ***Institutional/Open Space*** – This land use category includes a variety of public uses on land owned by the State of Illinois and the City of Chicago, as well as institutional users providing a variety of education, health and other complementary services. The locations of specific

uses within this land use category are subject to the provisions of the Chicago Zoning Ordinance as such may be amended from time to time, including any Planned Development ("PD") undertaken within the R.P.A.

These land uses are intended to promote sound and healthy land use relationships as well as facilitate the use of TIF funds to support redevelopment projects in accordance with the goals and objectives of the Redevelopment Plan.

Locations of specific uses, or public infrastructure improvements, may vary from the General Land Use Plan as a result of more detailed planning and site design activities. Such variations are permitted without amendment to the Redevelopment Plan as long as they are consistent with the Redevelopment Plan's goals and objectives and the land uses and zoning approved by the Chicago Plan Commission. The Redevelopment Project shall be subject to the provisions of the Chicago Zoning Ordinance, as such may be amended from time to time, including any Planned Development (PD) undertaken within the R.P.A.

D. Estimated Redevelopment Project Costs

Delete and replace the text of the entire subsection with the following text:

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

In the event the Act is amended after the date of approval of this Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11), this Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the Redevelopment Plan, to the extent permitted by the Act. In the event of such amendment(s) to the Act, the City may add any new eligible redevelopment project costs as a line item in Table 1 or otherwise adjust the line items in Table 1 without amendment to this Plan, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total Redevelopment Project Costs without a further amendment to this Plan.

Eligible Redevelopment Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this 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, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) The costs of marketing sites within the R.P.A. to prospective businesses, developers and investors;

- c) 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, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
- d) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project, the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
- e) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
- f) Costs of job training and retraining projects including the cost of "welfare to work" programs implemented by businesses located within the R.P.A.;
- g) Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- h) To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan;
- i) An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
- j) Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law or by Section 74.4-3(n)(7) of the Act (see Relocation under Section V(A));
- k) Payment in lieu of taxes, as defined in the Act;
- l) Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs; (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the R.P.A.; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City 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, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;

- m) Interest costs 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 the Act;
 2. such payments in any one year may not exceed 30% 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 amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
 4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project; (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
 5. up to 75% of the Interest cost incurred by a redeveloper for the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- n) Instead of the eligible costs provided for in (m) 2, 4 and 5 above, the City may pay up to 50% of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and
- o) The costs of daycare services for children of employees from low-income families working for businesses located within the R.P.A. and all or a portion of the cost of operation of day care centers established by R.P.A. businesses to serve employees from low-income families working in businesses located in the R.P.A. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.
- p) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- q) 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 R.P.A. for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

The original redevelopment project budget (T.I.F. Redevelopment Project Read-Dunning Area Estimated Project Costs) is hereby replaced with a new budget (Table 1: ESTIMATED REDEVELOPMENT PROJECT COSTS). This change reflects additional planned development phases, the addition of new eligible project expense categories that have been added pursuant to amendments to the Act, since the Redevelopment Plan was approved, and the extension of the estimated date of Redevelopment Project completion.

T.I.F. Redevelopment Project Read-Dunning Area Estimated Project Costs (Original Budget)		Table 1: ESTIMATED REDEVELOPMENT PROJECT COSTS (Revised Budget)	
Phase 1 And Phase 2			
Program Actions/Improvements	Estimated Costs (A)	Eligible Expense	Estimated Cost
1. Land Acquisition and Assembly Costs including Demolition and Clearance/Site Preparation.	\$4,700,000	Property Assembly and Site Preparation	\$10,000,000
2. Construction of Public Facilities and Buildings, Rehabilitation and Related public improvements including the relocation of existing utilities and the provision of utility service.	\$5,500,000	Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements	\$6,000,000
3. Utility Improvements including, but not limited to, water, storm, sanitary sewer the service of public facilities.	\$2,000,000	Public Improvements, including streets and utilities, parks and open space, public facilities (schools and other public facilities) ⁽¹⁾	\$47,000,000
4. Construction and Reconfiguration of Parking, Rights-of-Way and Street Improvements/Construction, Signalization, Traffic Control, and Lighting, Landscaping, Buffering and Streetscaping.	\$1,500,000		
5. Interest Costs Pursuant to the Act.	\$1,000,000	Interest Subsidy	\$4,400,000
6. Planning, Legal, Engineering, Administrative and Other Professional Service Costs.	\$700,000	Professional and Administrative Services, including analysis, administration, studies, surveys and legal	\$1,500,000
7. Relocation.	\$300,000	Relocation Costs	\$500,000
8. Job Training.	\$300,000	Job Training and Retraining implemented by businesses including Welfare-to-Work	\$2,000,000
		Marketing, etc.	\$100,000
		Day Care Services	\$100,000
		Affordable Housing Construction and Rehabilitation Cost	\$4,400,000
Total Estimated Costs	\$16,000,000	TOTAL REDEVELOPMENT COSTS ^{(2) (3)}	\$76,000,000 ⁽⁴⁾
(A) All project cost estimates are in 1990 dollars. In addition to the above stated costs, any issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each		Table 1 Notes ⁽¹⁾ This category may also include paying for or reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the R.P.A. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay,	

individual project cost will be re-evaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of the line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.

(2) The Total Redevelopment Costs represent an upper limit on expenditures that are to be funded using tax increment revenues and exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Costs. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act.

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

(4) All costs are in 2015 dollars and may be increased by five percent (5%) after adjusting for inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenasha, IL-IN-WI CMSA, published by the U.S. Department of Labor.

Additional funding from other sources such as federal, state, county, or local grant funds may be utilized to supplement the City's ability to finance the Estimated Redevelopment Project Costs identified above.

E. Sources of Funds to Pay Redevelopment Project Costs Eligible Under Illinois TIF Statute

Delete and replace the text of the entire subsection with the following text:

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur redevelopment project costs which are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed from such costs from Incremental taxes. 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 R.P.A. may be contiguous to or separated by only a public right-of-way from other redevelopment project areas created under the Act. The City may utilize net incremental property taxes received from the R.P.A. to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or project areas separated only by a public right-of-way, and vice versa. The amount of revenue from the R.P.A., 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 R.P.A., shall not at any time exceed the total Redevelopment Project Costs described in this Plan.

The R.P.A. may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.61-1 et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas, or those separated only by a public right-of-way, are interdependent with those of the R.P.A., the City may determine that it is in the best interests of the City, and in furtherance of the purposes of the Redevelopment Plan, that net revenues from the R.P.A. be made available to support any such redevelopment project areas and vice versa. The City therefore proposes to utilize net incremental revenues received from the R.P.A. to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the R.P.A. and such areas. The amount of revenue from the R.P.A. made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the R.P.A., or other areas described in the preceding paragraph, shall not at any time exceed the Total Redevelopment Costs described in Table 1: Estimated Redevelopment Project Costs.

F. Nature and Term of Obligations to be Issued

Delete and replace the text of the entire subsection with the following text:

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 obligations bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year following the year in which the ordinance approving the R.P.A. is adopted.

Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Plan. 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. To the extent that Incremental Property Taxes are not needed for these purposes, and are not otherwise required, pledged, earmarked or otherwise designated for the payment of Redevelopment Project Costs, any excess Incremental Property Taxes shall then become available for distribution annually to taxing districts having jurisdiction over the R.P.A. in the manner provided by the Act.

G. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Project Area

Add the following sentence at the end of the current text:

The Cook County Clerk certified that as of January 11, 1991, the total initial equalized assessed value of all taxable real property situated within the Read/Dunning Redevelopment Project Area is \$6,382,072.

H. Anticipated Equalized Assessed Valuation

Delete and replace the entire subsection with the following text:

Upon completion of the anticipated private development within the R.P.A., it is estimated that the equalized assessed valuation of property within the R.P.A. will be approximately \$56.8 million. This estimate has been calculated assuming that the R.P.A. will be developed in accordance with the General Land Use Plan presented in Exhibit 5.

The estimated EAV assumes that the assessed value of property within the R.P.A. will increase substantially as a result of new development and public improvements. Calculation of the estimated EAV is based on several assumptions, including that 1) the redevelopment of the R.P.A. will occur in a timely manner and 2) property values will increase over time as the revitalization of the R.P.A. continues to be realized.

Add the following new subsection as described below:

I. Financial Impact on Taxing Districts

The Act requires an assessment of any financial impact of the R.P.A. on, or any increased demand for services from, any taxing district affected by the Redevelopment Plan and a description of any program to address such financial impacts or increased demand. The City intends to monitor development in the R.P.A. and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

SECTION VI. SCHEDULING OF REDEVELOPMENT PROJECT

A. Redevelopment Project

The first paragraph of this section is hereby deleted and replaced with the following:

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. It is anticipated that redevelopment will occur in phases over the 35 year life of the R.P.A.

B. Commitment to Fair Employment Practices and Affirmative Action

The entire section is hereby deleted and replaced with the following:

The City is committed to and will affirmatively implement the following principles with respect to the R.P.A.:

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or housing status.
- B) Redevelopers must meet the City's standards for participation of 24 percent Minority Business Enterprises and 4 percent Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

C. Completion of Redevelopment Project and Retirement of Obligations to Finance Redevelopment Costs

The text of this section is hereby deleted and replaced with the following text:

The Redevelopment Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year following the year in which the ordinance approving the Redevelopment Plan was adopted (December 31, 2027).

SECTION VII. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN AND PROJECT

No changes.

Following Section VII, a new Section VIII is inserted as follows:

SECTION VIII. HOUSING IMPACT

As set forth in the Act, if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan.

The R.P.A. contains 823 residential units that have all been built since the adoption of the Redevelopment Plan. This total does not include the 200-bed Chicago-Read Mental health Center, which is an in-patient psychiatric hospital located at 4200 North Oak Park Avenue. Since these units were built in furtherance of the general land use plan and to realize the City's redevelopment goals and objectives, the City has certified that no residential displacement will occur as a result of the Redevelopment Plan.

Exhibit 1 – Legal Description

No changes

Exhibit 2 – Vicinity Map

The original Exhibit 2 map has been replaced with a new map that better reflects the location of the R.P.A. within the context of the surrounding area conforms to the boundaries of the R.P.A. as legally described.

Exhibit 3 – Boundary Map

There are no changes to the boundary of the R.P.A. However, Exhibit 3 has been replaced by a new Exhibit 3 – Boundary Map that reflects the 2013 tax parcel divisions improves legibility for the reader.

Exhibit 4 – Existing Land Use Map

No changes.

Exhibit 5 – Intended Land Use Map

Replace Exhibit 5 with a new Exhibit 5 – General Land Use Plan.

Immediately following Exhibit 5, insert new exhibits as follows:

Exhibit 6: Certificate of Initial Equalized Assessed Valuation

Exhibit 7: Read/Dunning Tax Increment Redevelopment Plan and Project

APPENDIX

Three replacement maps (Exhibit 2, Exhibit 3 and Exhibit 5) and new Exhibits 6 and 7 are provided on the following pages.

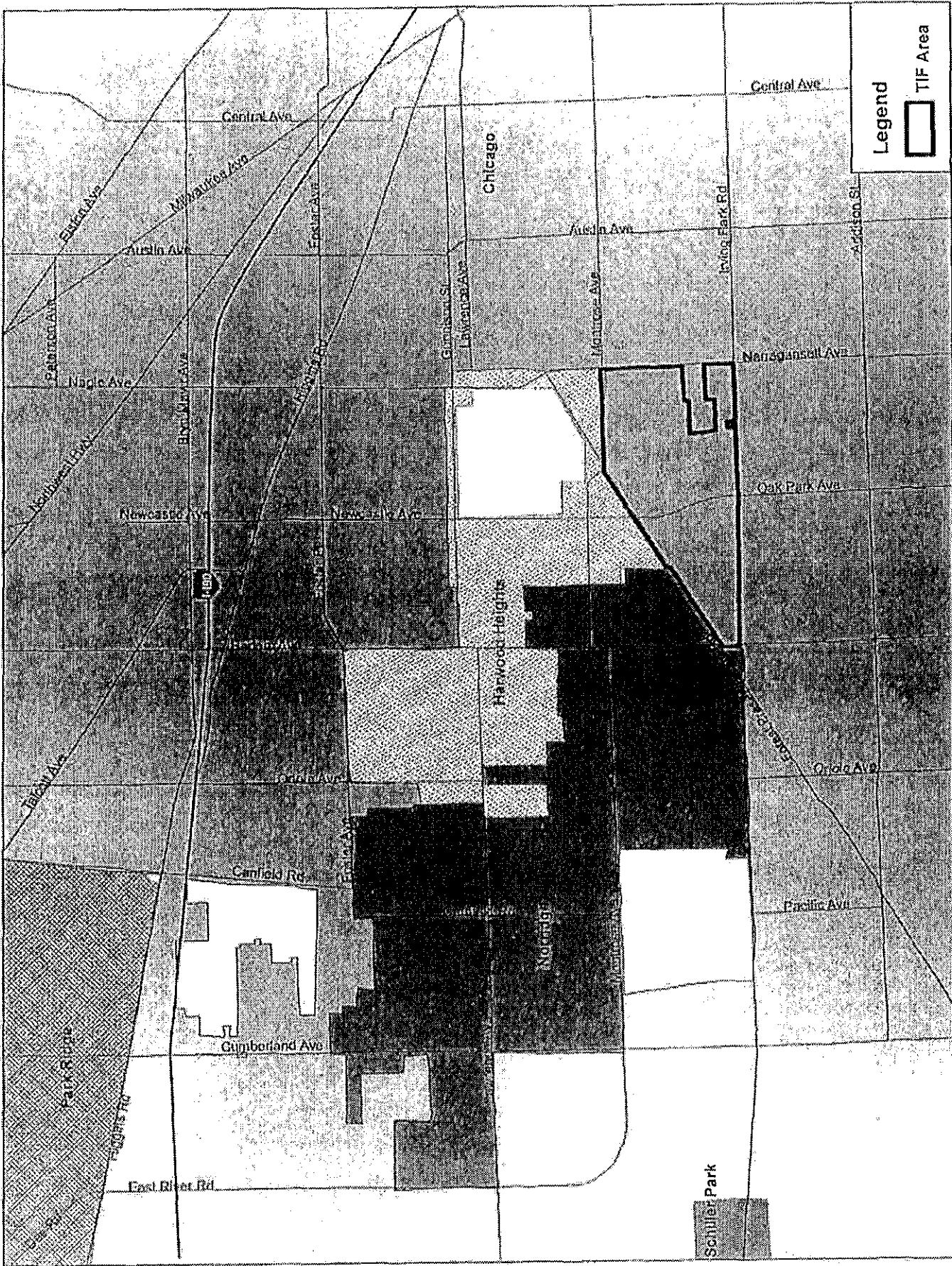
Exhibit 2 – Vicinity Map

Exhibit 3 – Boundary Map

Exhibit 5 – General Land Use Plan

Exhibit 6 – Certificate of Initial Equalized Assessed Valuation

Exhibit 7 – Read/Dunning Tax Increment Redevelopment Plan and Project



camiros
 Miles 0 0.25 0.5

Exhibit 2 - Vicinity Map
 Read/Dunning TIF
 Revision Number 2

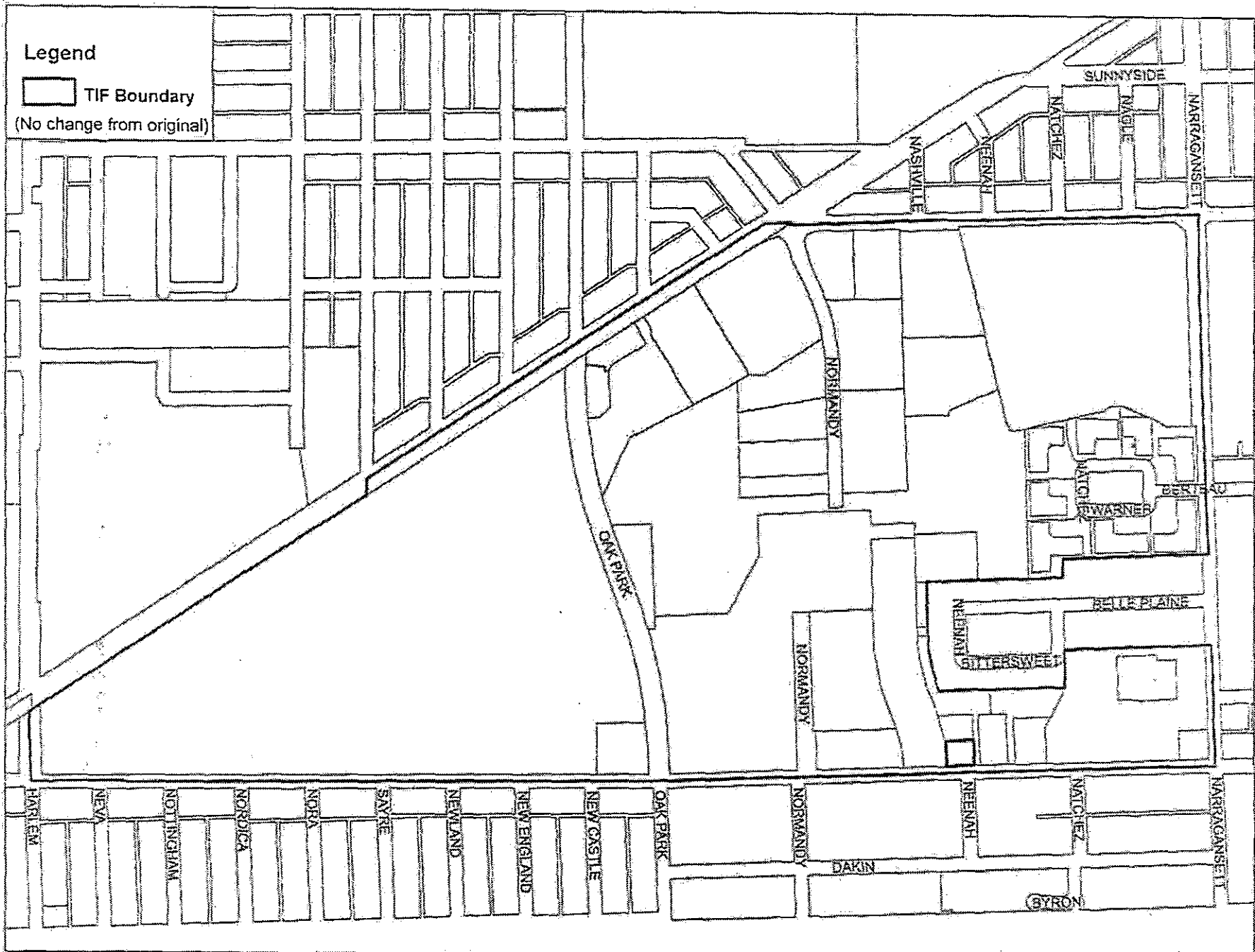
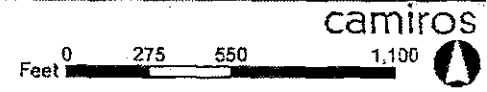


Exhibit 3 - Boundary Map
 Read/Dunning TIF
 Revision Number 2



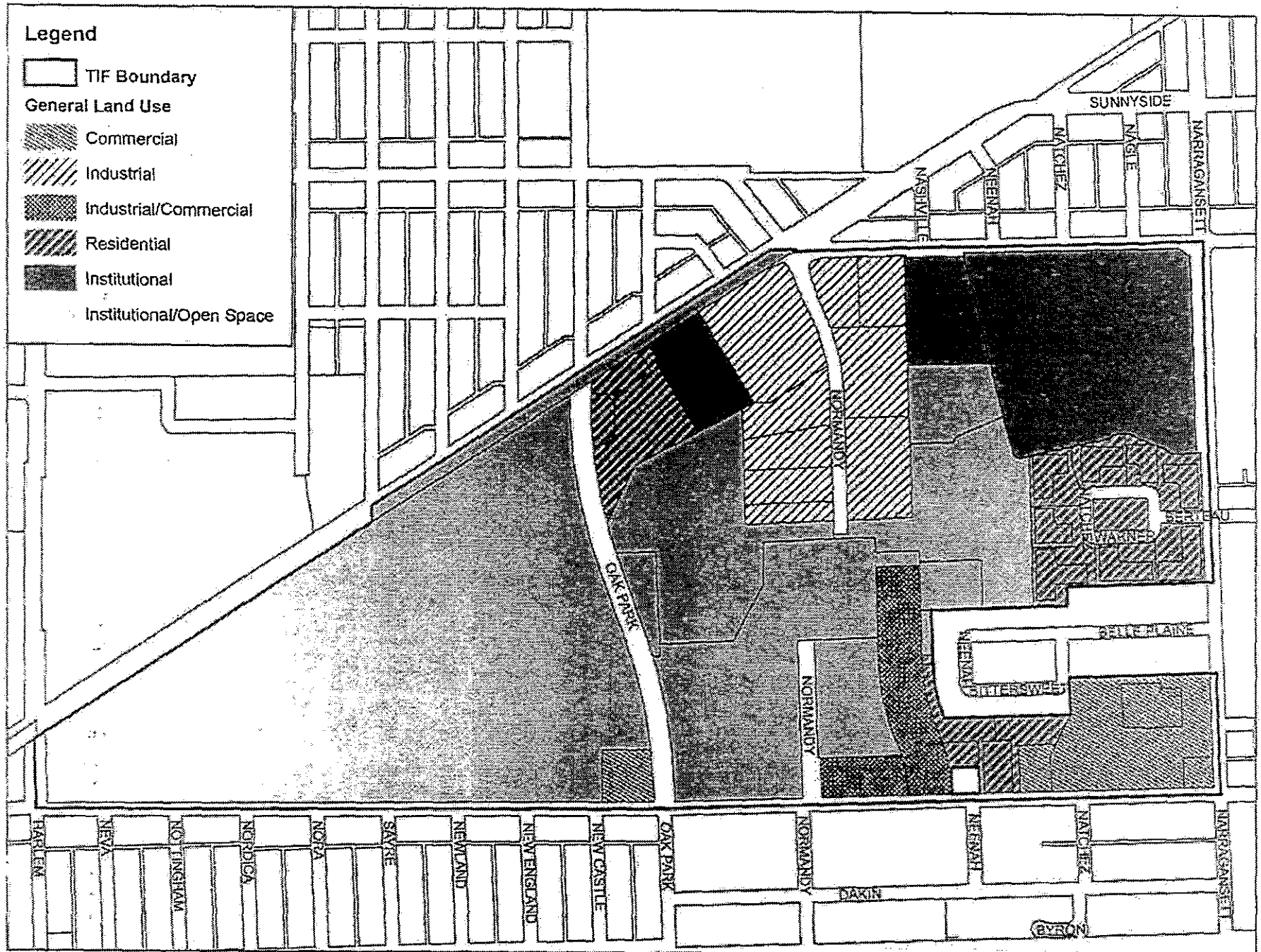


Exhibit 5 - General Land Use Plan

Read/Dunning TIF
Revision Number 2

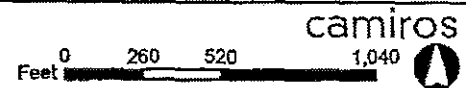


Exhibit 6
Certificate of Initial Equalized Assessed Valuation

*Read/Dunning TIF
Revision Number 2
February 27, 2015*

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF INITIAL EQUALIZED ASSESSED VALUATION

I, DAVID D. ORR, do hereby certify that I am the duly qualified and acting Clerk of the County of Cook in the State of Illinois. As such Clerk and pursuant to Section 11-74.4-9 of the Real Property Tax Increment Allocation Redevelopment Act (Illinois Revised Statutes, Chap. 24) I do further:

CERTIFY THAT on March 11, 1992, I received certified copies of the following Ordinances adopted by the City of Chicago, Cook County, Illinois on January 11, 1991:

1. "An Ordinance Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Chicago Read-Dunning Redevelopment Project Area";
2. "An Ordinance Designating the Chicago Read-Dunning Redevelopment Project Area and Redevelopment Project Area pursuant to the Tax Increment Allocation Redevelopment Project Act"; and
3. "An Ordinance Adopting Tax Increment Allocation Financing for the Chicago Read-Dunning Redevelopment Project Area".

CERTIFY THAT the area constituting the Tax Increment Redevelopment Project Area subject to Tax Increment Financing in the City of Chicago, Cook County, Illinois, is legally described in said Ordinances.

CERTIFY THAT the initial equalized assessed value of each lot, block, and parcel of real property within the said City of Chicago Project Area as of January 11, 1991 is as set forth in the document attached hereto and made a part hereof as Exhibit "A";

CERTIFY THAT the total initial equalized assessed value of all taxable real property situated within the said City of Chicago Tax Increment Redevelopment Project Area is:

TAX CODE AREA 71035

\$ 6,382,072.00

for a total of

SIX MILLION, THREE HUNDRED EIGHTY-TWO THOUSAND, SEVENTY-TWO
DOLLARS AND NO CENTS

(\$6,382,072.00)

such total initial equalized assessed value as of January 11, 1991, having been computed and ascertained from the official records on file in my office and as set forth in Exhibit "A".

IN WITNESS WHEREOF, I have hereunto affixed my signature and the corporate seal of COOK COUNTY this 18th day of December, 2014.

County Clerk

(S E A L)

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-006-0000	91,016
13-18-409-008-0000	493,635
13-18-409-012-0000	0
13-18-409-015-0000	234,264
13-18-409-021-0000	223,678
13-18-409-023-0000	1,503,643
13-18-409-024-0000	1,503,643
13-18-409-025-0000	0
13-18-409-032-1001	2,192
13-18-409-032-1002	2,192
13-18-409-032-1003	2,192
13-18-409-032-1004	2,192
13-18-409-032-1005	2,192
13-18-409-032-1006	2,192
13-18-409-032-1007	2,193
13-18-409-032-1008	2,193
13-18-409-032-1009	2,193
13-18-409-032-1010	2,193
13-18-409-032-1011	2,193
13-18-409-032-1012	2,193
13-18-409-032-1013	2,193
13-18-409-032-1014	2,193
13-18-409-032-1015	2,193
13-18-409-032-1016	2,193
13-18-409-032-1017	2,193
13-18-409-032-1018	2,193
13-18-409-032-1019	2,193

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1989 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
--	---

13-18-409-032-1020	2,193
13-18-409-032-1021	2,193
13-18-409-032-1022	2,193
13-18-409-032-1023	2,193
13-18-409-032-1024	2,193
13-18-409-032-1025	2,193
13-18-409-032-1026	2,193
13-18-409-032-1027	2,193
13-18-409-032-1028	2,193
13-18-409-032-1029	2,193
13-18-409-032-1030	2,193
13-18-409-032-1031	2,193
13-18-409-032-1032	2,193
13-18-409-032-1033	2,193
13-18-409-032-1034	2,193
13-18-409-032-1035	2,193
13-18-409-032-1036	2,193
13-18-409-032-1037	2,193
13-18-409-032-1038	2,193
13-18-409-032-1039	2,193
13-18-409-032-1040	2,193
13-18-409-032-1041	2,193
13-18-409-032-1042	2,193
13-18-409-032-1043	2,193
13-18-409-032-1044	2,193
13-18-409-032-1045	2,193
13-18-409-032-1046	2,193

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1989 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
--	---

13-18-409-032-1047	2,193
13-18-409-032-1048	2,193
13-18-409-032-1049	2,193
13-18-409-032-1050	2,193
13-18-409-033-1001	2,193
13-18-409-033-1002	2,193
13-18-409-033-1003	2,193
13-18-409-033-1004	2,193
13-18-409-033-1005	2,193
13-18-409-033-1006	2,193
13-18-409-033-1007	2,193
13-18-409-033-1008	2,193
13-18-409-033-1009	2,193
13-18-409-033-1010	2,193
13-18-409-033-1011	2,193
13-18-409-033-1012	2,193
13-18-409-033-1013	2,193
13-18-409-033-1014	2,193
13-18-409-033-1015	2,193
13-18-409-033-1016	2,193
13-18-409-033-1017	2,193
13-18-409-033-1018	2,193
13-18-409-033-1019	2,193
13-18-409-033-1020	2,193
13-18-409-033-1021	2,193
13-18-409-033-1022	2,193
13-18-409-033-1023	2,193

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-033-1024	2,193
13-18-409-033-1025	2,193
13-18-409-033-1026	2,193
13-18-409-033-1027	2,193
13-18-409-033-1028	2,193
13-18-409-033-1029	2,193
13-18-409-033-1030	2,193
13-18-409-033-1031	2,193
13-18-409-033-1032	2,193
13-18-409-033-1033	2,193
13-18-409-033-1034	2,193
13-18-409-033-1035	2,193
13-18-409-033-1036	2,193
13-18-409-033-1037	2,193
13-18-409-033-1038	2,193
13-18-409-033-1039	2,193
13-18-409-033-1040	2,193
13-18-409-033-1041	2,193
13-18-409-033-1042	2,193
13-18-409-033-1043	2,193
13-18-409-033-1044	2,193
13-18-409-033-1045	2,193
13-18-409-033-1046	2,193
13-18-409-033-1047	2,193
13-18-409-033-1048	2,193
13-18-409-033-1049	2,193
13-18-409-033-1050	2,193

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO--READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1989 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
--	---

13-18-409-034-1001	137
13-18-409-034-1002	137
13-18-409-034-1003	137
13-18-409-034-1004	137
13-18-409-034-1005	137
13-18-409-034-1006	137
13-18-409-034-1007	137
13-18-409-034-1008	137
13-18-409-034-1009	137
13-18-409-034-1010	137
13-18-409-034-1011	138
13-18-409-034-1012	138
13-18-409-034-1013	138
13-18-409-034-1014	138
13-18-409-034-1015	138
13-18-409-034-1016	138
13-18-409-034-1017	138
13-18-409-034-1018	138
13-18-409-034-1019	138
13-18-409-034-1020	138
13-18-409-034-1021	138
13-18-409-034-1022	138
13-18-409-034-1023	138
13-18-409-034-1024	138
13-18-409-034-1025	138
13-18-409-034-1026	138
13-18-409-034-1027	138

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO--READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1989 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
13-18-409-034-1028	138
13-18-409-034-1029	138
13-18-409-034-1030	138
13-18-409-034-1031	138
13-18-409-034-1032	138
13-18-409-034-1033	138
13-18-409-034-1034	138
13-18-409-034-1035	138
13-18-409-034-1036	138
13-18-409-034-1037	138
13-18-409-034-1038	138
13-18-409-034-1039	138
13-18-409-034-1040	138
13-18-409-034-1041	138
13-18-409-034-1042	138
13-18-409-034-1043	138
13-18-409-034-1044	138
13-18-409-034-1045	138
13-18-409-034-1046	138
13-18-409-034-1047	138
13-18-409-034-1048	138
13-18-409-034-1049	138
13-18-409-034-1050	138
13-18-409-042-0000	0
13-18-409-045-0000	0
13-18-409-051-0000	0
13-18-409-052-0000	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-053-0000	1,671,119
13-18-409-054-0000	0
13-18-409-055-0000	0
13-18-409-058-0000	0
13-18-409-060-0000	7,929
13-18-409-062-0000	0
13-18-409-063-0000	0
13-18-409-064-0000	0
13-18-409-065-0000	0
13-18-409-066-0000	0
13-18-409-067-0000	0
13-18-409-068-0000	0
13-18-409-069-1001	0
13-18-409-069-1002	0
13-18-409-069-1003	0
13-18-409-069-1004	0
13-18-409-069-1005	0
13-18-409-069-1006	0
13-18-409-069-1007	0
13-18-409-069-1008	0
13-18-409-069-1009	0
13-18-409-069-1010	0
13-18-409-069-1011	0
13-18-409-069-1012	0
13-18-409-069-1013	0
13-18-409-069-1014	0
13-18-409-069-1015	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1016	0
13-18-409-069-1017	0
13-18-409-069-1018	0
13-18-409-069-1019	0
13-18-409-069-1020	0
13-18-409-069-1021	0
13-18-409-069-1022	0
13-18-409-069-1023	0
13-18-409-069-1024	0
13-18-409-069-1025	0
13-18-409-069-1026	0
13-18-409-069-1027	0
13-18-409-069-1028	0
13-18-409-069-1029	0
13-18-409-069-1030	0
13-18-409-069-1031	0
13-18-409-069-1032	0
13-18-409-069-1033	0
13-18-409-069-1034	0
13-18-409-069-1035	0
13-18-409-069-1036	0
13-18-409-069-1037	0
13-18-409-069-1038	0
13-18-409-069-1039	0
13-18-409-069-1040	0
13-18-409-069-1041	0
13-18-409-069-1042	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1043	0
13-18-409-069-1044	0
13-18-409-069-1045	0
13-18-409-069-1046	0
13-18-409-069-1047	0
13-18-409-069-1048	0
13-18-409-069-1049	0
13-18-409-069-1050	0
13-18-409-069-1051	0
13-18-409-069-1052	0
13-18-409-069-1053	0
13-18-409-069-1054	0
13-18-409-069-1055	0
13-18-409-069-1056	0
13-18-409-069-1057	0
13-18-409-069-1058	0
13-18-409-069-1059	0
13-18-409-069-1060	0
13-18-409-069-1061	0
13-18-409-069-1062	0
13-18-409-069-1063	0
13-18-409-069-1064	0
13-18-409-069-1065	0
13-18-409-069-1066	0
13-18-409-069-1067	0
13-18-409-069-1068	0
13-18-409-069-1069	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1070	0
13-18-409-069-1071	0
13-18-409-069-1072	0
13-18-409-069-1073	0
13-18-409-069-1074	0
13-18-409-069-1075	0
13-18-409-069-1076	0
13-18-409-069-1077	0
13-18-409-069-1078	0
13-18-409-069-1079	0
13-18-409-069-1080	0
13-18-409-069-1081	0
13-18-409-069-1082	0
13-18-409-069-1083	0
13-18-409-069-1084	0
13-18-409-069-1085	0
13-18-409-069-1086	0
13-18-409-069-1087	0
13-18-409-069-1088	0
13-18-409-069-1089	0
13-18-409-069-1090	0
13-18-409-069-1091	0
13-18-409-069-1092	0
13-18-409-069-1093	0
13-18-409-069-1094	0
13-18-409-069-1095	0
13-18-409-069-1096	0

UL

12

0.

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1097	0
13-18-409-069-1098	0
13-18-409-069-1099	0
13-18-409-069-1100	0
13-18-409-069-1101	0
13-18-409-069-1102	0
13-18-409-069-1103	0
13-18-409-069-1104	0
13-18-409-069-1105	0
13-18-409-069-1106	0
13-18-409-069-1107	0
13-18-409-069-1108	0
13-18-409-069-1109	0
13-18-409-069-1110	0
13-18-409-069-1111	0
13-18-409-069-1112	0
13-18-409-069-1113	0
13-18-409-069-1114	0
13-18-409-069-1115	0
13-18-409-069-1116	0
13-18-409-069-1117	0
13-18-409-069-1118	0
13-18-409-069-1119	0
13-18-409-069-1120	0
13-18-409-069-1121	0
13-18-409-069-1122	0
13-18-409-069-1123	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1124	0
13-18-409-069-1125	0
13-18-409-069-1126	0
13-18-409-069-1127	0
13-18-409-069-1128	0
13-18-409-069-1129	0
13-18-409-069-1130	0
13-18-409-069-1131	0
13-18-409-069-1132	0
13-18-409-069-1133	0
13-18-409-069-1134	0
13-18-409-069-1135	0
13-18-409-069-1136	0
13-18-409-069-1137	0
13-18-409-069-1138	0
13-18-409-069-1139	0
13-18-409-069-1140	0
13-18-409-069-1141	0
13-18-409-069-1142	0
13-18-409-069-1143	0
13-18-409-069-1144	0
13-18-409-069-1145	0
13-18-409-069-1146	0
13-18-409-069-1147	0
13-18-409-069-1148	0
13-18-409-069-1149	0
13-18-409-069-1150	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1151	0
13-18-409-069-1152	0
13-18-409-069-1153	0
13-18-409-069-1154	0
13-18-409-069-1155	0
13-18-409-069-1156	0
13-18-409-069-1157	0
13-18-409-069-1158	0
13-18-409-069-1159	0
13-18-409-069-1160	0
13-18-409-069-1161	0
13-18-409-069-1162	0
13-18-409-069-1163	0
13-18-409-069-1164	0
13-18-409-069-1165	0
13-18-409-069-1166	0
13-18-409-069-1167	0
13-18-409-069-1168	0
13-18-409-069-1169	0
13-18-409-069-1170	0
13-18-409-069-1171	0
13-18-409-069-1172	0
13-18-409-069-1173	0
13-18-409-069-1174	0
13-18-409-069-1175	0
13-18-409-069-1176	0
13-18-409-069-1177	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1178	0
13-18-409-069-1179	0
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13-18-409-069-1181	0
13-18-409-069-1182	0
13-18-409-069-1183	0
13-18-409-069-1184	0
13-18-409-069-1185	0
13-18-409-069-1186	0
13-18-409-069-1187	0
13-18-409-069-1188	0
13-18-409-069-1189	0
13-18-409-069-1190	0
13-18-409-069-1191	0
13-18-409-069-1192	0
13-18-409-069-1193	0
13-18-409-069-1194	0
13-18-409-069-1195	0
13-18-409-069-1196	0
13-18-409-069-1197	0
13-18-409-069-1198	0
13-18-409-069-1199	0
13-18-409-069-1200	0
13-18-409-069-1201	0
13-18-409-069-1202	0
13-18-409-069-1203	0
13-18-409-069-1204	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1205	0
13-18-409-069-1206	0
13-18-409-069-1207	0
13-18-409-069-1208	0
13-18-409-069-1209	0
13-18-409-069-1210	0
13-18-409-069-1211	0
13-18-409-069-1212	0
13-18-409-069-1213	0
13-18-409-069-1214	0
13-18-409-069-1215	0
13-18-409-069-1216	0
13-18-409-069-1217	0
13-18-409-069-1218	0
13-18-409-069-1219	0
13-18-409-069-1220	0
13-18-409-069-1221	0
13-18-409-069-1222	0
13-18-409-069-1223	0
13-18-409-069-1224	0
13-18-409-069-1225	0
13-18-409-069-1226	0
13-18-409-069-1227	0
13-18-409-069-1228	0
13-18-409-069-1229	0
13-18-409-069-1230	0
13-18-409-069-1231	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

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13-18-409-069-1233	0
13-18-409-069-1234	0
13-18-409-069-1235	0
13-18-409-069-1236	0
13-18-409-069-1237	0
13-18-409-069-1238	0
13-18-409-069-1239	0
13-18-409-069-1240	0
13-18-409-069-1241	0
13-18-409-069-1242	0
13-18-409-069-1243	0
13-18-409-069-1244	0
13-18-409-069-1245	0
13-18-409-069-1246	0
13-18-409-069-1247	0
13-18-409-069-1248	0
13-18-409-069-1249	0
13-18-409-069-1250	0
13-18-409-069-1251	0
13-18-409-069-1252	0
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13-18-409-069-1255	0
13-18-409-069-1256	0
13-18-409-069-1257	0
13-18-409-069-1258	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1259	0
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13-18-409-069-1261	0
13-18-409-069-1262	0
13-18-409-069-1263	0
13-18-409-069-1264	0
13-18-409-069-1265	0
13-18-409-069-1266	0
13-18-409-069-1267	0
13-18-409-069-1268	0
13-18-409-069-1269	0
13-18-409-069-1270	0
13-18-409-069-1271	0
13-18-409-069-1272	0
13-18-409-069-1273	0
13-18-409-069-1274	0
13-18-409-069-1275	0
13-18-409-069-1276	0
13-18-409-069-1277	0
13-18-409-069-1278	0
13-18-409-069-1279	0
13-18-409-069-1280	0
13-18-409-069-1281	0
13-18-409-069-1282	0
13-18-409-069-1283	0
13-18-409-069-1284	0
13-18-409-069-1285	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-069-1286	0
13-18-409-069-1287	0
13-18-409-069-1288	0
13-18-409-069-1289	0
13-18-409-069-1290	0
13-18-409-069-1291	0
13-18-409-069-1292	0
13-18-409-069-1293	0
13-18-409-069-1294	0
13-18-409-069-1295	0
13-18-409-069-1296	0
13-18-409-070-0000	0
13-18-409-072-0000	0
13-18-409-073-0000	0
13-18-409-074-1001	0
13-18-409-074-1002	0
13-18-409-074-1003	0
13-18-409-074-1004	0
13-18-409-074-1005	0
13-18-409-074-1006	0
13-18-409-074-1007	0
13-18-409-074-1008	0
13-18-409-074-1009	0
13-18-409-074-1010	0
13-18-409-074-1011	0
13-18-409-074-1012	0
13-18-409-074-1013	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-074-1014	0
13-18-409-074-1015	0
13-18-409-074-1016	0
13-18-409-074-1017	0
13-18-409-074-1018	0
13-18-409-074-1019	0
13-18-409-074-1020	0
13-18-409-074-1021	0
13-18-409-074-1022	0
13-18-409-074-1023	0
13-18-409-074-1024	0
13-18-409-074-1025	0
13-18-409-074-1026	0
13-18-409-074-1027	0
13-18-409-074-1028	0
13-18-409-074-1029	0
13-18-409-074-1030	0
13-18-409-074-1031	0
13-18-409-074-1032	0
13-18-409-074-1033	0
13-18-409-074-1034	0
13-18-409-074-1035	0
13-18-409-074-1036	0
13-18-409-074-1037	0
13-18-409-074-1038	0
13-18-409-074-1039	0
13-18-409-074-1040	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-074-1041	0
13-18-409-074-1042	0
13-18-409-074-1043	0
13-18-409-074-1044	0
13-18-409-074-1045	0
13-18-409-074-1046	0
13-18-409-074-1047	0
13-18-409-074-1048	0
13-18-409-074-1049	0
13-18-409-074-1050	0
13-18-409-074-1051	0
13-18-409-074-1052	0
13-18-409-074-1053	0
13-18-409-074-1054	0
13-18-409-074-1055	0
13-18-409-074-1056	0
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13-18-409-074-1062	0
13-18-409-074-1063	0
13-18-409-074-1064	0
13-18-409-074-1065	0
13-18-409-074-1066	0
13-18-409-074-1067	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-074-1068	0
13-18-409-074-1069	0
13-18-409-074-1070	0
13-18-409-074-1071	0
13-18-409-074-1072	0
13-18-409-074-1073	0
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13-18-409-074-1075	0
13-18-409-074-1076	0
13-18-409-074-1077	0
13-18-409-074-1078	0
13-18-409-074-1079	0
13-18-409-074-1080	0
13-18-409-074-1081	0
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13-18-409-074-1083	0
13-18-409-074-1084	0
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13-18-409-074-1092	0
13-18-409-074-1093	0
13-18-409-074-1094	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

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13-18-409-074-1108	0
13-18-409-074-1109	0
13-18-409-074-1110	0
13-18-409-074-1111	0
13-18-409-074-1112	0
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13-18-409-074-1118	0
13-18-409-074-1119	0
13-18-409-074-1120	0
13-18-409-074-1121	0

DATE 12/18/2014 AGENCY: 03-0210-585, TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

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13-18-409-074-1148	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

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13-18-409-078-1002	0
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13-18-409-078-1020	0
13-18-409-078-1021	0
13-18-409-078-1022	0
13-18-409-078-1023	0
13-18-409-078-1024	0
13-18-409-078-1025	0

DATE 12/18/2014 AGENCY: 03-0210-585 TIF CITY OF CHICAGO-READ DUNNING

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:

1989 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

13-18-409-078-1026	0
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13-18-409-078-1028	0
13-18-409-078-1029	0
13-18-409-078-1030	0
13-18-409-078-1031	0
13-18-409-078-1032	0
13-18-409-078-1033	0
13-18-409-078-1034	0
13-18-409-078-1035	0
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13-18-409-083-0000	0
13-18-409-084-0000	0
13-18-409-085-0000	0
13-18-409-086-0000	0
13-18-409-087-0000	0
13-18-409-088-0000	179
13-18-409-089-0000	1,073

TOTAL INITIAL EAV FOR TAXCODE: 71035

6,382,072

TOTAL PRINTED: 670

Exhibit 7

Read/Dunning Tax Increment Redevelopment Plan and Project

*Read/Dunning TIF
Revision Number 2
February 27, 2015*

Exhibit "D".

City Of Chicago

Read-Dunning Tax Increment

Redevelopment Area

Redevelopment Plan And Project

August, 1990.

I.

Introduction.

The Read-Dunning Project Site is located on the City of Chicago's (the "City") northwest side. Until recently the entire site was part of the Chicago-Read Mental Health Center, owned by the State of Illinois and managed by the Illinois Department of Mental Health and Development Disabilities (D.M.H.D.D.). However, over the last several years the State has determined that a significant portion of the area is no longer needed for its original purposes. Accordingly, in 1985 the northeast corner was transferred to the City Colleges of Chicago for a Wright College Facility; in 1988 the southeast corner was sold off for residential and commercial development.

In 1912 the area (bounded roughly by Harlem Avenue to the west, Forest Preserve Drive and Montrose Avenue to the north, Narragansett Avenue to the east, and Irving Park Road to the south), was transferred to the State and became the Chicago-Read Mental Health Center, having formerly been

the County Infirmary and Insane Asylum. The site was already served by a spur line of the Chicago, Milwaukee, St. Paul and Pacific Railroad, and by a passenger depot located just south of Irving Park Road at North Nashville Avenue.

Substantial development of the site started about 1910 and continued through the early 1970's. The eastern end of the area was developed first, with the western portions being built in the 1960s and 1970s. The area was originally designed as a long term, self-sufficient hospital center. Virtually all of the needs of the facility, including farming, laundry, heat and water, etc. were provided by individual facilities within the area. As the mission of mental health agencies changed from long term institutionalization of patients in an environment isolated from the main world to that of providing intermediate care in an intermixed society and economy, the Center began to change both its facilities and its focus. The long term resident facilities, along with some related structures, were demolished within the eastern section of the Center. Meanwhile, intermediate treatment facilities were being built in the western section of the Center (west of North Oak Park Avenue). Current State plans call for the demolition of other internal service buildings, "including an assembly hall, a fire station, food service/general store, etc.

As the State built westward, it leapfrogged some of the interior area, attaching itself to the perimeter of the area or to Oak Park Avenue, a north-south road two-thirds of the way from Narragansett Avenue to Harlem Avenue. This pattern of utilizing mainly optimal perimeter pieces is also reflected in the placement of New Horizons (a learning disability center) at Oak Park and Montrose, the Latvian Church and School along Montrose Avenue (both complexes of land leased from the State), Wright College in the northeast corner, and the residential and commercial properties in the southeast corner. As the area was transitioning from one designed and built for a central purpose to that of multiple purposes and users, there was not a comprehensive plan for developing the area as a whole. As a consequence, platting for roads, utility easements, etc. are lacking or inadequate. Utilities emanate from a single node to users, rather than following a grid service system. The piecemeal new development attaches on to perimeter roads and services, but does not take into account comprehensive planning and development for the interior.

The street location and description of the proposed Redevelopment Project Area ("R.P.A.") is approximately as follows:

The area is bounded by Harlem Avenue to the west, Forest Preserve Drive and Montrose Avenue to the north, Narragansett Avenue to the east, and Irving Park Road to the south. Excluded from this is the existing residential portion contained within the above boundaries, namely the Dunning Estates subdivision (West Belle Plaine Avenue, North Neenah Avenue, and West Bittersweet Place).

A legal description of the above area is included in Exhibit 1.

The R.P.A. contains approximately 48 structures. (Some of the buildings are interconnected by walkways; these were counted as individual buildings). On the western campus are seven (7) buildings that are part of the Read Center; there are also six (6) State of Illinois Police Facilities and an auto emissions testing facility. On the eastern campus are twenty-two (22) Read Center buildings; four (4) buildings that are part of New Horizons; four (4) buildings that are part of the Horizon Business Park; and two (2) retail structures.

A map of the R.P.A. and vicinity is included as Exhibit 2. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan. The City has prepared this redevelopment plan to use tax increment financing in order to address its economic development needs and meet its redevelopment goals and objectives.

The Redevelopment Plan.

The State of Illinois is planning to vacate certain buildings in the eastern campus as part of a continuing consolidation of operations and as a response to the changing nature of mental health services. The State is proposing to make the property available to the City. In turn, the City would propose to make the property available for private development. A development entity would be required to assist the City and the State to consolidate operations on the western campus, and to relocate building operations from the eastern campus to the western campus in addition to undertaking private development activities. Certain buildings on the east campus are anticipated to be demolished due to the single purpose nature of the buildings that make market reuse uneconomical. It is proposed that other buildings would also be razed; the State would then replace these buildings with structures to be built on the western campus. It is proposed that certain existing structures would remain on the southwestern corner of the eastern campus.

The proposed demolition of structures, the proposed building of new structures, the removal of existing heating tunnels, the provision of a water, sewer, heating, and electrical network to the eastern campus, and the provision of new standalone boiler systems to the two remaining Read Center building groups (the west campus and the southwest corner of the eastern campus), and the addressing of other area planning needs will require significant resources. The proposed redevelopment efforts described above would also be located near certain ongoing operations and proposed (or

in process) developments (e.g., Wright College): traffic, utility service, and other requirements would need to be addressed as part of the redevelopment efforts.

The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act (the "Act"). Property tax incremental revenue generated by the development will play a decisive role in encouraging private development. Conditions of obsolescence and underutilization that have precluded intensive private investment in the past will be addressed. Through this Redevelopment Plan and Project, the City will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the City and all the taxing districts which encompass the R.P.A. in the form of a significantly expanded tax base, retain existing businesses in need of expanding their operations and create new employment opportunities as a result of new private development in the R.P.A.

Summary.

It is found and declared by the City that in order to promote and protect the health, safety, morals, and welfare of the public, that; blighted area conditions need to be eradicated, and that redevelopment of such areas must be undertaken; and, to alleviate the existing adverse conditions it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas. The eradication of blighted areas by redevelopment projects is hereby declared to be essential to the public interest. Public/private partnerships are determined to be necessary in order to achieve development goals. Without the development focus and resources provided under the Tax Increment Allocation Redevelopment Act (Illinois Revised Statutes, Chapter 24, Section 11-74.4-3 as amended), the development goals of the municipality would not be achieved.

It was found and declared by the City that the use of incremental tax revenues derived from the tax rates of various taxing districts in the redevelopment project area for the payment of redevelopment project costs is of benefit to said taxing districts. This is because these taxing districts located in the redevelopment project area would not derive the benefits of an increased assessment base without the removal of the blighted conditions that now hinder its redevelopment.

The redevelopment activities that will take place within the R.P.A. will produce benefits that are reasonably distributed throughout the R.P.A.

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the proposed area. By means of public investment, the R.P.A. will become an improved, more viable environment that will attract private investment and diversify the City tax base.

Pursuant to the Act, the R.P.A. includes only those contiguous parcels of real property and improvements thereon substantially benefited by the redevelopment project. Also pursuant to the Act, the R.P.A. is not less in the aggregate than 1-1/2 acres.

II.

Redevelopment Project Area Legal Description.

The Redevelopment Project Area legal description is attached in Exhibit 1.

III.

Redevelopment Project Area Goals And Objectives.

The following goals and objectives are presented for the R.P.A. in accordance with the City's zoning ordinance and comprehensive plan. The Redevelopment Plan and Project also basically conforms to the Read-Dunning Draft Master Plan, prepared by the City's Department of Planning, for the development of the area as a whole. Such goals and objectives may be supplemented by future planning studies, traffic studies or site reports that are undertaken by the City or by development entities on behalf of the City as part of the Planned Unit Development (P.U.D.) process.

General Goals.

- 1) To provide for implementation of economic development strategies that benefit the City and its residents.
- 2) To provide basic infrastructure improvements where necessary within the R.P.A.
- 3) To encourage a positive and feasible redevelopment of any vacant sites and/or underutilized sites.

- 4) To preserve and improve the property tax base of the City.
- 5) To create new jobs and retain existing jobs for City residents.
- 6) Coordinate all mixed use development within the R.P.A. in a comprehensive manner, avoiding land use conflicts and negative community impacts with the surrounding area residents and existing users.

Specific Objectives.

- 1) To encourage redevelopment of the land located within the R.P.A., as well as any vacant or underutilized properties nearby for industrial uses, mixed uses, or residential uses.
- 2) To address factors of obsolescence and deleterious land use throughout the R.P.A.
- 3) To provide infrastructure improvements necessary to the development of mixed use, industrial, institutional, commercial, or residential properties located within the R.P.A.
- 4) Unify development through a coordinated perimeter landscape/streetscape program or such other program as identified by the City to enhance the area's appearance.
- 5) Address the need for utility service, access/egress, and other requirements for redevelopment of the R.P.A.

Redevelopment Objectives.

The purpose of the R.P.A. designation will allow the City to:

- a) Coordinate redevelopment activities within the eastern portion of the R.P.A. in order to provide a positive marketplace signal;
- b) Reduce or eliminate blighted area factors present within the area;
- c) Accomplish redevelopment over a reasonable time period;
- d) Provide for high quality development within the R.P.A.; and
- e) Provide for an attractive overall appearance of the area.

Note: The objectives may be supplemented by findings of prospective reports or studies undertaken by the City or by development entities selected by the City.

The Redevelopment Project's implementation will serve to improve the physical appearance of the entire area and contribute to the economic development of the area. Job creation associated with the project will provide new, improved employment opportunities for community and City residents.

IV.

Blighted Area Conditions Existing In The Redevelopment Project Area.

Findings.

The Redevelopment Project Area was studied to determine its qualifications as a "blighted area" as such term is defined in the Tax Increment Allocation Redevelopment Act (the "Act"), Illinois Revised Statutes, Section 11-74.4-3 as amended. It was determined that the area as a whole qualifies as a "blighted area". Refer to Appendix A for a summary of findings and a list of existing qualification factors for the area.

Eligibility Survey.

The entire designated Redevelopment Project Area was evaluated in July, 1990 through August, 1990 by representatives from the City, Kane, McKenna and Associates, Inc. and Chicago Associates Planners & Architects. In such evaluation, only information was recorded which would directly aid in the determination of eligibility for a tax increment finance district.

V.

Redevelopment Project.

A. Redevelopment Plan And Project Objectives.

The City proposes to realize its goals and objectives of encouraging the development of the R.P.A. and encouraging private investment in industrial, institutional, residential and commercial redevelopment projects through public finance techniques including, but not limited to, Tax Increment Financing. The City proposes to undertake a two phased redevelopment project consisting of Phase 1 -- Industrial and Institutional Uses; Phase 2 -- Mixed Uses. City objectives would be served through the following:

- (1) By improving public facilities that may include:
 - i. Street improvements;
 - ii. Utility improvements (including water, storm water management and sewer improvements, water storage facilities, if necessary);
 - iii. Landscaping or streetscaping;
 - iv. Parking improvements/related parking improvements;
 - v. Signalization, traffic control and lighting;
 - vi. Appropriate signage; and
 - vii. Pedestrian improvements.
- (2) By entering into redevelopment agreements with developers for qualified redevelopment projects.
- (3) By improving existing structures or site improvements; including necessary site preparation, demolition, clearance and grading of redevelopment sites; and relocation.
- (4) By constructing and/or relocating public buildings that serve existing or ongoing institutional operations including the relocation/reconfiguration of utility services.
- (5) By utilizing interest cost write-down pursuant to provisions of the Act.
- (6) By implementing a plan that addresses the redevelopment costs of land acquisition and assembly, site preparation, demolition/removals, and provision of infrastructure improvements or upgrading that may be necessary for adaption to a market

oriented reuse of sites in the R.P.A., improving the City's tax base, and diversifying the local economy.

- (7) By exercising other powers set forth in the Act as the City deems necessary.
- (8) Provide job training for City residents.
- (9) Rehabilitation of structures, if necessary.

B. Redevelopment Activities.

Pursuant to the foregoing objectives, the City will implement a coordinated program of actions, including, but not limited to, site preparation, assembly, demolition/removals, infrastructure improvements and upgrading, relocation of public buildings, new construction of public buildings, and provision of public improvements, where required. Land acquisition may be undertaken based upon specific redevelopment proposals.

Proposed Improvements.

In accordance with its estimates of tax increment and other available resources, the City may provide public improvements in the R.P.A. to enhance the immediate area as a whole, to support the Redevelopment Project and Plan, and to serve the needs of City residents. Appropriate public improvements may include, but are not limited to:

- vacation, removal, resurfacing, paving, widening, construction, turn islands, construction or reconstruction of curbs and gutters, traffic signals, and other improvements to streets, alleys, pedestrianways and pathways;
- reconfiguration of existing rights-of-way;
- construction of new rights-of-way including streets, sidewalks, turning lanes, curb and gutters;
- demolition of any obsolete structure or structures;
- improvements of public utilities including construction or reconstruction of water mains, as well as sanitary sewer and storm sewer, water storage facilities, detention ponds, signalization improvements and streetlighting;

- job training for area residents eligible for employment in the development of the projects.

The City may determine at a later date that certain improvements are no longer needed or appropriate, or may add new improvements to the list. The type of public improvement and cost for each item is subject to City approval and to the execution of a redevelopment agreement for the proposed project, in the form acceptable to the City.

Certain public facilities may be relocated and new facilities may be constructed in order to consolidate ongoing institutional operations. Utility improvements necessary for such relocation could also be undertaken by the City.

Acquisition And Clearance.

The City may determine that to meet redevelopment objectives it may be necessary to participate in property acquisition in the Redevelopment Project Area or use other means to induce transfer of such property to the private developer.

Clearance and grading of existing properties to be acquired will, to the greatest extent possible, be scheduled to coincide with redevelopment activities so that parcels do not remain vacant for extended periods of time and so that the adverse effects of clearance activities may be minimized.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of this Redevelopment Plan or the projects implemented pursuant to this Redevelopment Plan and the owner(s) agree(s) to rehabilitate or redevelop the property, if necessary, in accordance with the objectives of the Plan as determined by the City.

Property which has been acquired may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for planned development. Such revenues, if any, would accrue to the Redevelopment Project Area.

Relocation.

Any businesses or residents occupying properties to be acquired may be considered for relocation, advisory and financial assistance in accordance

with provisions set forth and adopted by the City and other governmental regulations, if any.

Land Assembly And Disposition.

Certain properties that may be acquired by the City, and certain properties presently owned by the City (e.g., street rights-of-way and public facilities) may be assembled into appropriate redevelopment sites. Property assembly activities may include use of the City's eminent domain power. These properties may be sold or leased by the City to a private developer in whole or in part, for redevelopment subject to invitation for proposal requirements of the State of Illinois tax increment law. The City may amend this disposition plan in the future.

Terms of conveyance shall be incorporated into appropriate disposition agreements, and may include more specific restrictions than contained in this Redevelopment Plan or in other municipal codes and ordinances governing the use of land.

Demolition And Site Preparation.

Some of the buildings located within the R.P.A. may have to be reconfigured or relocated to accommodate new users or uses. Partial or complete demolition may be necessary as well as removal of debris. Additionally, the Redevelopment Plan contemplates site preparation or other requirements necessary to prepare the site for new uses. All of the above will serve to enhance site preparation for the City's desired redevelopment.

Interest Cost Write-Down.

Pursuant to the Act, the City may allocate a portion of incremental tax revenues to reduce the interest cost incurred in connection with redevelopment activities, enhancing the redevelopment potential of the R.P.A.

Job Training.

Pursuant to the Act, the City, its Mayor's Office of Employment and Training and other training providers, may develop training programs in conjunction with the redevelopment efforts.

Redevelopment Agreements.

Land assemblage shall be conducted for (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in this Redevelopment Plan.

In the event the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

C. General Land Use Plan.

Existing land uses in the R.P.A. are institutional, industrial and commercial/retail, as shown in Exhibit 3. Exhibit 4 designates the intended general land uses identified for the Redevelopment Project Area.

The Redevelopment Project shall be subject to the provisions of the City Zoning Ordinance as such may be amended from time to time including any Planned Unit Development (P.U.D.) undertaken within the R.P.A. The proposed general land uses would conform to the City draft Master Plan.

D. Estimated Redevelopment Project Costs.

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the T.I.F. statute, and any such costs incidental to this Redevelopment Plan and Project. Private investments which supplement "Redevelopment Project Costs" are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and 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, other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be in furtherance of the objectives of the redevelopment plan and project, to the extent the City by written agreement accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
9. 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 the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written

agreement by or among the City 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 agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.

10. If deemed prudent by the City for the redevelopment project, interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of the redevelopment project provided that:
- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
 - (b) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; and
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (10) 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 incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

Estimated costs are shown in the next section. Adjustments to these cost items may be made without amendment to the Redevelopment Plan. The costs represent estimated amounts and do not represent actual City commitments or expenditures. Rather, they are a ceiling on possible expenditures of T.I.F. funds in the project area.

*T.I.F. Redevelopment Project**Read-Dunning Area**Estimated Project Costs.*

Phase 1 And Phase 2.

Program Actions/Improvements	Estimated Costs (A)
1. Land Acquisition and Assembly Costs including Demolition and Clearance/Site Preparation.	\$4,700,000
2. Construction of Public Facilities and Buildings, Rehabilitation, and related public improvements including the relocation of existing utilities and the provision of utility service.	5,500,000
3. Utility Improvements including, but not limited to, water, storm, sanitary sewer the service of public facilities.	2,000,000
Program Actions/Improvements	Estimated Costs (A)
4. Construction and Reconfiguration of Parking, Rights-of-Way and Street Improvements/Construction, Signalization, Traffic Control, and Lighting, Landscaping, Buffering and Streetscaping.	1,500,000
5. Interest Costs Pursuant to the Act.	1,000,000
6. Planning, Legal, Engineering, Administrative and Other Professional Service Costs.	700,000
7. Relocation.	300,000
8. Job Training.	<u>300,000</u>
Total Estimated Costs:	\$16,000,000

- (A) All project cost estimates are in 1990 dollars. In addition to the above stated costs, any issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

E. Sources Of Funds To Pay Redevelopment Project Costs Eligible Under Illinois T.I.F. Statute.

Funds necessary to pay for public improvements and other project costs eligible under the T.I.F. statute are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Illinois statute and do not contemplate the preponderance of the costs to redevelop the area. The majority of development costs will be privately financed, and T.I.F. or other public sources are to be used only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the R.P.A. over and above the initial equalized assessed value of each such lot, block, tract or parcel in the R.P.A. in the 1989 tax year.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: special service area taxes, the proceeds of property sales, property taxes, certain land lease payments,

certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the City may from time to time deem appropriate.

The Redevelopment Project Area would not reasonably be expected to be developed without the use of the incremental revenues provided by the Act.

F. Nature And Term Of Obligations To Be Issued.

The City may issue obligations secured by the tax increment special tax allocation fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its power pursuant to the Illinois State Constitution.

Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the Redevelopment Project Area. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the R.P.A. in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

G. Most Recent Equalized Assessed Valuation (E.A.V.) Of Properties In The Redevelopment Project Area.

The most recent estimate of equalized assessed valuation (E.A.V.) of the property within the R.P.A. is approximately \$6,037,175 which is the 1989 equalized assessed valuation. The Boundary Map, Exhibit 3, shows the location of the R.P.A.

H. Anticipated Equalized Assessed Valuation.

Upon completion of the anticipated private development of the Redevelopment Project Area over a ten year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be approximately \$45,000,000. The estimate assumes a constant Cook County equalization factor (multiplier) of 1.9122 and 1990 dollars.

VI.

Scheduling Of Redevelopment Project.

A. Redevelopment Project.

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. It is anticipated that two phases of redevelopment will be undertaken: Phase 1 -- Industrial and Institutional Uses; Phase 2 -- Mixed Uses.

The Redevelopment Project will begin as soon as a development entity has identified market uses for the sites and such uses are conformant with City zoning and planning requirements. Depending upon the scope of the development as well as the actual uses, the following activities may be included in each phase:

Land Assembly and Disposition. Certain properties in the R.P.A. may be acquired by the City and may be assembled into an appropriate redevelopment site. These properties may be acquired by the City, and subsequently sold or leased by the City to a developer for redevelopment of the site.

Demolition and Site Preparation. The existing structures located within the R.P.A. may have to be reconfigured or prepared to accommodate new uses. Partial demolition may be necessary as well as removal of debris. Additionally, the redevelopment plan contemplates

site preparation, or other requirements necessary to prepare the site for the desired redevelopment.

Landscaping/Buffering/Streetscaping. The City may fund certain landscaping projects which serve to beautify public properties or rights-of-way and provide buffering between land uses.

Water, Sanitary Sewer, Storm Sewer and Other Utility Improvements. The City may extend or re-route certain utilities to serve or accommodate the new development. Upgrading of existing utilities may be undertaken. The provision of necessary detention or retention ponds may also be undertaken by the City.

Roadway/Street/Parking Improvements. Widening of existing road improvements and/or vacation of roads may be undertaken by the City. Certain secondary streets/roads may be extended or constructed by the City. Related curb, gutter, and paving improvements could also be constructed as needed. Parking facilities may be constructed that would be available to the general public.

Public Facilities and Improvements. The City may provide for the construction and/or renovation of public buildings and facilities in order to relocate institutional operations, needed services and to provide for efficient utilization of property within the R.P.A.

Utility Services may also be provided or relocated in order to accommodate the consolidation of buildings.

Traffic Control/Signalization. The City may construct necessary traffic control or signalization improvements that improve access to the R.P.A. and enhance its redevelopment.

Public Safety Related Infrastructure. The City may construct certain public safety improvements including, but not limited to, public signage, public facilities, and streetlights.

Relocation. The City may pay for certain relocation costs, conformant with City policies and regulations.

Interest Cost Coverage. The City may pay for certain interest costs incurred by a redeveloper for construction, renovation or rehabilitation of the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the R.P.A. as allowed under the Act.

Professional Services. The City may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.

B. Commitment To Fair Employment Practices And Affirmative Action.

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and educational opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

C. Completion Of Redevelopment Project And Retirement Of Obligations To Finance Redevelopment Costs.

This Redevelopment Project will be completed on or before a date 23 years from the adoption of an ordinance designating the Redevelopment Project Area. The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the

incremental property tax yield. Actual construction activities for both phases are anticipated to be completed within approximately 7 to 10 years.

VII.

*Provisions For Amending The Tax Increment
Redevelopment Plan And Project.*

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

[Exhibits 2, 3, 4, and 5 attached to this Redevelopment
Plan and Project are printed on pages 28815
through 28818 of this Journal.]

Exhibit 1 and Appendix "A" attached to this Redevelopment Plan and Project reads as follows:

Exhibit 1.

Legal Description.

August 16, 1990 -- Dunning -- 28.

Chicago-Read Tax Increment Finance District Map.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

beginning at the intersection of the center line of North Narragansett Avenue with the center line of West Irving Park Road, said point of beginning being the southeast corner of said Section 18; thence westerly along said center line of West Irving Park Road to the center line of North Harlem Avenue; thence northerly along said last described center line, being also the west line of the southwest quarter of said Section 18, to the Indian Boundary Line; thence northeasterly along said Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, to an intersection with the southerly extension of the center line of North Newland Avenue north of the Indian Boundary Line; thence northerly along said last described center line to an intersection with a line 66.00 feet, as measured at right angles, northwesterly of and parallel with said Indian Boundary Line; thence northeasterly along said last described parallel line to an intersection with the westerly extension of the north line of the southeast quarter of said Section 18 lying south of the Indian Boundary Line; thence easterly along said last described line and along the north line of the southeast quarter of said Section 18 to the center line of North Narragansett Avenue; thence southerly along said last described center line, being also the east line of the southeast quarter of said Section 18, to the place of beginning, excepting therefrom all that part thereof falling in Dunning Estates, being a subdivision in the southeast quarter of said Section 18, according to the plat thereof recorded October 27, 1988 as Document No. 88495586 and also excepting therefrom all that part thereof conveyed to the Chicago Transit Authority by quitclaim deed recorded September 13, 1957 as Document No. 17018802, all in Cook County, Illinois.

Containing 235 acres.

Appendix "A".

City Of Chicago

T.I.F. Designation Report

Read-Dunning Area.

I.

Introduction And Background.

Introduction.

The purpose of this report is to document in a comprehensive manner the extent to which the factors of a "blighted improved area" may be found in a part of the northwest side of Chicago, Illinois, located approximately west of Narragansett Avenue, east of Harlem Avenue, south of Montrose Avenue, and north of Irving Park Road (excluding a residential section in the southeast corner and a C.T.A. bus turnabout at Irving Park Road and Nashville Avenue) and to determine the eligibility of this area for such status pursuant to the Tax Increment Allocation Redevelopment Act, Illinois Rev. Stat., Section 11-74.4-3 (the "Act"), as amended.

The elimination or reduction of blighted area factors within Illinois communities through the implementation of redevelopment measures is addressed by the Act. The Act authorizes the use of tax increment revenues derived from the tax rates of various taxing districts in a Redevelopment Project Area (the "R.P.A.") for the payment of redevelopment projects. For redevelopment eligibility under this legislation, a subject area (R.P.A.) must contain conditions which warrant its designation as a "blighted area". The following sections of this report will describe conditions of blight which exist conformant to the provisions of the Act.

The proposed R.P.A. contains 48 structures. Thirty-three (33) of these structures are part of the Read Mental Health Center. These buildings are on both a west campus located west of Oak Park Avenue, and on an east campus (the older portion of the Center) which is east of Oak Park. Some commercial and industrial structures are also located in the R.P.A.

Area Background.

The Read-Dunning site and the surrounding area were platted after the Indian Treaty of 1833 which opened the region to settlers. The site was originally owned by D. S. Dunning and his son, Andrew, who acquired the track during the Civil War years. Andrew Dunning developed the site as a horticulture nursery until 1868 when he donated the land for construction of the County Infirmary and Insane Asylum. In 1912 the Read-Dunning site

was transferred to the State of Illinois and became the Chicago-Read Mental Health Center.

Concurrently with the construction of the hospital, development began along Irving Park Road serving the needs of the hospital and its visitors. The Chicago, Milwaukee and St. Paul Railroad constructed a spur line into the Read-Dunning site in 1882. A passenger depot, built just south of Irving Park Road at Nashville Avenue, served the hospital and accelerated development of the surrounding community area, portions of which were annexed to the City of Chicago in 1889. Significant development of the Dunning Community started about 1910 and continued through the 1960's.

Over the years new facilities of the hospital have been built on the western portion of the site. Most of the original buildings on the east end of the hospital complex have been demolished and some parcels of land have been conveyed for other uses.

Approximately 7 acres along the old railroad right-of-way north of Irving Park Road have been developed for light industrial use. A parcel at Oak Park Avenue and Forest Preserve Boulevard is leased to New Horizon Center for the Developmentally Disabled. Another parcel, at Montrose Avenue and Nashville Avenue, is leased to the Latvian Church. A shopping center has recently been built in the far southeast corner. The west campus contains Read Facilities, State of Illinois Police Facilities, and an Auto Emissions Testing Facility.

The State has proposed consolidating most of the Read Mental Health Center facilities onto the western side of the proposed R.P.A. (west of Oak Park) substantially reducing the land that the Center occupies. The portion of the land on the eastern campus that is vacated would then be transferred to the City of Chicago, and it in turn would be turned over to a private developer for industrial redevelopment.

The area has been one that was designed with a common central focus (delivery of mental health services). The site plan, site improvements, and individual improvements reflect this central common focus. It is now evolving, due to a consolidation and pullback of the Center, into an area with a multitude of individual users.

The vacated Read facilities are single purpose structures (intermediate residential care facilities), and consequently would have very limited reuse potential. Demolition of the structures, and development of industrial facilities together with addressing area-wide planning needs such as traffic capacity and provision of adequate utilities, are intended to provide a functionally viable and economically beneficial solution to the present planning problems of the area which relate to the conversion from a single user to multiple users.

II.

Qualification Criteria Used.

With the assistance of City of Chicago staff, Kane, McKenna and Associates, Inc. ("K.M.A.") with Chicago Associates, Architects and Planners ("C.A.P.A.") examined the proposed redevelopment project area to determine the presence or absence of approximate qualifying factors listed in the Illinois "Real Property Tax Increment Allocation Act" (hereinafter referred to as "the Act", as amended. The relevant sections of the Act are found below.

The Act sets out specific procedures which must be adhered to in designating a redevelopment project area. By definition, a "redevelopment project area" is:

"an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted areas and conservation areas."

The Act defines a "blighted" area as follows:

"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 5 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; 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 planning of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such 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 its 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 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 area meets at least one of the factors itemized in provision 1) of this 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".

The criteria listed in the Act have been defined for purposes of the analysis of the area as follows:

1. **Age.** Simply the time which has passed since building construction was completed.
2. **Illegal Use of Structure.** The presence on the property of unlawful uses or activities.
3. **Structures Below Minimum Code Standards.** Structures below local code standards for building, fire, housing, zoning, subdivision or lack of conformance with other applicable governmental codes.
4. **Excessive Vacancies.** When the occupancy or use level of the building is low for frequent or lengthy periods so as to represent an adverse area influence.
5. **Lack of Ventilation, Light or Sanitary Facilities.** Conditions which could negatively influence the health and welfare of building users.
6. **Inadequate Utilities.** Deficiencies in sewer, water supply, storm drainage, electricity, streets or other necessary site services.
7. **Dilapidation.** The condition where the safe use of the building is seriously impaired, as evidenced by substandard structural conditions; this is an advanced stage of deterioration.

8. **Obsolescence.** When the structure has become or will soon become ill-suited for the originally designed use.
9. **Deterioration.** A condition where the quality of the building has declined in terms of structural integrity and/or building systems due to lack of investment, misuse or age.
10. **Overcrowding of Structures and Community Facilities.** A level of use beyond a designed or legally permitted level.
11. **Excessive Land Coverage.** Site coverage of an unacceptably high level.
12. **Deleterious Land Use or Layout.** Inappropriate property use or platting, or other negative influences not otherwise covered, which discourages investment in a property.
13. **Depreciation of Physical Maintenance.** Decline in property maintenance which leads to building degeneration, health and safety hazards, unattractive nuisances, unsightliness, property value decline and area distress.
14. **Lack of Community Planning.** Deficiency in local direction of growth, development or redevelopment in order to maintain or enhance the viability of the area or community.

The presence of factors are reasonably distributed throughout the T.I.F. district and are present to a meaningful extent.

III.

Study Area.

The study area consists of approximately 48 structures. The western end contains the western campus of the Read Mental Health Center along with the buildings servicing Read are a State of Illinois Police Facility and a State auto emissions testing facility. The eastern end contains the eastern campus of the Read Center, as well as area that was, until very recently, part of the eastern campus of Read Mental Health Center. The eastern end contains Read Center facilities (patient facilities, maintenance facilities, and power plant), a Latvian School, New Horizon School for the Developmentally Disabled (both complexes of which are leased from the State); and shopping facilities and Wright Community College (under construction) which are situated on land recently sold by the State. The area is bounded by Irving Park Road on the south, Narragansett Avenue on the east, Montrose Avenue

and Forest Preserve Drive on the north, and Harlem Avenue on the west; excluded from this area are a single-family and a multi-family development located in the southeastern section of the east campus and a C.T.A. turnaround at Irving Park Road and Nashville Avenue.

IV.

Methodology Of Evaluation.

In evaluating the proposed R.P.A.'s qualification, the following methodology was utilized:

- 1) Exterior site surveys of the entire study area were undertaken by representatives from Kane, McKenna and Associates, Inc., and Chicago Associates Planners and Architects in July of 1990. Site surveys were completed for each parcel and structure within the proposed R.P.A.
- 2) An evaluation of all structures, noting physical condition and apparent vacancies was conducted by Kane, McKenna. Exterior conditions were extensively examined for all structures.
- 3) Individual structures were initially surveyed only in the content of checking, to the best of our knowledge, criteria factors of specific structures on particular parcels.
- 4) The entire area was studied in relation to review of available planning reports pertaining to the City, (in particular a 1986 draft Master Plan prepared by the Department of Planning) water and sewer atlases, City ordinances, 1989 levy year tax information from the Cook County Clerk's Office, Sidwell tax assessment maps, local history, and an evaluation of area-wide factors that affected the area's decline (e. g., deleterious land use or layout, obsolescence, etc.). Kane, McKenna reviewed the area in its entirety. City redevelopment goals and objectives for the entire area were also reviewed.
- 5) Evaluation was made by reviewing the information collected and determining how each parcel and structure measured as to the prevalence of each factor.

A survey was then undertaken to independently review the qualification factors for the study area as a blighted improved area. The following

preliminary findings area presented to the best of our current knowledge according to the above information and techniques.

Summary Of Area Findings.

The following is a summary of relevant qualification findings:

- 1) The area contiguous and is greater than 1-1/2 acres in size.
- 2) The study area can be categorized as a "blighted improved area" (a discussion of the basis for qualification of the R.P.A. follows in the next section). Factors necessary to make these findings are present to a meaningful extent and are reasonably distributed throughout the R.P.A. as described in Map 1.
- 3) All property in the R.P.A. would substantially benefit by the proposed redevelopment project improvements.
- 4) The sound growth of these taxing districts that are applicable to the area, including the City, had been impaired by the factors found present in the area.
- 5) The area would not be subject to redevelopment without the investment of public funds, including property tax increments.

V.

Qualification Of Area Findings Of Eligibility.

Following evaluation of each parcel and analysis of the area as a whole as to the presence of the eligibility factors summarized in Section II, the following factors are presented to support qualification of the R.P.A. as a blighted area as defined in the Act:

A. Area-Wide Factors:

Obsolescence.

The majority of this fairly large area consists of a single tax parcel, portions of which have been transferred or sold over the last five years for

Wright College and the Retail Center. Efficient development of the area would require proper platting for an interior road network and for utility easements. Furthermore, the existing industrial section is on a site that was a former railroad depot and platted for such; by jutting upward into the center of the area, the development merely took advantage of a platted parcel that was of no current use, rather than being laid out with regards to the overall layout of the area. As a consequence, inadequate platting with regard to streets, alleys, off-street parking, and utility easements exists.

Existing utilities (heating steam boiler, water, and electricity) follow steam tunnels that emanate from a power plant located in the approximate center of the east campus. These will, according to current State plans, be removed. The sections of the Read Center that would be left (the southwest corner of the east campus and the west campus) will then have to be served by stand alone boiler units. The buildings that are to be built will have to be serviced by individual utility connections.

Advances in mental health facilities planning (brought about by a change in the mission of agencies supplying mental health services), have made the original design of mental health centers obsolete. Such centers had been isolated, self-sufficient, long term facilities. Virtually all needs of the center were fulfilled in the center; individual structures for laundry, clothing, cafeterias and power generation were located on the center. As the mission has changed to that of providing intermediate and short term care within an environment that is integrated with the society and economy at large, such facilities are now obsolete. Such services are often provided by outside vendors, eliminating the need for specialized buildings.

As the area changed (and is changing) from one designed with a centralized focus (the delivery of mental health services) to one with a multiple focus (mental health, industrial/warehouse, educational, residential, et cetera), the platting and delivery of utilities needs to change in order to properly serve the changed focus of the area.

Deleterious Layout Or Land Use.

The platting, as mentioned above, was originally platted for a single user (mental health facility). As the State downsized its operations, it demolished most of its buildings on the eastern end of the east campus. In the early 1980s the State declared this eastern end of the east campus surplus property (it has more recently declared the northeast quadrant of the eastern campus to be surplus). The State transferred the northeast corner of the eastern campus to The City Colleges of Chicago in 1985, and the southeast corner to private developer for residential and commercial use in 1988; this left a sizeable segment between the northeast and southeast corners as surplus property. This piecemeal selling and replatting of the corner pieces of property does not address the overall layout needs for the

area as a whole. As a consequence, neither the road network, utility network or land use plan was layed out for the area as a whole; the corner properties that were recently sold attach onto the perimeter road network and utility network, further isolating the interior sections of the area. By selling off and leasing of these perimeter properties (residential, retail, Wright College, New Horizons, Latvian Church), it is all the more difficult to develop the interior area in an efficient, rational matter.

An additional parcel (the former railroad depot located at Irving Park Road and Nashville Avenue), was sold for an industrial park. Jutting into the interior of the area, the layout of the industrial park cut off the southwestern portion of the east campus from the southeastern portion. Although not taking up a sizeable amount of land, it did act to hinder comprehensive development of the southern section of the eastern campus.

Inadequate Utilities.

The utilities initially installed in the area were for a single unified use and user, i.e., the Read Mental Health Center. The utilities had tunnels emanating from a single node to users that at one time were isolated from a sewer, and as network. As the area switches over to multiple independent users, the new users will need to access a grid system that will serve each individual parcel.

Consequently, the current power plant and tunnels will have to be removed, replaced with a service grid so as to service each user. The two sections of the Read Center that are anticipated to remain will utilize stand alone boiler systems, reflecting their changed relationship to the uses of the area as a whole.

According to a draft "Master Plan for the Read/Dunning Area", prepared in 1986 by the Department of Planning, there is "within the Read-Dunning site a host of scattered utilities, service tunnels, and infrastructure elements. . . Most of these facilities are dilapidated. District heating tunnels are in disrepair and some are collapsed or near the point of collapsing. Utility stations (electrical distribution boxes and water pumping houses) are scattered about the site. Most are unused or in very limited use. In general, it might be assumed that the old on-site infrastructure is not reusable".

Lack Of Community Planning.

The overall comprehensive plan developed by the City in July, 1968, called only for institutional uses for this area. The State, in sequentially

declaring certain parts of this area surplus, did not have a cohesive disposal plan.

A draft master plan was prepared in 1986. At that time only 70 or so acres (located along the eastern end of the area) had been declared surplus by the State of Illinois. The report only dealt, therefore, with the eastern end of the area. Land use, utility, and traffic needs for the broader area (especially needs generated by newer, more intensive development that may occur as a result of additional land being declared surplus) were not addressed. Compared with 10 years ago, most of the area will have switched from that of centrally focused activities to that of multiple independent users. The zoning and planning for the area does not comprehensively address the issues raised by the occurrence of such development. The underlying zoning for the area had been residential in 1987, and as pieces have been sold off the City has rezoned in a piecemeal fashion.

Depreciation Of Physical Maintenance.

The area as a whole has suffered from deferral of maintenance. Broken curbs, potholes, depressions in parking lots, crumbling cracked asphalt and sidewalks, rusted fences, overgrown vegetation, and accumulated debris along fences are found throughout the area.

B. Specific Qualification Factors.

Depreciation Of Physical Maintenance.

Thirty-two structures (67%) exhibited depreciation of physical maintenance. This factor was evidenced by: cracks in bricks; unpainted surface or surfaces requiring painting; loose or missing bricks and/or grouting; broken or damaged windows and window frames; rotting wood; loose or buckled flashing; shifting of sections of a wall vis-a-vis other sections.

Deterioration.

Seven structures (15%) were in a deteriorated state found in the older, eastern section of the R.P.A. This was evidenced by: bowed walls; broken doors, and collapsing doorways; significant cracks in walls and foundations; shifting segments of walls.

These structures, surveyed by the Department of Planning in 1986, have not improved since then.

Excessive Vacancies.

A number of structures (3 or 6%) are no longer used by Read Mental Health Center. These primarily consist of maintenance and storage buildings located in the older, eastern portion of the R.P.A.

In addition, two buildings located in the eastern end of the east campus have been demolished, with the debris still present. These buildings, the laundry and clothing buildings, were studied in the 1986 study undertaken by the Department of Planning. The laundry building was found to be dilapidated, while the clothing building was found to be sound to deteriorating.

[Exhibits 1, 2 and Map 1 attached to this Appendix "A"
printed on pages 28808 through 28814 of
this Journal.]

Exhibit 3 attached to this Appendix "A" reads as follows:

Exhibit 3

To Appendix "A".

Legal Description.

Chicago-Read Tax Increment Finance District Map.

That part of the south fractional half of Section 18, Township 40 North, Range 13, East of the Third Principal Meridian, lying south of the Indian Boundary Line and being described as follows:

beginning at the intersection of the center line of North Narragansett Avenue with the center line of West Irving Park Road, said point of beginning being the southeast corner of said Section 18; thence westerly along said center line of West Irving Park Road to the center line of North Harlem Avenue; thence northerly along said last described center line, being also the west line of the southwest quarter of said Section 18, to the Indian Boundary Line; thence northeasterly along said Indian Boundary Line, being also the southeasterly line of West Forest Preserve Drive, to an intersection with the southerly extension of the center line of North Newland Avenue north of the Indian Boundary Line; thence northerly along said last described center line to an intersection with a line 66.00 feet, as measured at right angles, northwesterly of and parallel with said Indian Boundary Line; thence northeasterly along said last described parallel line to an intersection with the westerly extension of the north line of the southeast quarter of said Section 18 lying south of the Indian Boundary Line; thence easterly along said last described line and along the north line of the southeast quarter of said Section 18 to the center line of North Narragansett Avenue; thence southerly along said last described center line, being also the east line of the southeast quarter of said Section 18, to the place of beginning, excepting therefrom all that part thereof falling in Dunning Estates, being a subdivision in the southeast quarter of said Section 18, according to the plat thereof recorded October 27, 1988 as Document No. 88495586 and also excepting therefrom all that part thereof conveyed to the Chicago Transit Authority by quitclaim deed recorded September 13, 1957 as Document No. 17018802, all in Cook County, Illinois.

Containing 235 acres.

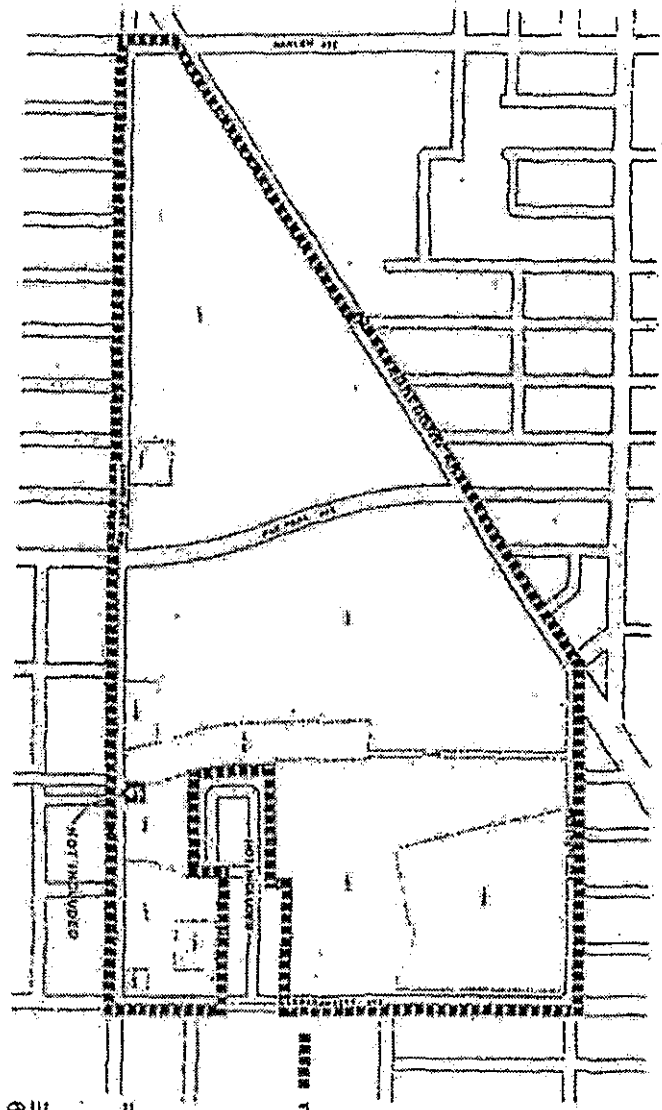
DESIGNATION OF CHICAGO READ-DUNNING AREA AS
REDEVELOPMENT PROJECT AREA PURSUANT
TO TAX INCREMENT ALLOCATION
REDEVELOPMENT ACT.

The Committee on Finance submitted the following report:

CHICAGO, January 11, 1991.

To the President and Members of the City Council:

(Continued on page 28820)



PREPARED BY
 CHICAGO PLANNING DEPARTMENT
 1988

17/17/91A BOHANNAN

RECONSTRUCTED 17/1
 BOHANNAN MAP

*Exhibit 2**To Appendix "A".**Read-Dunning T.I.F.
Matrix Of Blight Factors.***Matrix Of Blight And Conservation Factors--Improved Area.**

					Summary Column	
A	Block/Primary Tract Number	1	_____	_____	_____	All
B	Number of Buildings	48	_____	_____	_____	48
C	Number of Parcels	9	_____	_____	_____	9
1	Number of Buildings 35 Years or Older	0	_____	_____	_____	0/0%
2	A Number of Buildings Showing Decline of Physical Maintenance	32	_____	_____	_____	32/67%

					Summary Column		
	B	Number of Parcels with Site Improvements Exhibiting Decline of Physical Maintenance	Area- Wide	_____	_____	_____	100%
3	A	Number of Deteriorated Buildings	7	_____	_____	_____	2/15%
	B	Number of Parcels with Site Improvements that are Deteriorated		_____	_____	_____	1
4	A	Number of Dilapidated Buildings	0	_____	_____	_____	1
	B	Number of Parcels with Site Improvements that are Dilapidated		_____	_____	_____	1
5	A	Number of Obsolete Buildings		_____	_____	_____	1
	B	Number of Parcels with Site Improvements that are Obsolete	Area- Wide	_____	_____	_____	1

					Summary Column	
6	Number of Buildings Below Minimum Code	0	_____	_____	_____	<u>6</u>
A	Block/Primary Tract Number	1	_____	_____	_____	All
B	Number of Buildings	48	_____	_____	_____	48
C	Number of Parcels	9	_____	_____	_____	9
7	Number of Buildings Lacking Ventilation, Light, or Sanitation Facilities	0	_____	_____	_____	0/
8	Number of Buildings with Illegal Uses	0	_____	_____	_____	0/
9	Number of Buildings with Excessive Vacancies Overcrowding	3	_____	_____	_____	3/6%

					Summary Column	
10	Number of Buildings that are Abandoned		_____	_____	_____	<u>1</u>
11 and 12	Percentage of Block/ Tract that has Excessive Land Coverage and/or	0%	_____%	_____%	_____%	_____
13	Percentage of Block/ Tract that has Inadequate Utilities	Area- Wide	_____%	_____%	_____%	100%
14	Percentage of Block/ Tract that has Deleterious Land Use or Layout	Area- Wide	_____%	_____%	_____%	100%
15	Percentage of Block/ Tract that suffers from Inadequate Community Planning	Area- Wide	_____%	_____%	_____%	100%
A	Block/Primary Tract Number	1	_____	_____	_____	All
B	Number of Buildings	48	_____	_____	_____	48
C	Number of Parcels	9	_____	_____	_____	9

					Summary Column
18	Total Number of Blighted Factors Represented in Block/Tract	7	_____	_____	_____ <u>1</u>
17	50% of Development (Buildings Site Improvements, Block/ Tract) Exhibit 5 or more Blighting Factors	5	_____	_____	_____ <u>1</u>
18	50% of Development (Buildings, Site Improvements, Block/Tract) Exhibit 3 or more Blighting Factors with 50% of all Buildings 35 Years or Older	_____	_____	_____	_____ <u>1</u>
19	Does the Block/ Primary Tract meet either one of the Standards for Lines 17 and 18	_____	_____	_____	_____ <u>1</u>

MAP 1

ADVANCE COPY NO. 1

VICINITY MAP

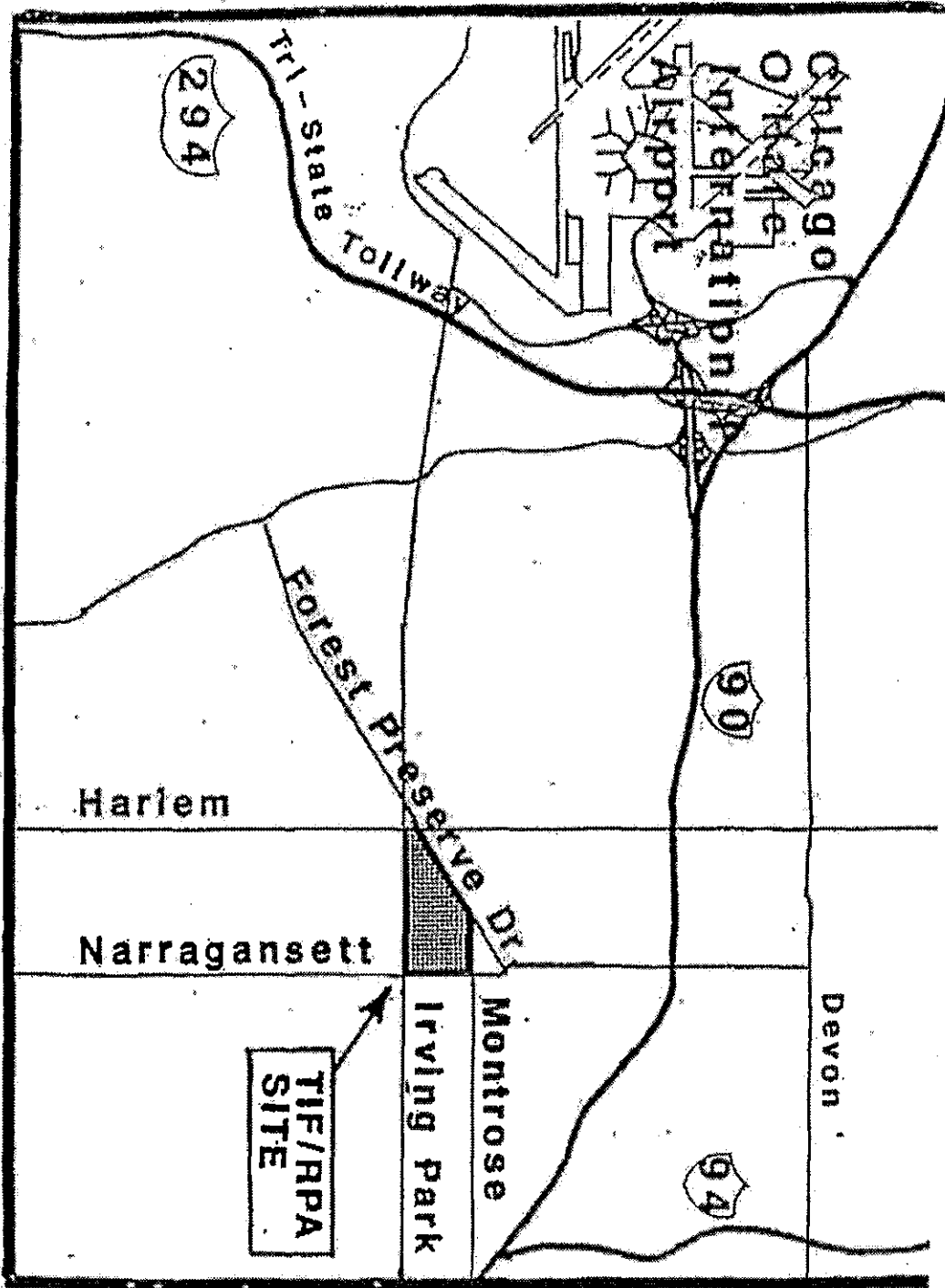


EXHIBIT 2
VICINITY MAP

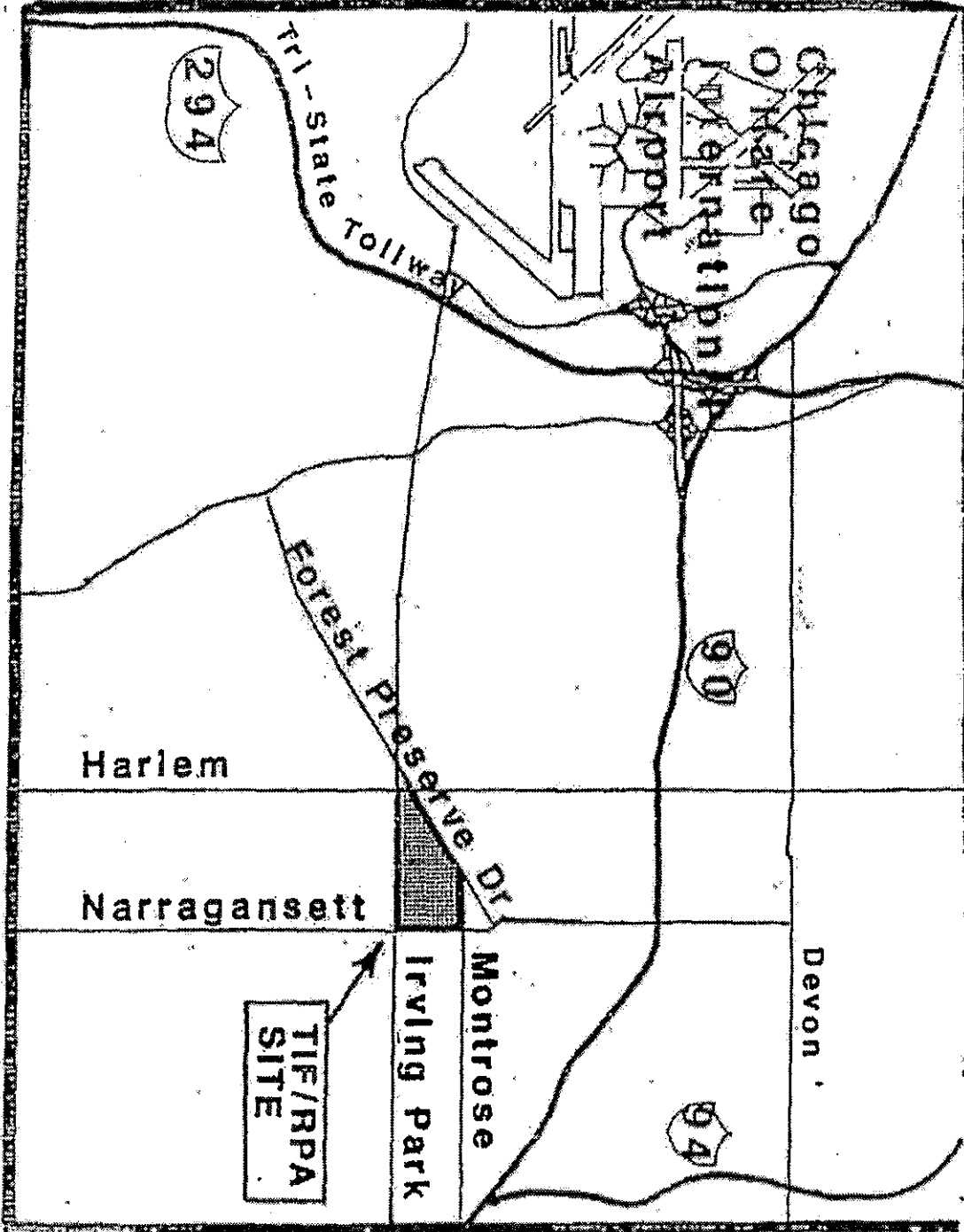


EXHIBIT 3

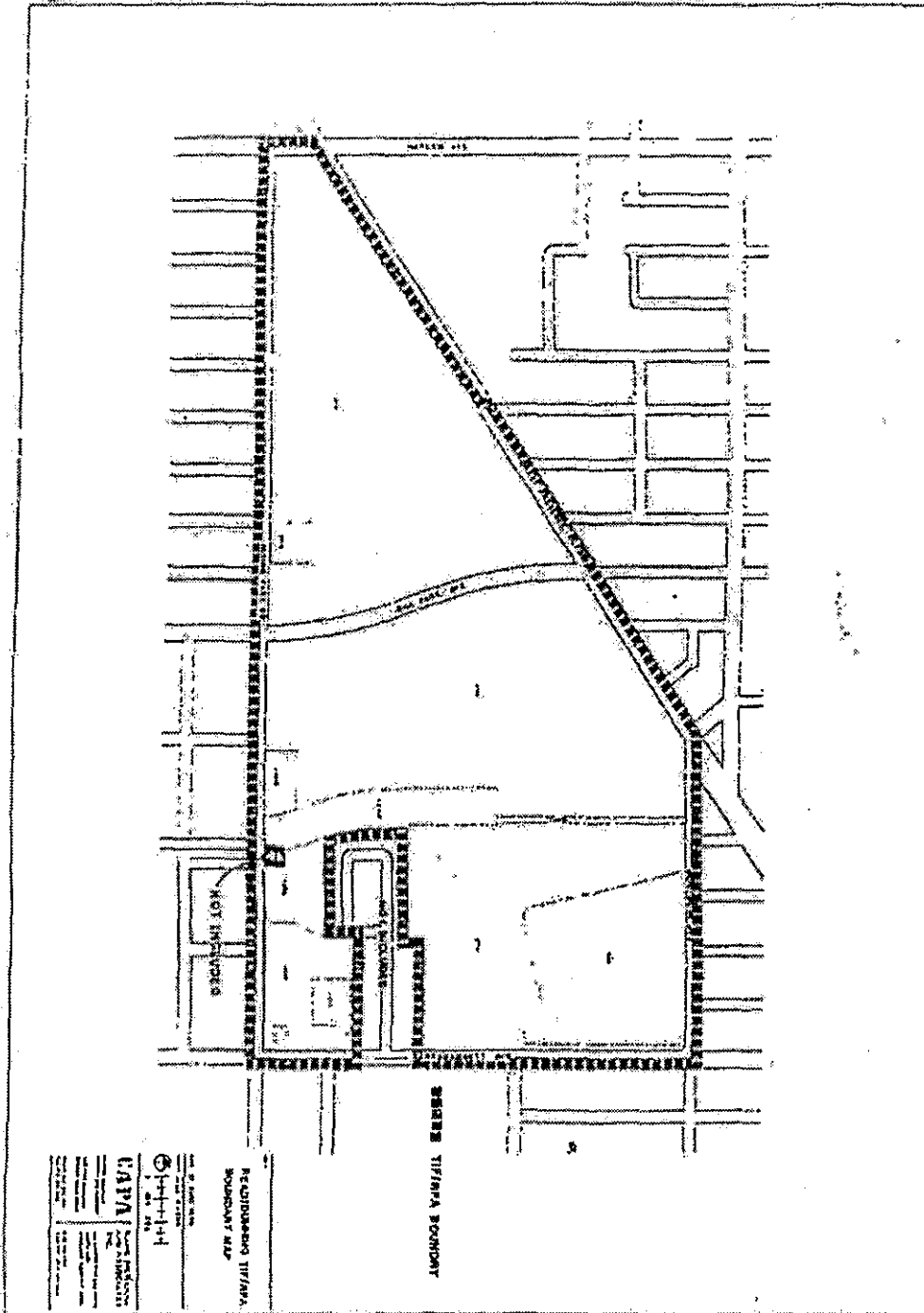


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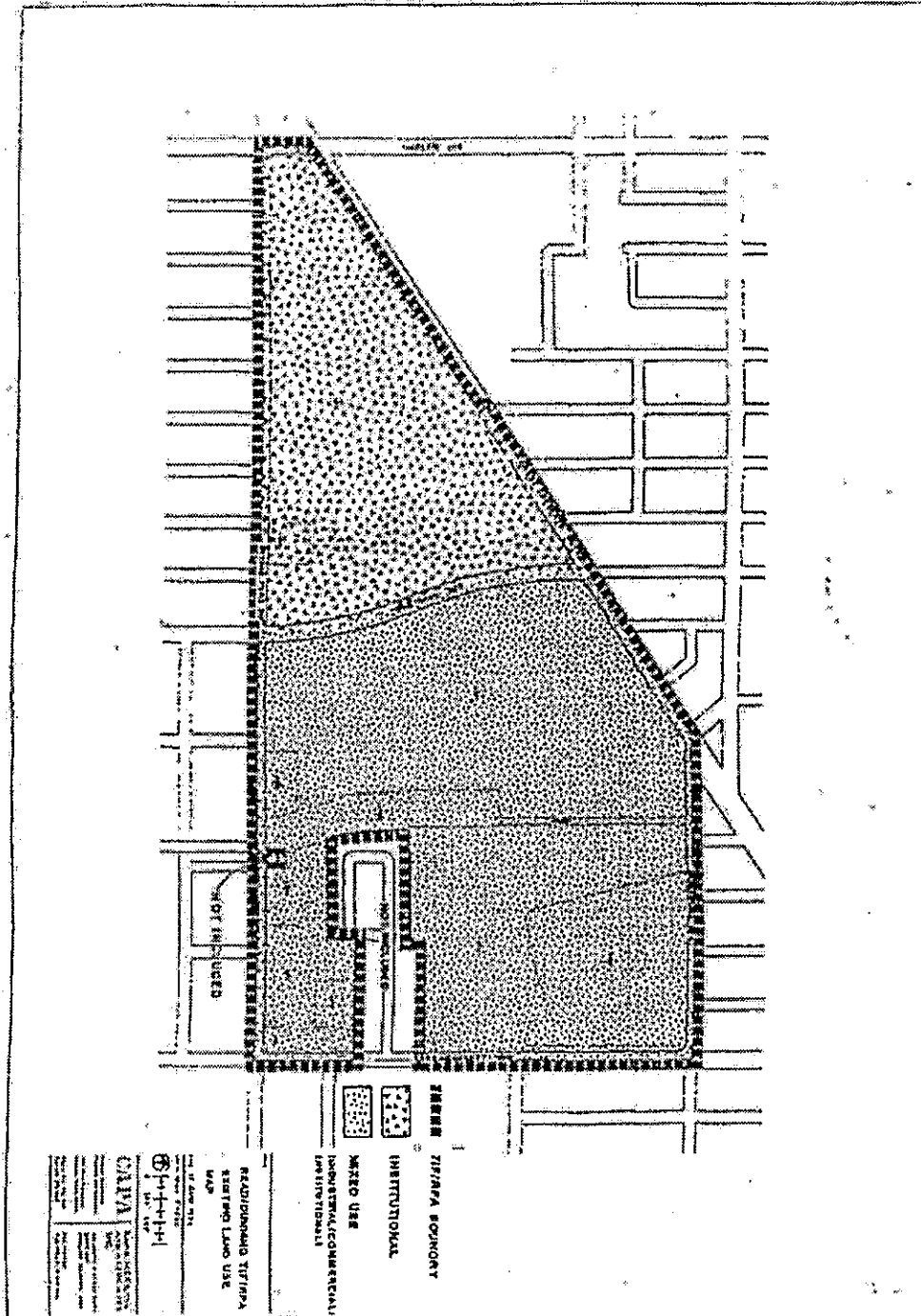


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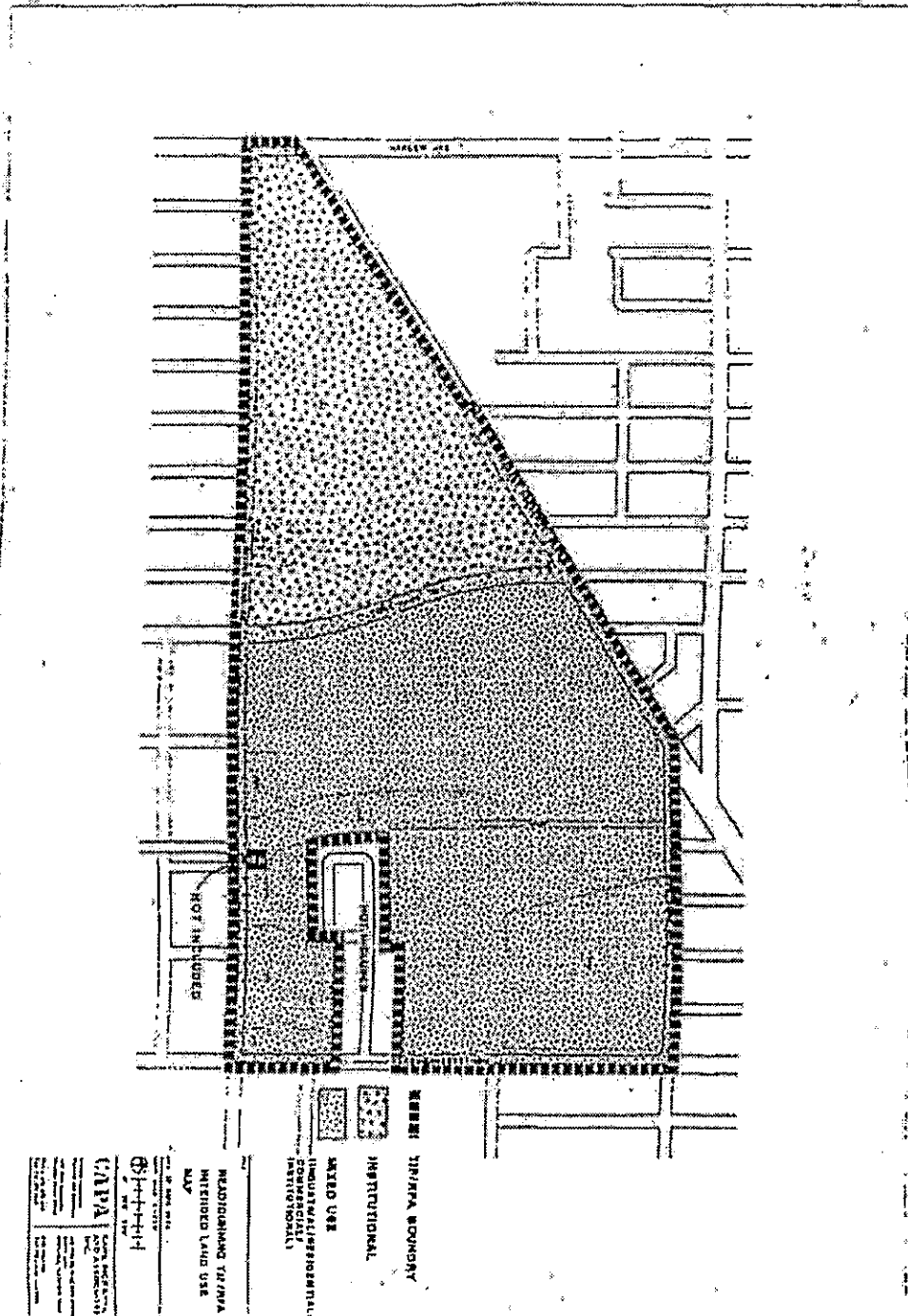
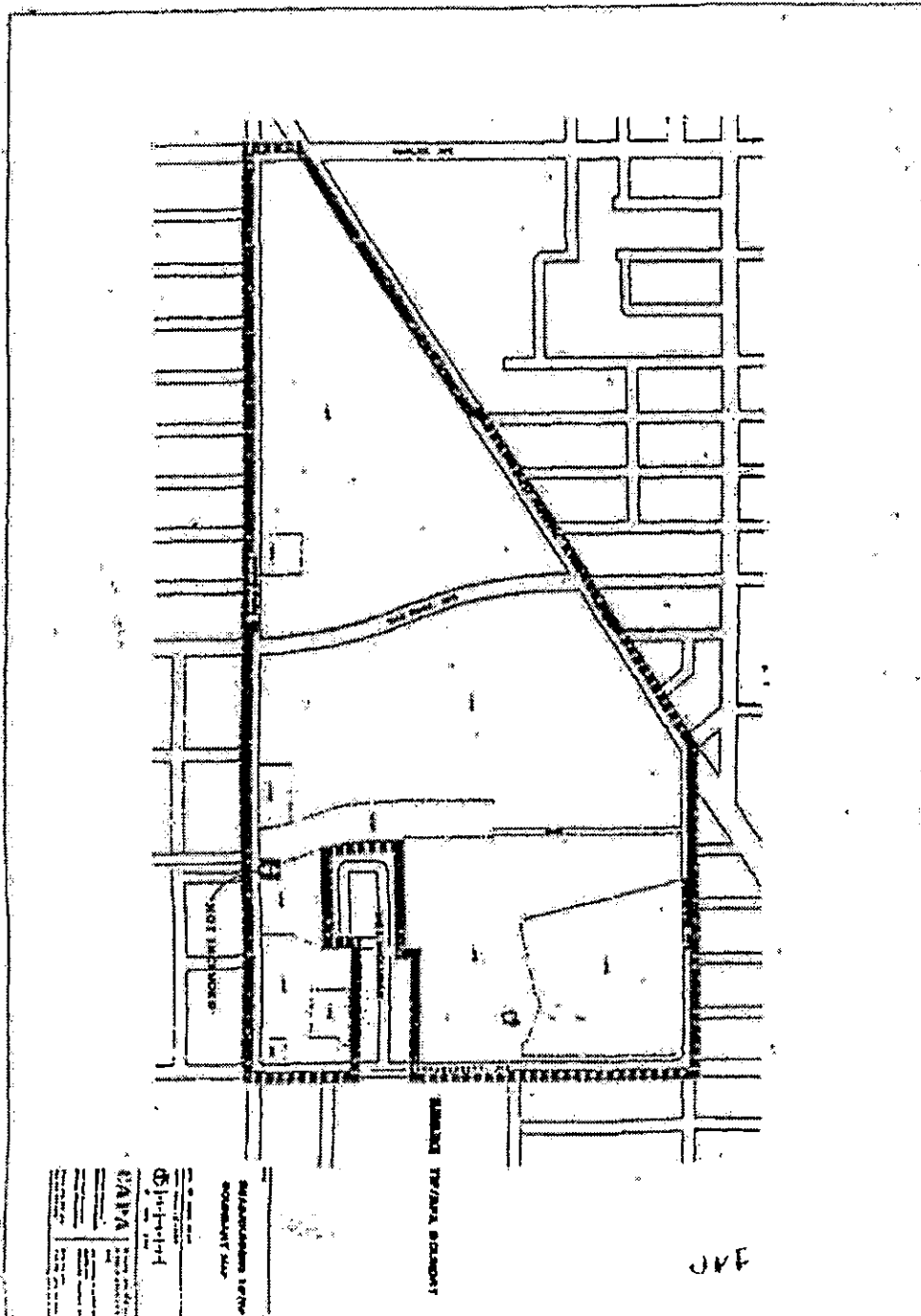


Exhibit 5

EXHIBIT C



TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA BOUNDARY MAP

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

City Of Chicago

Read/Dunning Tax Increment

Redevelopment Area

Redevelopment Plan And Project

Revision Number 1.

[Note: Alphabetical order of section designations reflects original document.]

E. Sources of Funds to Pay Redevelopment Project Costs Eligible Under Illinois T.I.F. Statute.

Funds necessary to pay for public improvements and other project costs eligible under the T.I.F. statute are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Illinois statute and do not contemplate the preponderance of the costs to redevelop the area. The majority of development costs will be *privately* financed, and T.I.F. or other public sources are to be used only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the R.P.A. over and above the initial equalized assessed value of each such lot, block, tract or parcel in the R.P.A. in the 1989 tax year.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: special service area taxes, the proceeds of property sales, property taxes, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income and such other sources of funds and revenues as the City may from time to time deem appropriate.

If the Redevelopment Project Area is contiguous to, or separated only by a public right-of-way from, one (1) or more redevelopment project areas created under the Act, the City may utilize revenues received under the Act from the Redevelopment Project Area in an amount not to exceed ten percent (10%) of the Estimated Project Costs set forth in Section V, Part D, as such Estimated Project Costs are increased by five percent (5%) after adjustment for inflation from the date the Redevelopment Plan was adopted, to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas or other redevelopment project areas separated only by a public right-of-way, and vice versa. In addition, if the Redevelopment Project Area is contiguous to, or separated only by a public right-of-way from, one or more redevelopment project areas created under the Industrial Jobs Recovery Law (the "Law"), 65 ILCS 5/11-74.6-1, et seq. (1996 State Bar Edition), as amended (an "IJRB Project Area"), the City may utilize revenues received from such IJRB Project Area(s) in an amount not to exceed ten percent (10%) of the Estimated Project Costs set forth in Section V, Part D, as such Estimated Project Costs are increased by five percent (5%) after adjustment for inflation from the date the Redevelopment Plan was adopted, to pay eligible redevelopment project costs or obligations issued to pay such costs in the Redevelopment Project Area, and vice versa. Such revenues may be transferred outright from or loaned by the IJRB Project Area to the Redevelopment Project Area and vice versa. The amount of revenue from the Redevelopment Project Area made available to support any contiguous redevelopment project areas, or those redevelopment project areas separated only by a public right-of-way, when added to all amounts used to pay eligible redevelopment project costs within the Redevelopment Project Area, shall not at any time exceed the total Estimated Project Costs, as adjusted, described in this Redevelopment Plan. This paragraph is intended to give the City the benefit of the "portability" provisions set forth in the Act, 65 ILCS 5/11-74.4-4 (g), and the Law, 65 ILCS 5/11-74.6-15(s).

The Redevelopment Project Area would not reasonably be expected to be developed without the use of the incremental revenues provided by the Act.

F. Nature And Term Of Obligations To Be Issued.

The City may issue obligations secured by the tax increment special tax allocation fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its power pursuant to the Illinois

State Constitution.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired no later than December 31 of the year in which the payment to the municipal treasurer as provided in Section 11-74.4-8(b) of the Act is to be levied in the twenty-third (23rd) calendar year after the year in which the ordinance approving the Original Project Area and Original Redevelopment Plan was adopted (such ultimate retirement date occurring on December 31, 2015). [Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the redevelopment Project Area.] However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One (1) or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the R.P.A. in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

G. Most Recent Equalized Assessed Valuation (E.A.V.) Of Properties In The Redevelopment Project Area.

The most recent estimate of equalized assessed valuation (E.A.V.) of the property within the R.P.A. is approximately *Six Million Thirty-seven Thousand One Hundred Seventy-five Dollars (\$6,037,175)* which is the 1989 equalized assessed valuation. The Boundary Map, (Sub)Exhibit 3, shows the location of the R.P.A.

H. Anticipated Equalized Assessed Valuation.

Upon completion of the anticipated private development of the Redevelopment Project Area over a ten (10) year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be approximately Forty-five Million Dollars (\$45,000,000). The estimate assumes a constant Cook County equalization factor (multiplier) of 1.9122 and 1990 dollars.

Relocation: The City may pay for certain relocation costs, conformant with City policies and regulations.

Interest Cost Coverage: The City may pay for certain interest costs incurred by a redeveloper for construction, renovation or rehabilitation of the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the R.P.A. as allowed under the Act.

Professional Services: The City may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.

B. Commitment To Fair Employment Practices And Affirmative Action.

As part of any Redevelopment Agreement entered into by the City and any private developers, both will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, any public/private entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment, with specific attention to minority and/or female individuals.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

C. Completion Of Redevelopment Project And Retirement Of Obligations To Finance Redevelopment Costs.

The estimated date for completion of Redevelopment Projects is no later than December 31, 2015. [This Redevelopment Project will be completed on or before a date twenty-three (23) years from the adoption of an ordinance designating the Redevelopment Project Area.] The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental property tax yield. Actual construction activities for both phases are anticipated to be completed within approximately seven (7) to ten (10) years.

[(Sub)Exhibit 3 referred to in this Read/Dunning Tax Increment
Redevelopment Area Redevelopment Plan and
Project Revision Number 1 unavailable
at time of printing.]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Attachment B

CERTIFICATION

TO:

Leslie Geissler Munger
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local
Government

Forrest Claypool
Chief Executive Officer
Chicago Board of Education
42 West Madison Street
Chicago, Illinois 60603

James R. Dempsey
Associate Vice Chancellor-Finance
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Michael Jasso
Bureau Chief
Cook County Bureau of Economic Dev.
69 West Washington Street, Suite 3000
Chicago, Illinois 60602

Douglas Wright
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

Lawrence Wilson, Comptroller
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Michael P. Kelly, General Superintendent &
CEO
Chicago Park District
541 North Fairbanks, 7th Floor
Chicago, Illinois 60611

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

Attachment B

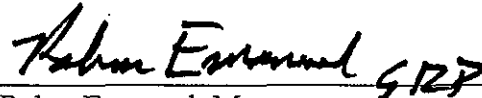
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2015, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

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

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

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2016.

Handwritten signature of Rahm Emanuel in black ink, written over a horizontal line. The signature includes the initials "R.E." at the end.

Rahm Emanuel, Mayor
City of Chicago, Illinois



DEPARTMENT OF LAW

June 30, 2016

CITY OF CHICAGO

Attachment C

Leslie Geissler Munger
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local
Government

Forrest Claypool
Chief Executive Officer
Chicago Board of Education
42 West Madison Street
Chicago, Illinois 60603

James R. Dempsey
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Michael P. Kelly, General Superintendent
& CEO
Chicago Park District
541 North Fairbanks, 7th Floor
Chicago, Illinois 60611

Re: Read-Dunning
Redevelopment Project Area (the "Redevelopment Project Area")

Dear Addressees:

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

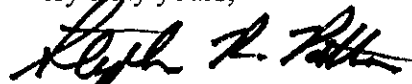
Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following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

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

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

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

Very truly yours,



Stephen R. Patton
Corporation Counsel

**In The Matter Of:
MEETING OF THE JOINT REVIEW BOARD**

MEETING
April 10, 2015

Urlaub Bowen & Associates, Inc.
Certified Shorthand Reporters
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1
2 MEETING OF THE
3 JOINT REVIEW BOARD

4 Re: Amendment No. 2, Read/Dunning
5 Tax Increment Financing District

6 City Hall - Room 1003A
7 121 North LaSalle Street
8 Chicago, Illinois

9 Friday, April 10, 2015
10 10:00 a.m.

11 PRESENT:

12 Susan Marek, Chairman
13 Chicago Board of Education

14 Juliet Azimi, Chicago Park District

15 Alderman Tim Cullerton, 38th Ward

16 Connie Kravitz, City Colleges of Chicago

17 Courtney Pogue, Cook County
18 Deputy Director Economic Development

19 Colleen Stone, Projects Coordinator
20 Finance Department

21 Stephanie Lieberman
22 Public Member

23 Bill James, Camiros, Ltd.

24 Chip Hastings, Assistant Commissioner,
TIF Division

Jim Horan, Department of Planning and Development

25 Reported by: Donna M. Urlaub
26 CSR No. 084-000993

1 ACTING CHAIRMAN MAREK: I'm Susan Marek, and
2 I'm going to act as chairman until we elect one.
3 But maybe we can just go around and introduce
4 ourselves for the record.

5 MS. STONE: I'm Colleen Stone from the
6 Finance Department, representing the City.

7 MS. KRAVITZ: I'm Connie Kravitz from City
8 Colleges of Chicago.

9 ACTING CHAIRMAN MAREK: Susan Marek, Chicago
10 Board of Education.

11 MS. AZIMI: Juliet Azimi, Chicago Park
12 District.

13 MS. LIEBERMAN: Stephanie Lieberman, public
14 member.

15 ALDERMAN CULLERTON: Tim Cullerton, alderman
16 of the 38th ward.

17 CHAIRMAN MAREK: Okay, welcome.

18 So this -- for the record, my name
19 is Susan Marek. I'm the representative of the
20 Chicago Board of Education under Section 11-74.4-5
21 of the Tax Increment Allocation Redevelopment Act,
22 one of the statutorily designated members of the
23 Joint Review Board.

24 Until election of a chairperson, I

1 will moderate this Joint Review Board meeting.

2 For the record, this will be a
3 meeting to review the proposed Amendment No. 2, the
4 Read/Dunning Tax Increment Financing District.

5 The date of this meeting was
6 announced at and set by the Community Development
7 Commission of the City of Chicago at its meeting
8 March 10, 2015.

9 Notice of this meeting of the Joint
10 Review Board was also provided by certified mail
11 to each of the taxing districts represented on
12 the board, which includes the Chicago Board of
13 Education, the Chicago Community Colleges
14 District 508, the Chicago Park District, Cook
15 County, and the City of Chicago.

16 Public notice of this meeting was
17 also posted as of Wednesday April 8, 2015, in
18 various locations throughout City Hall.

19 When a proposed redevelopment plan
20 will result in displacement of residents from ten
21 or more inhabited residential units or would
22 include 75 or more inhabited residential units,
23 the TIF Act requires that the public member of the
24 Joint Review Board must reside in the proposed

1 redevelopment project area.

2 In addition, if a municipality's
3 Housing Impact Study determines that the majority
4 of residential units in the proposed redevelopment
5 project area are occupied by very low, low, or
6 moderate income households as defined in Section 3
7 of the Illinois Affordable Housing Act, the public
8 member must be a person who resides in a very low,
9 low, or moderate income housing within the proposed
10 redevelopment project area.

11 With us today is Stephanie Lieberman.

12 Ms. Lieberman, are you familiar with
13 the boundaries of the Read/Dunning Tax Increment
14 Financing Redevelopment Project Area?

15 MS. LIEBERMAN: Yes.

16 ACTING CHAIRMAN MAREK: Is your primary
17 residence located within the boundaries of the
18 Read/Dunning Tax Increment Financing Redevelopment
19 Project Area?

20 MS. LIEBERMAN: Yes.

21 ACTING CHAIRMAN MAREK: Have you provided
22 representatives of the City of Chicago's
23 Department of Planning and Development with
24 accurate information concerning your income and

1 the income of any other members of the households
2 residing at such address?

3 MS. LIEBERMAN: Yes.

4 ACTING CHAIRMAN MAREK: Ms. Lieberman, are
5 you willing to serve as the public member for the
6 Joint Review Board for the Read/Dunning Tax
7 Increment Financing Redevelopment Project Area?

8 MS. LIEBERMAN: Yes.

9 ACTING CHAIRMAN MAREK: I will entertain a
10 motion that Stephanie Lieberman be selected as the
11 public member.

12 Is there a motion?

13 MS. STONE: Motion.

14 MS. KRAVITZ: I second.

15 ACTING CHAIRMAN MAREK: All in favor, please
16 vote by saying aye.

17 (Chorus of ayes.)

18 All opposed, please vote by saying
19 no.

20 (No response.)

21 Let the record reflect that
22 Stephanie Lieberman has been selected as the public
23 member for the Read/Dunning Tax Increment Financing
24 Redevelopment Project Area.

1 Our next order of business is to
2 select a Chairperson for this Joint Review Board.

3 Are there any nominations?

4 MS. STONE: I nominate Susan Marek.

5 ACTING CHAIRMAN MAREK: Thank you.

6 MS. KRAVITZ: I second.

7 ACTING CHAIRMAN MAREK: Thank you.

8 Are there any other nominations?

9 (No response.)

10 Let the record reflect there are no
11 other nominations.

12 All in favor of the nomination,
13 please vote by saying aye.

14 (Chorus of ayes.)

15 All opposed, please vote by saying
16 no.

17 (No response.)

18 Let the record reflect that Susan
19 Marek has been elected as Chairperson and will now
20 serve as the Chairperson for the remainder of the
21 meeting.

22 MS. STONE: Congratulations, Susan.

23 CHAIRMAN MAREK: This is my first time.

24 19 years I've been doing this, and the first time --

1 MS. STONE: It's a historic moment.

2 CHAIRMAN MAREK: It's historic. I even wore
3 a dress.

4 MS. KRAVITZ: We'll get you a sash.

5 CHAIRMAN MAREK: Thank you. I appreciate
6 your confidence in me.

7 As I mentioned, at this meeting we
8 will be reviewing a plan for the Read/Dunning TIF
9 District Amendment No. 2 proposed by the City of
10 Chicago.

11 Staff of the City's Department of
12 Planning and Development and Law as well as other
13 departments have reviewed this plan amendment which
14 was introduced to the City's Community Development
15 Commission on March 10, 2015.

16 We will listen to a presentation
17 by the consultant on the plan. Following the
18 presentation, we can address any questions that
19 the members might have for the consultant or city
20 staff.

21 An amendment to the TIF Act requires
22 us to base our recommendation to approve or
23 disapprove the proposed Read/Dunning TIF District
24 Amendment No. 2 on the basis of the area and

1 the plan satisfying the plan requirements, the
2 eligibility criteria defined in the TIF Act, and
3 the objectives of the TIF Act.

4 If the Board approves the plan
5 amendment, the Board will then issue an advisory
6 nonbinding recommendation by the vote of the
7 majority of those members present and voting.

8 Such recommendation shall be
9 submitted to the City within 30 days after the
10 board meeting.

11 Failure to submit such
12 recommendation shall be deemed to constitute
13 approval by the Board.

14 If the Board disapproves the plan
15 amendment, the Board must issue a written report
16 describing why the plan and area failed to meet one
17 or more of the objectives of the TIF Act and both
18 the plan requirements and the eligibility criteria
19 of the TIF Act.

20 The City will then have 30 days to
21 resubmit a revised plan.

22 The Board and the City must also
23 confer during this time to try to resolve the
24 issues that led to the Board's disapproval.

1 If such issues cannot be resolved or
2 if the revised plan is disapproved, the City may
3 proceed with the plan, but the plan can be approved
4 only with a three-fifths vote of the City Council,
5 excluding positions of members that are vacant and
6 those members that are ineligible to vote because
7 of conflicts of interest.

8 Okay. So now we're ready for our
9 presentation. We have Camiros, Ltd., here today.

10 Would you like to introduce yourself.

11 MR. JAMES: My name is Bill James. I'm a
12 consultant with Camiros, and our firm was retained
13 to assist the City in the preparation of the
14 amendment document which I have here in front of
15 me which is available for public inspection.

16 And what I'd like to do is to
17 utilize this handout that Tom provided before the
18 meeting to facilitate the presentation. And I'd
19 first like to start with the history and background
20 of the project area.

21 So, as you can see from the second
22 page in -- and you all have these handouts, correct?

23 ALDERMAN CULLERTON: Is this the PowerPoint
24 that was presented to me, the same document?

1 MR. JAMES: So it's my understanding that
2 we're not going to actually project the PowerPoint,
3 we're just going to use the handout here. So, you
4 know, I'll ask you to kind of follow along with me.

5 This is the map of the project area
6 outlined in yellow.

7 On the north is Montrose; then
8 Forest Preserve Drive is the diagonal street, it
9 goes a short segment on to Harlem; to the south is
10 Irving Park Road; and to the east is Narragansett.

11 There are a couple of essentially
12 cutouts within this area that you can see in
13 yellow: There's a residential area in the
14 southeast corner and a small square along Irving
15 Park Road also that is excluded from the project
16 area.

17 So that's the project area. It's
18 approximately 235 acres in size.

19 And the history of the area is
20 quite unique. In the 1930s the area in general
21 was settled, the project area was used as a
22 horticultural nursery.

23 After original settlement in 1882
24 the area was -- I'm sorry, 1886, the land was

1 donated to Cook County for the construction of what
2 was called County Infirmary and Mental Facility.

3 In 1912, the County transferred that
4 facility to the State of Illinois and it became
5 known as Chicago Read Mental Health Center.

6 In the 1980s, the facilities of the
7 mental health center were consolidated and it freed
8 up land on the site for other uses. And at that
9 point in time the State transferred a portion of
10 the land to the City to facilitate the development
11 of other uses.

12 In 1990 -- hello.

13 (Mr. Pogue entered.)

14 In 1990, the City of Chicago
15 completed designation of the Read/Dunning TIF
16 District; and in 2005, the State transferred
17 additional land to the City to facilitate the
18 development of other uses on the site.

19 So that kind of brings us up to
20 where we're at today.

21 And on this next page, it introduces
22 the topic, what actions are being proposed in the
23 amendment.

24 So this is an amendment of an

1 existing TIF district. And there are three basic
2 actions that would be facilitated through the
3 amendment.

4 First and foremost, the life of the
5 TIF would be extended by 12 years, through the year
6 2027.

7 You would update the TIF district
8 budget to account for the additional life of the
9 TIF district and current projections for revenue
10 and expenditures, and we would update the TIF
11 district land use plan.

12 It's also important to note actions
13 that will not be taken, not part of the amendment:
14 No land acquisition is proposed and no change to
15 the TIF boundaries.

16 So this next page talks about why
17 the TIF is being amended. And you can see the
18 aerial photograph and some ground-level photographs
19 of the site.

20 So in this transition from the
21 mental health facility to its consolidation to
22 the introduction of other uses on the site, this
23 process is really not complete; and, therefore,
24 an extension of the TIF district in terms of its

1 timeline is needed to allow for the completion of
2 improvements to this area.

3 And we can see a number of
4 improvements that could be facilitated through the
5 TIF district. Obviously the actual improvements or
6 use of TIF funds would be decided as proposals are
7 made and decisions are made about the use of those
8 funds.

9 There are no decisions that have
10 been made to date about the use of future TIF
11 revenues; but things that could be considered and
12 would be allowed as TIF-eligible expenses include
13 improving streets.

14 So the main north-south street that
15 goes through the site, Oak Park Avenue, is really
16 not up to standard, doesn't have curb and gutter,
17 doesn't have sidewalks. That could be something
18 that is done through the TIF district.

19 Making street connections to help
20 serve private developments that's already on the
21 site, that could be something that is done.

22 Normandy Street, which serves some
23 industrial and commercial/industrial development
24 from the north and south and doesn't link up,

1 there's not really good circulation. There's a
2 salt pile out there that may be responsible for
3 some groundwater contamination; that is something
4 that can be facilitated through the TIF, the
5 relocation of that to a more suitable site.

6 And we can see, if you look on this
7 aerial just north of Irving Park Road, you see some
8 white forms on the ground plane. These are former
9 buildings of the Chicago Read Mental Health
10 Facility that were not needed, the buildings were
11 demolished, the foundations and pads are still out
12 there.

13 So site prep and site cleanup would
14 be needed to facilitate the reuse of land, and
15 those kinds of expenditures are allowed in the TIF
16 district.

17 So -- and then finally there will be
18 additional land that is not in active use, and it
19 may be that certain public uses would be suitable
20 for this location, and the TIF district funds can
21 be used to help implement and build those
22 additional public uses.

23 So that's why the TIF district is
24 being amended.

1 And the next figure shows the TIF
2 district expenditures that have been made to date.
3 From its original inception in 1990 to today, a
4 total of just under \$11 million have been spent to
5 improve the area. And you can see the categories
6 of improvement and expenditures that have been made
7 to date in the TIF, with the number one thing being
8 public infrastructure. Number two is housing, and
9 number three is economic development.

10 So the key elements of the plan and
11 the amended plan are shown on this page, a couple
12 sheets in, key elements of the TIF plan.

13 So the base EAV, back when the
14 first original designation was made, is just over
15 \$6 million.

16 The projected EAV upon completion
17 of redevelopment activities is expected to grow to
18 almost \$57 million, so a large increase.

19 There would be an updated budget,
20 which I will get to; and there will be a change in
21 the land use plan, which under the original plan
22 just looked at public and mixed use development.

23 Here we have -- in the land use plan
24 with the amendment, we have provided a greater

1 degree of detail on the proposed land use pattern
2 and kind of refined what will go here and where it
3 will go.

4 So on the budget, if you turn to
5 the next page, the new proposed TIF budget with
6 the amendment is \$76 million. And this is a
7 significant increase over the original TIF plan.

8 The TIF budget is the maximum amount
9 of funds that can be expended within the TIF
10 district. We cannot exceed \$76 million. The only
11 way to do that is go through another amendment. So
12 \$76 million would be the maximum in size.

13 It's sized to accommodate potential
14 improvement needs and public uses that could be
15 developed on the site. And it is the total TIF
16 budget, not an annual TIF budget.

17 So the line items in the budget are
18 flexible. Okay? When we get to the budget, you'll
19 see various line items. This is how we arrived at
20 the \$76 million. You can change the line item
21 numbers without an amendment, but the total
22 \$76 million is kind of fixed in stone.

23 The maximum extension of life of
24 the TIF is limited to \$12 million, and specific

1 expenditures within the TIF district would be
2 subject to City approval, determination of
3 appropriateness of cost, special TIF audit, and
4 annual review by the Joint Review Board.

5 So the next page shows the TIF
6 budget, and we see the various line items. And
7 on the left-hand side of the matrix, we show the
8 actual proposed improvement; next over is the
9 original budget; and then next is the revised
10 budget, what this amendment proposes.

11 So we can see that -- and all of
12 these line items have increased; some a lot more
13 than others.

14 Land acquisition, property assembly,
15 we think that there will be potentially some more
16 of this, not a great deal more, but more than what
17 has taken place so far.

18 Rehabilitation of existing
19 buildings, there might be a little bit more of that
20 that goes on, not a lot.

21 Public -- improvements in public
22 facilities, we think this would be the number one
23 area where TIF funds would be used.

24 There'd be some additional interest

1 cost associated with new buildings, new development.

2 And then, without going through each
3 of these, we have, on the bottom, line items that
4 were not included in the original amendment,
5 they were not part of the TIF Act at that time,
6 marketing, daycare services, and affordable housing
7 construction and rehabilitation. So we think that
8 there's the opportunity for that kind of use on the
9 site and funds would be allocated to facilitate
10 that development.

11 So we see the original budget was
12 \$16 million, and this budget is \$76 million.

13 So, actually, the TIF district has
14 been successful in terms of generating revenue
15 with the new development and with the private
16 sector development that's been facilitated on the
17 site, the industrial, residential, some residential,
18 and commercial.

19 So if we turn to the next page, we
20 see the general land use plan. And as I said, this
21 is more specific than the land use plan in the
22 original TIF designation.

23 The largest single use on the site
24 is the deep blue color, institutional and open

1 space. That would include the Chicago Read Mental
2 Health Facility which is to the west of Oak Park
3 Avenue, and also there's some IDOT facilities and
4 additional public lands there.

5 To the east of Oak Park Avenue would
6 be land that is currently owned by the City for the
7 most part, and the specific public uses and open
8 space that would be located there has yet to be
9 determined.

10 Other uses on the site largely
11 reflect existing uses. So we have institutional,
12 we have the Wright College, we have a private
13 school there, we have industrial uses which you
14 see in pink along Normandy and to the south in
15 the deeper pink color which is really commercial
16 combined with industrial.

17 On the corner of Narragansett and
18 Montrose is a retail shopping center, which you see
19 in the orange color.

20 And we see residential in two
21 locations: One at Oak Park Avenue, which is
22 essentially a senior facility, and a condominium
23 development over on Berteau and Narragansett.

24 So the plan for land use is much

1 more precise. I think it's fairly in line with
2 what the future holds for this area, and this is
3 something that we have added to the amendment
4 that's different than the original TIF district.

5 So that really completes the
6 presentation. I think it gives you the highlights
7 of what we're doing with the amendment and why.
8 And I'm available to answer questions if you have
9 any.

10 CHAIRMAN MAREK: Thank you.

11 Before I take any questions, can we
12 have another member who has joined us, would you
13 like to introduce yourself?

14 MR. POGUE: Courtney Pogue, Cook County.

15 CHAIRMAN MAREK: Thank you.

16 Do any of the members have
17 questions? Or comments?

18 MS. STONE: I just have one question/comment
19 probably for someone in DPD. I think -- this is a
20 pretty cash-rich TIF, right? I mean -- and the
21 idea is to like pour some money into improving the
22 streets and everything so someone will want to come
23 set up shop?

24 MR. HORAN: Jim Horan, Department of Planning

1 and Development.

2 Correct. And there's still a lot of
3 vacant underutilized land, as Bill James indicated
4 in his presentation. So it's to facilitate the
5 reuse of the vacant land.

6 MR. POGUE: So what do you see as far as the
7 potential use?

8 I know you have a lot of
9 institutional land uses in the current plan. And
10 you have increased the budget by \$60 million.

11 How do you plan to get from X to Y?

12 MR. JAMES: Well, really, all of -- largely
13 all of the vacant or undeveloped land is designated
14 for public use or open space.

15 So it -- the intent of this
16 amendment is to use the vacant land to provide
17 public uses, public amenities that are needed in
18 the area.

19 There's not that much vacant land in
20 the city anymore. So I think you really want to be
21 careful on how you use that; and if there's a need
22 for a new public facility that makes sense for this
23 area, the TIF funds can be used to help pay for
24 that.

1 MR. POGUE: But you have an increase in the
2 budget by \$60 million.

3 MR. JAMES: That is correct.

4 MR. POGUE: How do you plan on getting there?

5 MR. JAMES: Getting there?

6 MR. POGUE: Yes.

7 MR. JAMES: Well, as part of our study, we
8 did revenue projections.

9 I'm looking at how much the TIF
10 district has generated in terms of incremental
11 property tax revenue over time; what it looks like
12 in the future, making projections in the future;
13 and, according to our projections, then the total
14 revenues from the inception of the TIF district
15 to its expiration in 2027 would equal or exceed
16 the \$76 million budget number.

17 MR. POGUE: And what is it generating now?

18 MR. JAMES: You know, I actually don't have
19 that number on the tip of my tongue.

20 Here we go. Thank you.

21 So these are our projections. And
22 so it appears to be generating currently in the
23 range of 2.2, 2.4, \$2.5 million, which will
24 gradually increase over time.

1 MR. POGUE: So you're saying it's going to
2 increase by almost a hundred percent annually to
3 get to the \$60 million budget. So \$5 million over
4 a 12-year period per year.

5 MR. JAMES: Well, you know, there are funds,
6 you know, in the account now. 60 million is not
7 all going to be generated in 12 years, in the next
8 12 years.

9 MR. HASTINGS: Sorry, Bill. So, just to
10 clarify, that's based on the collection from day
11 one in the TIF --

12 MR. JAMES: Right.

13 MR. HASTINGS: -- through current --

14 MR. JAMES: Right.

15 MR. HASTINGS: -- projected based on what
16 we've collected so far, with a simple inflationary
17 rate applied to that, through the extension period,
18 correct?

19 MR. JAMES: Right.

20 MR. HASTINGS: And that's how you arrived at
21 the 60.

22 MR. JAMES: So that takes all the 23 years
23 that have gone on prior to the extension period,
24 plus the incremental revenue from the extension

1 period, all of that would be the total amount
2 generated over what would then be the 35-year life
3 of the TIF district, this TIF district.

4 MR. POGUE: And your simple inflation rate is
5 what?

6 MR. HASTINGS: I think it was 2 something.

7 MR. JAMES: I think it's 2 percent.

8 MR. HASTINGS: Yeah.

9 MS. KRAVITZ: So Wright College is within
10 this area.

11 MR. JAMES: That's correct.

12 MS. KRAVITZ: I don't hear anything as far as
13 any additional things within Wright College. Is
14 there any intention --

15 MR. HASTINGS: So I can say we have no
16 pending requests as far as I'm aware of.

17 The idea is to put the extension in
18 place and be in a position to fund development of
19 the vacant land or whatever institutional uses that
20 are there.

21 It's a fairly new campus. We
22 haven't had any requests from them, but certainly
23 it's an eligible use; it's a public facility.

24 MS. KRAVITZ: So is that something we can

1 look into?

2 MR. HASTINGS: Certainly.

3 MS. KRAVITZ: Okay.

4 CHAIRMAN MAREK: And years ago, at one point,
5 there was some discussion, back when Mayor Daley
6 was here, he had a vision of working with Eli's
7 Cheesecake and having an agricultural high school
8 on that property. But, like I said, that was the
9 prior administration. And then he'd turn it into
10 a -- there'd be some joint facilities --

11 MS. KRAVITZ: So CPS is renting Wright South?
12 I think that's probably within the same area?

13 MS. AZIMI: No, I think it's outside of this.

14 CHAIRMAN MAREK: But it's not in the TIF
15 district.

16 MS. KRAVITZ: It's not in the TIF district?
17 Okay. I didn't know where it was in relation.

18 CHAIRMAN MAREK: Right. So I think this
19 was -- the plan -- the discussion was, you know, to
20 build a high school or it was to replicate what
21 goes on at Chicago Ag South on -- Mayor Daley
22 wanted one on the North Side and one in -- one
23 centrally.

24 MS. AZIMI: Because Eli's is already there.

1 CHAIRMAN MAREK: Eli's is there, and we've
2 had discussions with Eli's because he was excited
3 about it, to have, you know, like a food science
4 center or something, or a community garden, or -- I
5 mean, so there's been discussions over the years
6 because it is a big parcel of land, there would be
7 some opportunities there; but definitely no
8 decisions have been made.

9 I think Chip said it well, it's that
10 this puts in the possibility of, you know, looking
11 at some of those options.

12 And there was a gentleman that was
13 here earlier had -- there was -- "I live in that
14 community, and we just got a flyer that said that
15 there might be a high school coming into that
16 neighborhood."

17 But as far as I know, there's been
18 no -- there's definitely been no decision at CPS
19 about that. But historically there have been
20 discussions about the possibility.

21 MR. JAMES: So a range of possibilities exist
22 for the future. The TIF district extension would
23 help make those potential improvements more
24 feasible.

1 MS. AZIMI: Merrimac Park falls within this?

2 ALDERMAN CULLERTON: No.

3 MS. LIEBERMAN: That's outside of the
4 boundary. Because if you look at the boundary, the
5 boundary line is Irving and Narragansett.

6 MS. AZIMI: Oh, yeah, it's right over here.

7 Dunham? Dunham Park?

8 ALDERMAN CULLERTON: No, that's farther north.

9 CHAIRMAN MAREK: I don't think there's any
10 parks.

11 MS. AZIMI: But the potential is there
12 because there's the open space to do -- to put
13 something there?

14 CHAIRMAN MAREK: Or with the community
15 colleges, at one point there was discussion about
16 doing some shared athletic, you know, facilities;
17 you know, put in a ball field, or I don't -- you
18 know, something. So I think it's -- it's
19 definitely open for discussion.

20 Are there any other comments?

21 ALDERMAN CULLERTON: Thanks, Madam Chairman.

22 I'm Alderman Tim Cullerton from the
23 38th ward. And I had a prepared statement, but to
24 answer some of those questions, we did devote about

1 \$5 million of this TIF money to upgrade Oak Park
2 Avenue. That project is starting this week. So
3 that's money that's been allocated. That will --
4 right now, if you're familiar with Oak Park Avenue,
5 it's the same as a WPA street. It was really an
6 old pathway through the prairie.

7 That will enhance the gateway to
8 the new VA Hospital that's being built on the other
9 side, west of Oak Park Avenue, a new 200-bed VA
10 facility in the northwest corner of Oak Park -- I'm
11 sorry, the -- actually the southwest corner of Oak
12 Park and Forest Preserve Drive.

13 About two and a half to three years
14 ago we did have community meetings and we did
15 allocate, designate, I believe it was about, what
16 was it, about ten acres of land for a CPS school.
17 We didn't determine if it was a K through 12 school
18 or a high school or what type of school; but CPS
19 has the right to occupy that land, first right of
20 refusal, I guess for lack of a better term, on the
21 corner of Oak Park and Irving.

22 And that -- if you're familiar
23 with the property, that runs from Irving Park
24 approximately to the salt pile and then east to

1 Normandy.

2 There's been a long-term plan since
3 my father was alderman back in the 1980s to build a
4 park space in there, to build a school in there;
5 and when the City obtained the land from the State,
6 there was a caveat that the land had to be used for
7 public good and -- public use. So our uses going
8 forward are somewhat limited to public use.

9 There is a -- we did put a
10 community -- Read/Dunning community garden in there
11 about a year and a half, two years ago; and as a
12 young electrician, I worked at this hospital for
13 a contractor when it was still operating.

14 So there's a lot of -- when you talk
15 about the purpose of a TIF in terms of blight and
16 development, this is a classic example.

17 We have underground utility tunnels
18 down there under the ground with asbestos. So
19 there's -- as Mr. James mentioned, there's concrete
20 foundations from some of the old buildings.

21 So to remediate, the environmental
22 remediation and preparing the land for
23 construction, building streets and roads and
24 sidewalks and to accommodate development, whether

1 it be a park, a school, an athletic field, those
2 are all things -- those are all potential uses for
3 this TIF.

4 So it's a very -- it will -- the
5 extension will serve the community well, and it
6 will serve this area well.

7 So we certainly have a need for a
8 school there, there's no question about it.
9 Taft High School and Steinmetz High School are
10 overcrowded. All of the feeder schools, Smyser
11 School, Bridge School, they're all overcrowded.
12 We're building additions on the Canty School this
13 next -- they break ground next year.

14 And the dilemma is, where are all
15 these kids that are now in grammar school going to
16 go to school?

17 And, to be perfectly honest with
18 you, the only available land in that neighborhood
19 is this property. So it has -- it has a long
20 history; and certainly my father, I'm proud that
21 my father was part of the development of Wright
22 College.

23 As alderman, I had offered to try to
24 give some of that land to the college; but for one

1 reason or another, they were not interested in it
2 at this time.

3 So maybe going forward -- there's a
4 need there, because that college is -- has no room
5 for expansion other than the vacant land that's
6 there, and the occupancy rate of that college is a
7 hundred percent. So it's a very popular college
8 and it's a great asset to our community.

9 I'm sure Rachel could tell you that;
10 she lives nearby.

11 So there's a lot of potential. The
12 plans I've seen over the years include park space,
13 athletic fields, schools. And I do have letters of
14 support here I'd just like to pass over to members
15 of the committee from Incoming Alderman-Elect
16 Sposato, Nick Sposato.

17 All of the businesses that are
18 operating there in Wright Business Park are all in
19 favor of this extension. Most notably is Eli's
20 Cheesecake, who's been in the area since the
21 inception of the TIF. And it's a very -- and some
22 of the businesses back there, Paasche Airbrush was
23 established in the city in 1904. Chicago Paper
24 Tube was established before the turn of the century

1 there. They're city businesses that want to stay
2 here, but they need SBIF, they need TIFWorks
3 grants, and this is some of the uses that the TIF
4 will provide for these businesses to stay in our
5 city as well. They employ hundreds of people over
6 there. So it's a kind of an odd blend of uses over
7 there, but it works well.

8 And so I just want to offer up these
9 letters of support as well. And I'd be happy to
10 answer any questions you might have.

11 CHAIRMAN MAREK: Thank you.

12 Are there any other questions or
13 comments?

14 MS. STONE: No.

15 CHAIRMAN MAREK: Okay. If there are no other
16 questions or comments, I will entertain a motion
17 that this Joint Review Board finds that the
18 proposed Read/Dunning Tax Increment Financing
19 Redevelopment Project Area Amendment No. 2
20 satisfies the redevelopment plan requirements under
21 the TIF Act, the eligibility criteria defined in
22 Section 11-74.4-3 of the TIF Act and the objectives
23 of the TIF Act and that, based on such findings,
24 approve such proposed plan amendment under the TIF

1 Act.

2 Is there a motion?

3 MS. KRAVITZ: I move.

4 MS. MAREK: Is there a second?

5 MR. POGUE: Second.

6 MS. MAREK: Is there any further discussion?

7 (No response.)

8 If not, all in favor please vote by
9 saying aye.

10 (Chorus of ayes.)

11 All opposed, please vote by saying
12 no.

13 (No response.)

14 Let the record reflect the
15 Joint Review Board's approval of the proposed
16 Read/Dunning Tax Increment Financing Redevelopment
17 Project Area Amendment No. 2 under the TIF Act.

18 Thank you all for coming.

19 Is there any other activity?

20 If not, is there a motion to
21 adjourn?

22 MS. LIEBERMAN: Motion.

23 MS. MAREK: Second?

24 MS. KRAVITZ: Second.

1 MS. MAREK: All approved.

2 Thank you very much.

3 (The proceedings adjourned at

4 10:38 a.m.)

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REPORTER'S CERTIFICATE

I, Donna M. Urlaub, do hereby certify that

I reported in shorthand the proceedings of said hearing as appears from my stenographic notes so taken and transcribed under my direction.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Chicago, Illinois, this 15th day of April 2015.



Illinois CSR No. 084-000993

CITY OF CHICAGO, ILLINOIS
READ-DUNNING
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2015

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

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INDEPENDENT AUDITOR'S REPORT

The Honorable Rahm Emanuel, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying financial statements of the Read-Dunning Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Project's basic financial statements as listed in the table of contents.

The financial statements present only the Read-Dunning Redevelopment Project and do not purport to, and do not present fairly the financial position of the City of Chicago, Illinois, as of December 31, 2015, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Read-Dunning Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The Schedule of Expenditures by Statutory Code is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Banaley and Kiener, L.L.P.

Certified Public Accountants

June 27, 2016

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the Read-Dunning Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2015. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

Basic Financial Statements

The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements*. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net position includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net position and how they have changed. Net position – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

Governmental Fund Financial Statements

The governmental fund financial statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental funds financial statements. The notes to the financial statements follow the basic financial statements.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

Condensed Comparative Financial Statements

The condensed comparative financial statements are presented on the following page.

Analysis of Overall Financial Position and Results of Operations

Property tax revenue for the Project was \$2,984,461 for the year. This was an increase of 27 percent over the prior year. The change in net position (including other financing uses) produced an increase in net position of \$1,756,061. The Project's net position increased by 12 percent from the prior year making available \$15,607,522 (net of surplus distribution) of funding to be provided for purposes of future redevelopment in the Project's designated area. Expenses increased this year due to the Project's formulation of a redevelopment plan or necessary funding was substantially complete and available.

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Concluded)

Government-Wide

	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
Total assets	\$ 16,807,802	\$ 14,945,435	\$ 1,862,367	12%
Total liabilities	<u>208,280</u>	<u>101,974</u>	<u>106,306</u>	104%
Total net position	<u>\$ 16,599,522</u>	<u>\$ 14,843,461</u>	<u>\$ 1,756,061</u>	12%
Total revenues	\$ 3,025,156	\$ 2,390,537	\$ 634,619	27%
Total expenses	<u>665,180</u>	<u>270,300</u>	<u>394,880</u>	146%
Other financing uses	<u>603,915</u>	<u>102,000</u>	<u>501,915</u>	492%
Changes in net position	<u>1,756,061</u>	<u>2,018,237</u>	<u>(262,176)</u>	-13%
Ending net position	<u>\$ 16,599,522</u>	<u>\$ 14,843,461</u>	<u>\$ 1,756,061</u>	12%

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2015

<u>ASSETS</u>	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and investments	\$ 14,174,894	\$ -	\$ 14,174,894
Property taxes receivable	2,599,350	-	2,599,350
Accrued interest receivable	33,558	-	33,558
Total assets	<u>\$ 16,807,802</u>	<u>\$ -</u>	<u>\$ 16,807,802</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Vouchers payable	\$ 142,574	\$ -	\$ 142,574
Due to other City funds	65,574	-	65,574
Other accrued liability	132	-	132
Total liabilities	<u>208,280</u>	<u>-</u>	<u>208,280</u>
Deferred inflows	<u>2,327,349</u>	<u>(2,327,349)</u>	<u>-</u>
<u>FUND BALANCE/NET POSITION</u>			
Fund balance:			
Restricted for surplus distribution (Note 2)	992,000	(992,000)	-
Restricted for future redevelopment project costs	<u>13,280,173</u>	<u>(13,280,173)</u>	<u>-</u>
Total fund balance	<u>14,272,173</u>	<u>(14,272,173)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 16,807,802</u>		
Net position:			
Restricted for surplus distribution (Note 2)		992,000	992,000
Restricted for future redevelopment project costs		<u>15,607,522</u>	<u>15,607,522</u>
Total net position		<u>\$ 16,599,522</u>	<u>\$ 16,599,522</u>
Amounts reported for governmental activities in the statement of net position are different because:			
Total fund balance - governmental funds			\$ 14,272,173
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.			<u>2,327,349</u>
Total net position - governmental activities			<u>\$ 16,599,522</u>

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

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 2,298,956	\$ 685,505	\$ 2,984,461
Interest	40,695	-	40,695
	<hr/>	<hr/>	<hr/>
Total revenues	2,339,651	685,505	3,025,156
Expenditures/expenses:			
Economic development projects	665,180	-	665,180
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	1,674,471	685,505	2,359,976
Other financing uses:			
Surplus distribution (Note 2)	(603,915)	-	(603,915)
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures and other financing uses	1,070,556	(1,070,556)	-
Change in net position	-	1,756,061	1,756,061
Fund balance/net position:			
Beginning of year	13,201,617	1,641,844	14,843,461
	<hr/>	<hr/>	<hr/>
End of year	<u>\$ 14,272,173</u>	<u>\$ 2,327,349</u>	<u>\$ 16,599,522</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental funds	\$ 1,070,556
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<hr/> 685,505
Change in net position - governmental activities	<hr/> <u>\$ 1,756,061</u>

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

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In January 1991, the City of Chicago (City) established the Read-Dunning Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the capital project and special revenue funds of the City.

(b) *Government-Wide and Fund Financial Statements*

The accompanying financial statements of the Project have been prepared in conformity with generally accepted accounting principles as prescribed by the Government Accounting Standards Board (GASB). GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, standardized the presentation of deferred outflows and inflows of resources and their effect on the Project's net position. The financial impact resulting from the implementation of GASB Statement No. 63 is primarily the change in terminology from Net Assets to Net Position. In addition, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was implemented to establish accounting and financial reporting standards that reclassify as deferred inflows of resources, certain items that were previously reported as liabilities and recognizes, as inflows of resources, certain items that were previously reported as liabilities.

(c) *Measurement Focus, Basis of Accounting and Financial Statements Presentation*

The government-wide financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental fund financial statements are prepared on the *modified accrual basis of accounting* with only current assets and liabilities included on the balance sheet. Under the *modified accrual basis of accounting*, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end. Expenditures are recorded when the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to follow subsequent private-sector guidance.

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

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

(d) *Assets, Liabilities and Net Position*

Cash and Investments

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

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are reported at amortized cost.

Deferred Inflows

Deferred inflows represent deferred property tax revenue amounts to be recognized as revenue in future years in the governmental funds financial statements.

Capital Assets

Capital assets are not capitalized in the governmental funds but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e. infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental funds as the City nor Project will retain the right of ownership.

(e) *Stewardship, Compliance and Accountability*

Illinois Tax Increment Redevelopment Allocation Act Compliance

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

Reimbursements

Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Concluded)

Note 2 – Surplus Distribution

In December 2014, the City declared a surplus within the fund balance of the Project in the amount of \$603,915. In June 2015, the surplus funds were sent to the Cook County Treasurer's Office to be redistributed to the various taxing agencies.

In December 2015, the City declared a surplus within the fund balance of the Project in the amount of \$992,000. In February 2016, the surplus funds were sent to the Cook County Treasurer's Office to be redistributed to the various taxing agencies.

Note 3 – Commitments

As of December 31, 2015, the Project has entered into contracts for approximately \$4,356,000 for services and construction projects.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
READ-DUNNING REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ 90,423
Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures	37,231
Costs of the construction of public works or improvements	<u>537,526</u>
	<u><u>\$ 665,180</u></u>



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INDEPENDENT AUDITOR'S REPORT

The Honorable Rahm Emanuel, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Read-Dunning Redevelopment Project of the City of Chicago, Illinois, which comprise the statement of net position and governmental funds balance sheet as of December 31, 2015, and the related statement of activities and governmental funds revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated June 27, 2016.

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

However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Project's noncompliance with the above referenced regulatory provisions, insofar as they relate to accounting matters.

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

Bansley and Kiener, L.L.P.

Certified Public Accountants

June 27, 2016