
2001 Annual Report
53rd Street
Redevelopment Project Area



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

JUNE 30, 2002

June 30, 2002

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

Dear Commissioner:

Enclosed is the annual report for the 53rd Street Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

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

Very truly yours,



Ernst & Young LLP

53rd Street Redevelopment Project Area 2001 Annual Report

TABLE OF CONTENTS

ANNUAL REPORT – 53RD STREET REDEVELOPMENT PROJECT AREA IN COMPLIANCE WITH
SECTION (d) OF 65 ILCS 5/11-74.4-5.

PAGE

LETTER TO STATE COMPTROLLER.....	1
1) DATE OF DESIGNATION OR TERMINATION	2
2) AUDITED FINANCIALS	3
3) MAYOR'S CERTIFICATION.....	4
4) OPINION OF LEGAL COUNSEL.....	5
5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND	6
6) DESCRIPTION OF PROPERTY.....	7
7) STATEMENT OF ACTIVITIES	8
8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE MUNICIPALITY	12
9) ANALYSIS OF DEBT SERVICE.....	13
10) CERTIFIED AUDIT REPORT	14
11) GENERAL DESCRIPTION AND MAP.....	15



City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Alicia Mazur Berg
Commissioner

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June 30, 2002

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

Dear Comptroller Hynes:

We have compiled the attached information for the 53rd Street
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Alicia Mazur Berg
Commissioner



**53rd Street Redevelopment Project Area
2001 Annual Report**

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

The Project Area was designated on January 10, 2001. The Project Area may be terminated no later than January 10, 2024.

53rd Street Redevelopment Project Area
Tax Increment Financing District
Eligibility Study, Redevelopment Plan and Project

City of Chicago
Richard M. Daley, Mayor

September 2000

Table of Contents

1. Executive Summary	1
2. Introduction	7
3. Eligibility Analysis	15
4. Redevelopment Plan and Project	31
5. Financial Plan	40
6. Required Findings and Tests	47
7. Provisions for Amending Action Plan	54
8. Affirmative Action Plan	55

Appendix 1: Boundary and Legal Description

Appendix 2: Summary of EAV by PIN

LIST OF MAPS

Map 1, Community Context	8
Map 2, Boundary Map	9
Map 3, Existing Land Use	13
Maps 4A to 4E, Summary of Eligibility Factors Present to a Major Extent	22-26
Map 5, Proposed Land Use	38
Map 6, Surrounding Public Facilities	51

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Contact Person: Stephen B. Friedman

1. Executive Summary

In April 2000, *S. B. Friedman & Company* was engaged by the City of Chicago (the “City”) to conduct a Tax Increment Financing Eligibility Study and prepare a Redevelopment Plan and Project (the “Redevelopment Plan”). This report details the eligibility factors found within the 53rd Street Redevelopment Project Area Tax Increment Financing District (the “53rd Street RPA” or “RPA”) in support of its designation as a “conservation area” within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the “Act”). This report also contains the Redevelopment Plan and Project for the 53rd Street RPA.

The 53rd Street RPA is mostly located within the Hyde Park community area but also extends north into the Kenwood community area. It consists of 187 tax parcels and 63 buildings on 24 blocks and contains approximately 83.5 acres of land.

Determination of Eligibility

This report concludes that the 53rd Street RPA is eligible for Tax Increment Financing (“TIF”) designation as a “conservation area” because 50% or more of the structures in the area have an age of 35 years or more and because the following four (4) eligibility factors have been found to be present to a major extent:

- Lack of Growth in Equalized Assessed Value;
- Structures Below Minimum Code;
- Excessive Land Coverage; and
- Inadequate Utilities

The factors are defined under the Act at 65 ILCS 5/11-74.4-3 (a) and (b). Additionally, three other eligibility factors are present to a minor extent and demonstrate that the 53rd Street RPA is in a state of gradual decline through disinvestment. Left unchecked, these conditions could accelerate the decline of the community and, combined with those factors that have been documented to be present to a major extent, could lead to more widespread and intensive disinvestment. These factors are:

- Deterioration;
- Deleterious Land Use or Layout; and
- Obsolescence

Redevelopment Plan Goal, Objectives, and Strategies

The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the 53rd Street RPA as a conservation area and to provide the direction and mechanisms necessary to re-establish the RPA as a cohesive and vibrant mixed-use commercial district that provides a comprehensive range of commercial and retail uses to the surrounding residential community, while accommodating residential and institutional uses where appropriate. Redevelopment of the RPA will stimulate redevelopment in surrounding neighborhoods.

Rehabilitation and redevelopment of the RPA are to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment. The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

Objectives. Fourteen (14) objectives support the overall goal of area-wide revitalization of the 53rd Street RPA. These objectives include:

1. Provide resources for streetscaping and landscaping to visually link the area's diverse land uses and create a cohesive and integrated identity for the area which is focused at the intersection of the 53rd Street and Lake Park Avenue corridors;
2. Facilitate the provision of adequate on- and off-street parking and improved service access for visitors, employees, and customers of the RPA;
3. Facilitate the improvement and expansion of existing public facilities as needed, such as schools and parks, and facilitate the development of new public facilities in appropriate locations throughout the RPA as needed and in accordance with the Redevelopment Plan;
4. Foster the replacement, repair, and/or improvement of the public infrastructure where needed, including sidewalks, streets, curbs, gutters, and underground water and sanitary systems, to facilitate the rehabilitation of mixed-use, commercial, institutional, and public properties within the 53rd Street RPA as well as the construction of new retail, commercial, and mixed-use development where appropriate;
5. Support the goals and objectives of other overlapping plans, including *A Vision for the Hyde Park Retail District* (City of Chicago Planning Now Study, March 2000), and coordinate available federal, state, and local resources to further the goals of this redevelopment plan;
6. Facilitate the preservation and/or rehabilitation of retail, commercial, and institutional uses, and architecturally or historically significant buildings in the 53rd Street RPA;
7. Preserve and enhance the pedestrian orientation of appropriate retail nodes, such as the 53rd Street and Lake Park Avenue intersection, by encouraging pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets through improvement of pedestrian amenities; widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting, and buffering;
8. Strengthen the economic well-being of the 53rd Street RPA by providing resources for retail, commercial, mixed-use, and institutional development in the 53rd Street RPA, as appropriate;
9. Create a positive environment for educational, recreational, and other institutional facilities

where needed and in accordance with the Redevelopment Plan by providing enhancement opportunities for public facilities and institutions, such as schools, parks, and transit facilities;

10. Encourage the development of mixed-use, commercial, retail, and institutional uses, as appropriate, along the major corridors of 53rd Street and Lake Park Avenue and at the core 53rd Street/Lake Park Avenue intersection that respect the historic character of the area;
11. Facilitate the remediation of environmental problems to provide additional land for new retail, commercial, and mixed-use development and redevelopment, as appropriate;
12. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 53rd Street RPA;
13. Support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses; and
14. Support the cost of day care operations established by businesses in the RPA to serve employees of low-income families working in the RPA.

Strategies. These objectives will be implemented through five (5) specific and integrated strategies. These strategies include:

1. **Implement Public Improvements.** A series of public improvements throughout the 53rd Street RPA may be designed and implemented to help define and create an identity for the area and subareas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial, and mixed-use development. Public improvements which are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

Public improvements may include new public parking facilities, streetscaping, improved street and sidewalk lighting, resurfacing of alleys, sidewalks and streets, improvement of underground infrastructure, and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. **Develop Underutilized Sites.** The redevelopment of underutilized sites within the 53rd Street RPA is expected to stimulate both physical and economic private investment and enhance properties within the RPA. Development of underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

3. **Encourage Private Sector Activities.** Through the creation and support of public-private partnerships, or through written agreements the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan and which maintain the integrity of the historically significant buildings in the Hyde Park-Kenwood Historic District.
4. **Facilitate/Support New Development.** To facilitate private market interest, the City may enter into agreements within the limits of the Act to facilitate and support redevelopment projects that complement and comport with the goals, objectives, and strategies of this Redevelopment Plan.

The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies, or objectives of this Redevelopment Plan may be assisted by using tax increment revenues.

5. **Facilitate Site Preparation or Environmental Remediation.** To meet the goals, policies or objectives of this Redevelopment Plan, the City may engage in site preparation or environmental remediation as needed. Furthermore, the City may require written development agreements with developers before assisting in site preparation or environmental remediation of any properties.

Required Findings

The required conditions for the adoption of the Redevelopment Plan and Project are found to be present within the 53rd Street RPA.

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

While some new investment has occurred in the 53rd Street RPA between 1995 and the beginning of 2000, this investment has been minimal in scope and in areas isolated within the RPA. Taken as a whole, the RPA has not been subject to growth and development through investment by private enterprise. The 53rd Street RPA is located entirely within Hyde Park Township. From 1994 through 1999 the growth of equalized assessed valuation ("EAV," which is the value of property from which property taxes are based) in the RPA has lagged behind that of both the City of Chicago and Hyde Park Township. The compound annual growth rate of EAV for the 53rd Street RPA was only 2.24% between 1994 and 1999. In comparison, the compound annual growth rate of EAV was 2.76% for Hyde Park Township and 3.28% for the City of Chicago over the same period of time.

As another method to examine the scope of new investment in the 53rd Street RPA, *S. B. Friedman & Company* examined building permit data provided by the City of Chicago Department of

Buildings. Specifically, we examined building permit data for the period from 1995 to early 2000 which revealed that 55 permits were issued within the 53rd Street RPA totaling \$3.6 million. Only three were for new construction. The remaining 52 permits were for rehabilitation, mechanical upgrades, minor repairs, or code compliance.

Based on our review of the data of the 55 permits, two permits (totaling approximately \$1,000,000) were initiated for public schools. The remaining 53 permits (\$2.6 million) were privately initiated, with only \$29,500, or 1%, of the total private investment issued for new construction. On average over our five-year study period, privately initiated permits amounted to approximately \$520,000 per year of total private investment, or less than 1% of the total Assessor's market value of all property within the 53rd Street RPA. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the RPA.

Furthermore, a majority of the private investment has been limited to specific locations within the RPA and has not been evenly distributed throughout the area. Nine permits totaling \$1,069,000, or nearly 41% of the total private investment, was issued to only one building. The remaining 44 privately initiated permits, totaling \$1.5 million, were issued for general repairs, alterations to existing uses, and additions.

The impact on surrounding properties of the property investment on which building permits were issued has been isolated and minimal. Approximately two-thirds of the total value of building permits in the last five years were issued for only three of the sixty-three buildings in the RPA, two of which are schools. These new investments and existing property improvements have not stimulated widespread new private investment in the 53rd Street RPA.

Second, the City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the 53rd Street RPA.

Without the support of public resources, the redevelopment objectives of the 53rd Street RPA would most likely not be realized. The area-wide improvements and development assistance resources needed to rehabilitate and revitalize the 53rd Street RPA as a mixed-use commercial district are extensive and costly, and the private market, on its own, has shown little ability to absorb all of these costs. Public resources to assist with site preparation, environmental remediation, public infrastructure improvements, and private property rehabilitation are needed to leverage private investment and facilitate area-wide redevelopment consistent with the Redevelopment Plan. TIF funds can be used to fund site preparation, environmental remediation, infrastructure improvements, and building rehabilitation. Accordingly, but for creation of the 53rd Street RPA, these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur without TIF designation for the 53rd Street RPA.

Third, the 53rd Street RPA includes only those contiguous parcels of real property that are expected to benefit substantially from the proposed Redevelopment Plan improvements.

Finally, the proposed land uses described in this Redevelopment Plan will be approved by the

Chicago Plan Commission prior to its adoption by the City Council. The redevelopment opportunities identified in earlier area planning initiatives will be substantially supported and their implementation facilitated through the creation of the Redevelopment Plan.

2. Introduction

The Study Area

This document serves as the eligibility study (“Eligibility Study”) and Redevelopment Plan and Project for the 53rd Street Redevelopment Project Area (“53rd Street RPA” or “RPA”). The 53rd Street RPA is located within the Hyde Park and Kenwood community areas of the City of Chicago (the “City”), in Cook County (the “County”). In April 2000, *S. B. Friedman & Company* was engaged by the City to conduct a study of certain properties in these neighborhoods to determine whether the area containing these properties would qualify for status as a “blighted area” and/or “conservation area” under the Act.

The community context of the 53rd Street RPA is detailed on Map 1.

The 53rd Street RPA consists of approximately 187 tax parcels and 63 buildings on 24 blocks and contains approximately 83.5 acres of land. The RPA is generally linear in shape, extending east-west along 53rd Street and north-south along Lake Park Avenue. Most parcels within the RPA front 53rd Street or Lake Park Avenue and almost entirely consist of commercial, institutional or mixed (commercial/residential) uses. The RPA generally includes the north side of 53rd Street from Woodlawn Avenue on the west to Cornell Avenue on the east and the south side of 53rd Street from Kimbark Avenue on the west to Cornell Avenue on the east. The RPA extends south to 55th Street between Kimbark and Kenwood Avenues to include Nichols Park and south to 54th Street on Lake Park Avenue. The RPA extends north along both sides of Lake Park Avenue to approximately 50th Street. Appendix 1 contains the legal description of the 53rd Street RPA.

Map 2 details the boundaries of the 53rd Street RPA which include only those contiguous parcels of real property that are expected to benefit substantially by the Redevelopment Plan improvements discussed herein. The boundaries represent an area that is focused on 53rd Street, which serves as the “main street” of the Hyde Park community. The core of the RPA is the intersection of 53rd Street and Lake Park Avenue which serves in many ways as the gateway to the Hyde Park neighborhood.

53rd Street between Cornell Avenue and Woodlawn Avenue contains a diverse mix of commercial and retail, professional services, institutional, and residential uses. Lake Park Avenue is the main link between 53rd Street and Hyde Park’s other retail streets. There is a concentration of retail uses at the intersection of 53rd Street and Lake Park Avenue, and retail and institutional uses also extend north of 53rd Street along Lake Park Avenue. The corridors included in the RPA also are cohesive in that they together provide a complete range of retail, commercial, service, and institutional uses to area residents and visitors. In order to remain a viable commercial and mixed-use corridor, it is critical that the appearance of these two major corridors successfully blend with each other and with the neighboring residential areas and that a long-term parking strategy together with improved access to the retail district are implemented. Without streetscaping, improved vehicular and pedestrian movement, and the creation of a long-term parking strategy the RPA can fall into further disrepair and minimize development opportunities in the surrounding areas. Each corridor and therefore all property in the 53rd Street RPA will benefit from a strategy that addresses the deteriorating streetscapes and building conditions throughout the RPA.

CITY OF CHICAGO

PROPOSED
53rd Street

TAX
INCREMENT
FINANCE
DISTRICT

MAP 1
COMMUNITY
CONTEXT MAP


LEGEND

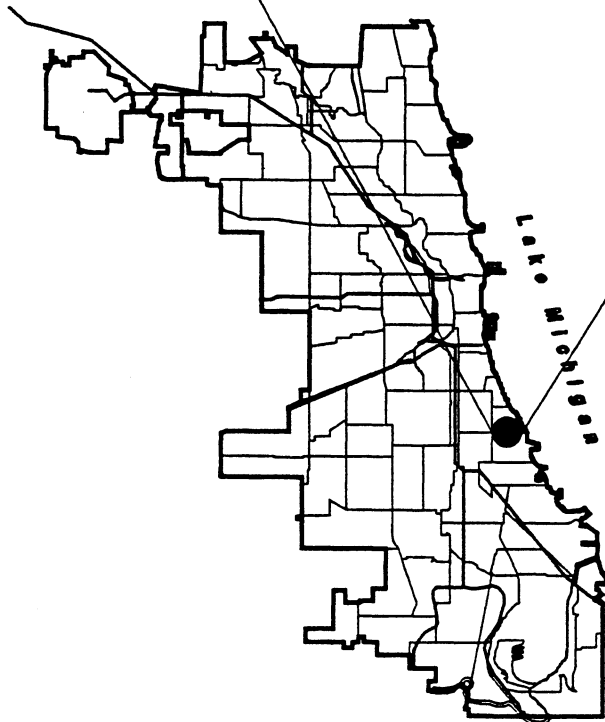
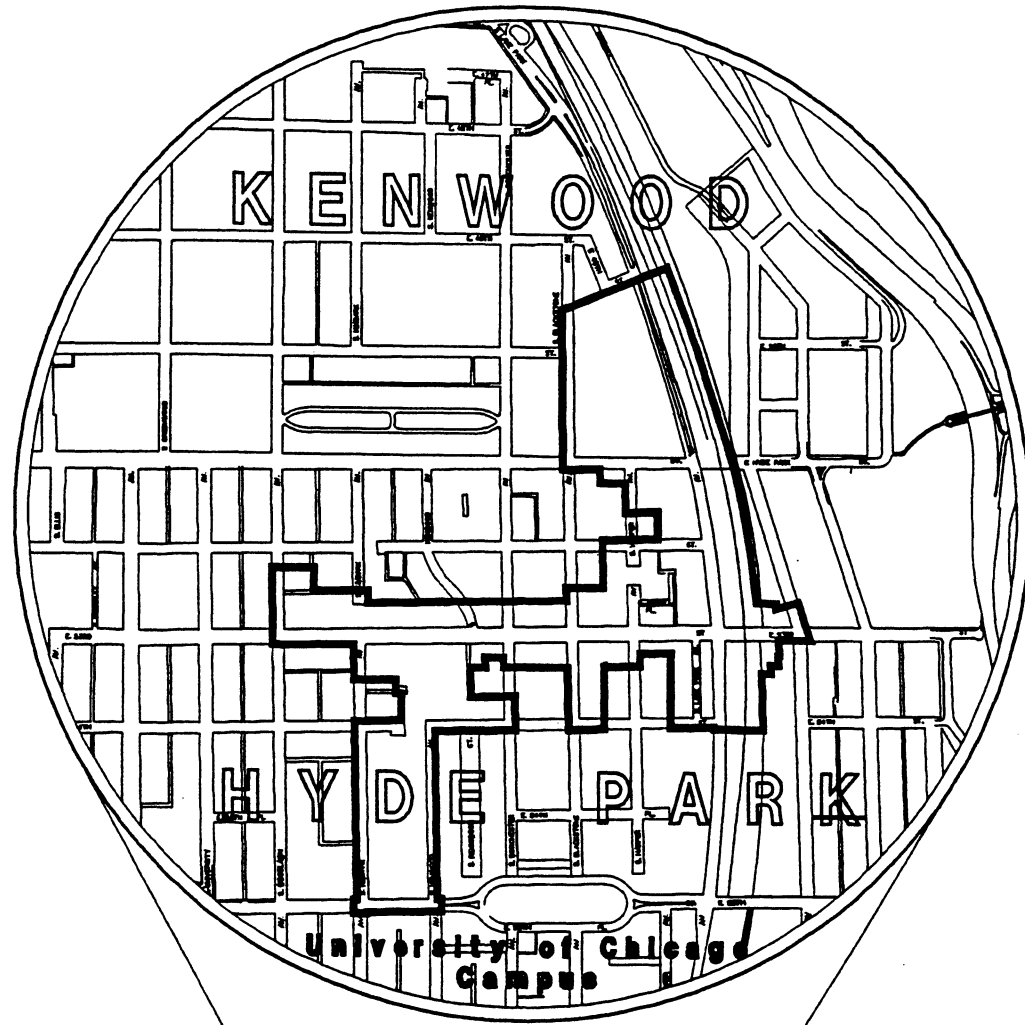
 TIF
BOUNDARY



August 2000

S. B. Friedman & Company
Real Estate Advisors and Development Consultants

 Campbell Tiu Campbell, Inc.
Architects • Planners • Construction Managers





CITY OF CHICAGO

PROPOSED 53rd Street TAX INCREMENT FINANCE DISTRICT

MAP 2 BOUNDARY MAP

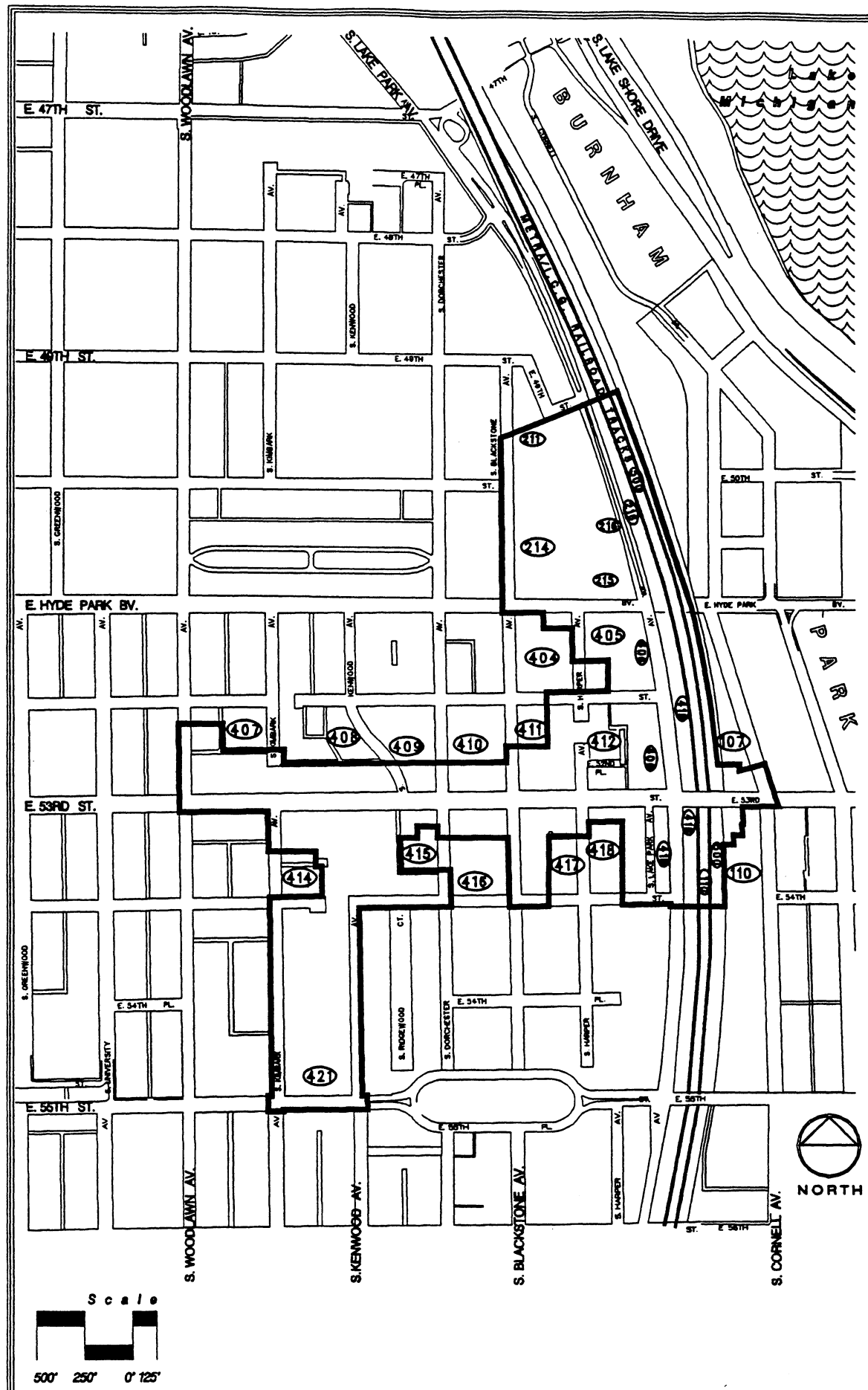
LEGEND

-  TIF BOUNDARY
-  BLOCK NUMBER*

* Based on Cook County Property Index Numbering (P-I-N) System

August 2000

S. B. Friedman & Company
Real Estate Advisory and Development Consultants
Campbell Tiu Campbell, Inc.
Architects - Planners - Construction Managers



The majority of the property within the RPA is within the Hyde Park-Kenwood Historic District listed in the National Register of Historic Places in 1979. The Historic District includes residential, commercial, mixed-use, and institutional buildings which reflect the history and development of the area from the late nineteenth century and first half of the twentieth century. The overall historical and architectural character of the Historic District should be preserved and enhanced.

The Eligibility Study covers events and conditions that exist and that were determined to support the designation of the 53rd Street RPA as a “conservation area” under the Act at the completion of our research on June 5, 2000 and not thereafter. These events or conditions include, without limitation, governmental actions and additional developments.

This Eligibility Study and Redevelopment Plan summarize the analysis and findings of the consultant’s work, which, unless otherwise noted, is solely the responsibility of *S. B. Friedman & Company*. The City is entitled to rely on the findings and conclusions of the Redevelopment Plan in designating the 53rd Street RPA as a redevelopment project area under the Act. *S. B. Friedman & Company* has prepared this Redevelopment Plan with the understanding that the City would rely (1) on the findings and conclusions of the Redevelopment Plan in proceeding with the designation of the 53rd Street RPA and the adoption and implementation of the Redevelopment Plan, and (2) on the fact that *S. B. Friedman & Company* has obtained the necessary information including, without limitation, information relating to the equalized assessed value of parcels comprising the 53rd Street RPA, so that the Redevelopment Plan will comply with the Act and that the 53rd Street RPA can be designated as a redevelopment project area in compliance with the Act.

History of Area¹

The 53rd Street RPA is located within two (2) community areas located on the South Side of the City of Chicago. Most of the 53rd Street RPA is located within the Hyde Park community area which is generally bounded by 51st Street on the north; Lake Michigan on the east; 60th Street on the south; and Cottage Grove Avenue on the west. A small two-block portion of the north boundary of the 53rd Street RPA (which includes Kenwood Academy and the Wirth Experimental School) is located within the Kenwood community which is generally defined by 43rd Street on the north; Lake Michigan on the east; 51st Street on the south; and Cottage Grove Avenue on the west.

Hyde Park. Settlement of the Hyde Park community began in the 1850s with the subdivision of land and the construction of an Illinois Central Railroad Station at Lake Park Avenue and 53rd Street. Hyde Park Township was incorporated in 1861, and during the 1860s further subdivision took place and a water works and gas plant were established. Further development in the area was spurred by the creation of Jackson and Washington Parks and by 1880 the Village of Hyde Park had reached a population of 15,000.

¹Information on the history of the Hyde Park and Kenwood community areas was derived from the Local Community Fact Book Chicago Metropolitan Area 1990, edited by the Chicago Fact Book Consortium, (copyright 1995, Board of Trustees of the University of Illinois) at pages 132-133 and 136-137.

The Village of Hyde Park was annexed to Chicago in 1889 and in the next decade Hyde Park experienced major growth due to the Columbian Exposition and the University of Chicago, which opened in 1892. The area south of 55th Street was dominated by the University, while the northern and eastern sections of Hyde Park were oriented toward the Loop, which was easily accessed by the Illinois Central trains. The housing stock was a mixture of single-family homes, apartments, and rooming houses. The population of Hyde Park continued to grow, reaching 37,000 in 1920 and 48,000 by 1930. During the Depression, compartmentalizing of large homes and conversion of apartments took place in order to accommodate the increased population.

Between 1930 and 1950, approximately 3,000 new apartment units were constructed. The community's historic peak in population was 55,000 in 1950. However, the deterioration of buildings constructed during the Columbian Exposition era required rehabilitation or demolition and the housing shortage became acute. There was much turnover in the 1950s and the Hyde Park-Kenwood Community Conference was formed to halt urban decay and encourage racial integration. The South East Chicago Commission was formed in 1952 to reduce crime, eliminate the unlawful substruction of apartments, and to help develop a strong commercial base. In 1955, urban renewal in Hyde Park began with significant demolition on 55th Street from Lake Park to Kenwood Avenues and in 1957, the Chicago City Council approved a \$20,000,000 redevelopment project for 55th Street from Lake Park to Dorchester Avenue.

The total population dropped by 12,000 during the 1960s from 45,577 to 33,559 and housing overcrowding was reduced, despite the fact that the number of housing units declined by more than twenty percent during that decade. This trend continued through 1990, although the decline was much more gradual since 1970. The total population in 1990 was 28,630.

In spite of hopeful signs of residential and commercial development in the Hyde Park area as a whole, 53rd Street is in need of investment from the private sector and physical rehabilitation of public and institutional uses. There is substantial evidence of physical decay along with issues of competitiveness and functionality on 53rd Street itself between Woodlawn and Lake Park Avenues. Rehabilitation in the area has been scattered and a coordinated redevelopment strategy is needed to address these issues and improve the appearance and functionality of 53rd Street and to secure its continued identity as the "main street" of this diverse urban community.

Kenwood. The northern boundary of the 53rd Street RPA includes a two-block area that is located in the southern portion of Kenwood. In 1861, the settlement known as Kenwood at 43rd Street and the Illinois Central Railroad was included in the incorporation of Hyde Park. The Fire in 1871 provided the major stimulus for residential development and many large homes were built as Kenwood had become the fashionable suburb of the South Side. In 1889, Kenwood was annexed to Chicago as part of the Village of Hyde Park.

The southern section of Kenwood was generally defined as the area south of 47th Street and north of Hyde Park Boulevard, east of Cottage Grove Avenue. By the 1930s some of the housing stock was beginning to deteriorate and conversion of the dwelling units into smaller apartment units was taking place to accommodate an increasing demand for housing, especially between 1940 and 1960.

Concerted efforts to renovate the southern division (south of 47th Street) of Kenwood began in the 1950s with the organization of the Hyde Park-Kenwood Community Conference and a Hyde Park-Kenwood Conservation Area was designated in 1956. Large amounts of demolition occurred throughout Kenwood in the 1960s and the number of housing units continued to decrease. The population has decreased from a peak in 1960 of 41,500 to 18,000 in 1990. Kenwood remains an area of great socio-economic disparities.

The small portion of Kenwood that is included in the 53rd Street RPA is located along a two-block area on the west side of Lake Park Avenue between 51st and 49th Streets. This area, which contains mostly institutional uses, is important to the continuity and viability of the 53rd Street commercial corridor because of its connection to the northern areas of Hyde Park and southern Kenwood by Lake Park Avenue.

Existing Land Use

Based upon *S. B. Friedman & Company's* research, five (5) land uses have been identified within the 53rd Street RPA:

- Commercial;
- Institutional (including public facilities, schools, social services);
- Parks/Open Space;
- Vacant land;
- Mixed-Use (including mostly commercial/residential buildings).

The overall pattern of land use in the 53rd Street RPA is shown in Map 3. The land uses displayed on Map 3 represent the *predominant* land use; the predominant land use displayed is not necessarily the only land use present on a given block, but rather the predominant use. Most blocks within the RPA contain more than one land use. The mixed-use designation is used in those areas where more than one land use is combined, and in this case is almost completely reflective of buildings which share commercial and residential uses. However, mixed-use has also been used to characterize the presence of two or more of the following land uses: residential, commercial, commercial/residential, or institutional. The predominant land uses in the 53rd Street RPA are commercial and mixed-use commercial/residential, interspersed with institutional land uses. Almost no purely residential uses have been included.

Institutional uses include public facilities, religious institutions, day care facilities, and social service uses. The public schools within the 53rd Street RPA are Murray Academy and Wirth Experimental School (both elementary schools), and Kenwood Academy (high school). Combined, these schools have unfunded capital needs totaling approximately \$2.7 million according to the Chicago Public Schools Capital Improvements Program (CIP) for Fiscal Years 1999-2003. Wirth Experimental School is located immediately north of Kenwood Academy and it appears prudent to include it within the boundaries of the RPA for coordinated and cohesive planning and capital improvements in the future. Other public uses and facilities within the RPA include the 53rd Street Metra Station at Lake Park Avenue on the Metra Electric line and the associated underpass; Elm and Spruce

CITY OF CHICAGO







PROPOSED 53rd Street

TAX INCREMENT FINANCE DISTRICT

MAP 3

EXISTING
LAND USE
MAP

LEGEND

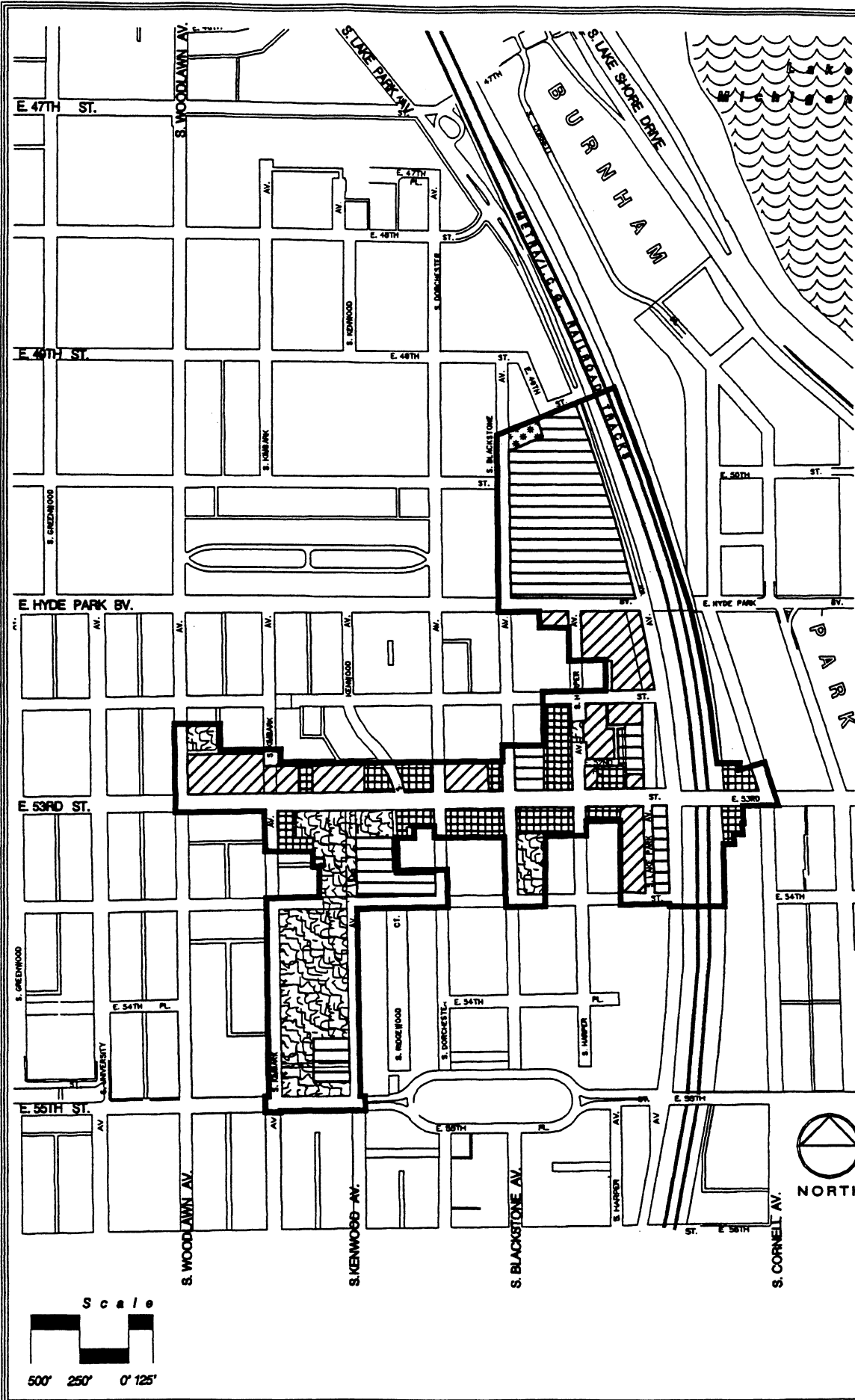
-  TIF BOUNDARY
-  COMMERCIAL
-  MIXED USE
-  INSTITUTIONAL/
PUBLIC USE
-  PARKS/OPEN SPACE
-  VACANT



August 2000

S. B. Friedman & Company
Real Estate Advisors and Development Consultants

Campbell Tiu Campbell, Inc.
Architects - Planners - Construction Managers



Scale



500' 250' 0' 125'

Playlots; and Nichols Park. According to the Planning, Research, and Evaluation Department of the Chicago Park District, there are no current capital improvement plans for the two playlots in the RPA and there is one funded project for Nichols Park involving the expansion of Murray Academy. Despite the current lack of plans with unmet capital needs, initial signs of deterioration of surface improvements at all three parks were found in our field survey. The inclusion of these three public park facilities is warranted because of their close association with 53rd Street in general and their likely benefit from public improvement plans for 53rd Street. In addition, the parks help connect 53rd Street to surrounding residential neighborhoods and Nichols Park helps connect 53rd Street to the commercial district along 55th Street.

Surrounding public facilities are shown in Map 6.

3. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

Based upon the conditions found within the 53rd Street RPA at the completion of *S. B. Friedman & Company's* research, it has been determined that the 53rd Street RPA meets the eligibility requirements of the Act as a conservation area. The following outlines the provisions of the Act to establish eligibility.

Under the Act, two (2) primary avenues exist to establish eligibility for an area to permit the use of tax increment financing for area redevelopment: declaring an area as a "blighted area" and/or a "conservation area."

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

The statutory provisions of the Act specify how a district can be designated as a "conservation" and/or "blighted area" district based upon an evidentiary finding of certain eligibility factors listed in the Act. These factors are identical for each designation.

According to the Act, "blighted areas" must have a combination of five (5) or more of these eligibility factors acting in concert which threaten the health, safety, morals or welfare of the proposed district. "Conservation areas" must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors which are detrimental to the public safety, health, morals, or welfare and which could result in such an area becoming a blighted area.

The factors are listed at 65 ILCS 5/11-74.4-3 (a) and (b) and are defined in the Act as follows:

Eligibility Factors for Improved Areas

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

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

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

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

Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal use of individual structures. The use of structures in violation of the applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

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

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

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

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

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

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

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

Lack of growth in equalized assessed value. The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

As explained, "blighted areas" must have a combination of five (5) or more of these eligibility factors and "conservation areas" must have a minimum of 50% of the total structures within the area aged 35 years or older, plus a combination of three (3) or more additional eligibility factors.

Factors For Vacant Land

Under the provisions of the "blighted area" section of the Act, if the land is vacant, a combination of two (2) or more of the following factors also may be identified which combine to impact the sound growth of the redevelopment project area.

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

Diversity of Ownership. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

Tax and Special Assessment Delinquencies. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.

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

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

Lack of Growth in Equalized Assessed Value. The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

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

The vacant “blighted area” section includes five (5) other tests for establishing eligibility, but none of these are relevant to the conditions within the 53rd Street RPA.

Methodology Overview and Determination of Eligibility

Analysis of eligibility factors was done through research involving an extensive exterior survey of all properties within the 53rd Street RPA, as well as a review of building and property records. Property records included building code violation citations, building permit data and assessor information. Our survey of the area established that there are 63 buildings within the 53rd Street RPA. In addition, verification of the age of area buildings was obtained from other sources such as assessor data and aerial photographs.

The areas located within the 53rd Street RPA are predominantly characterized by mixed-use, commercial, and institutional structures of varying degrees of deterioration. All properties were examined for qualification factors consistent with either “blighted area” or “conservation area” requirements of the Act. Based upon these criteria, the properties within the 53rd Street RPA qualify for designation as a TIF Redevelopment Project Area as a “conservation area” as defined

by the Act.

To arrive at this designation, *S. B. Friedman & Company* calculated the number of eligibility factors present on a building-by-building or parcel-by-parcel basis and analyzed the distribution of the eligibility factors on a block-by-block basis. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings using Sanborn Maps, property files created from field observations, and record searches. Some eligibility factors were examined within the context of entire blocks or the whole RPA, and apply only to entire blocks or the whole RPA. The information was then graphically plotted on a block map of the 53rd Street RPA to establish the distribution of eligibility factors, and to determine which factors were present to a major or minor extent.

Major factors are used to establish eligibility. These factors are present to a meaningful extent on most of the blocks and are evenly distributed throughout the RPA. Minor factors are supporting factors present to a meaningful extent on some of the blocks or on a scattered basis. The presence of minor factors suggests that the area is at risk of more extensive deterioration and disinvestment.

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

Conservation Area Findings

As required by the Act, within a conservation area, at least 50% of the buildings must be 35 years of age or older, and at least three (3) of the 14 other eligibility factors must be found present to a major extent within the 53rd Street RPA.

Establishing that at least 50% of the 53rd Street RPA buildings are 35 years of age or older is a condition precedent to establishing the area as a conservation area under the Act.

Taking into account information obtained from architectural characteristics, building configurations, information from the Cook County Assessor's Office, structure base maps, and the historic development patterns within the community, we have established that of the 63 buildings, 47 buildings (75%) within the 53rd Street RPA are 35 years of age or older.

In addition to establishing that the 53rd Street RPA meets the age requirement, our research has revealed that the following four (4) factors are present to a major extent:

- Lack of Growth in Equalized Assessed Value;
- Structures Below Minimum Code;
- Excessive Land Coverage; and

- Inadequate Utilities

Based on the presence of these factors, the RPA meets the requirements of a “conservation area” under the Act. The RPA is not yet blighted, but because of a combination of the factors present the RPA may become a blighted area.

The total equalized assessed value (EAV) of the RPA grew at a rate that was less than that of the balance of the municipality for four of the last five years (1994-1999) for which information was available. Overall, the EAV of the RPA grew at a rate that was only about two-thirds of the growth rate for the City of Chicago as a whole from 1994 through 1999. This is very strong evidence of the RPA’s decline relative to the rest of the City.

The widespread presence of structures which have been found to be below minimum code standards in the last five years is a further indicator of decline in the area. More than two (2) out of every three (3) blocks (71%) or the portions of the blocks included within the RPA exhibit structures below minimum code standards to a major extent and over half of the buildings (51%) have been cited for code violations in the past five years. While deterioration was not found to be present to a major extent, the prevalence of structures which have been cited for code violations is illustrative of the lack of private investment which can lead to more advanced states of building deterioration.

The excessive land coverage among the buildings also is significant and well-distributed throughout the area: 18 (29%) of 63 buildings are characterized by this blighting condition. Overall, more than one (1) out of every three (3) blocks (42%) exhibited this factor to a major extent. This factor may affect not just individual properties but also have repercussions on surrounding areas. The presence of this factor to such an extent is reflective of many of the area-wide problems which make the RPA prone to further disinvestment and which may eventually result in more widespread deterioration and a continuing lag in the growth of property values. The most common instances of this eligibility factor occurred where there was a lack of reasonably required off-street parking and inadequate provision for loading and service, a condition which is exacerbated by the lack of alleys along much of 53rd Street.

The condition of underground utilities within the RPA is largely inadequate. Inadequate utilities was evaluated on block-by-block basis. Almost all of the blocks (92%) within the RPA are serviced in some manner by antiquated water mains that are scheduled or overdue for replacement.

Deterioration (including surface improvements and infrastructure), deleterious land use or layout, and obsolescence were found to be present to a minor extent within the 53rd Street RPA. While these factors may not be present to the same extent as the other documented factors, they are significant blighting factors on some of the blocks and further suggest that the 53rd Street RPA as a whole is susceptible to continued disinvestment which may result in future deterioration.

Table 1 details the conservation eligibility factors by block within the 53rd Street RPA. Maps 4A through 4E illustrate the distribution of those conservation eligibility factors found to be present to a major extent within the RPA as a whole by highlighting each block where the respective factors

Table 1. Block-by-Block Distribution of Eligibility Factors

- (1) xx signifies those factors present to a major extent.
- (2) x signifies those supporting factors present to minor extent.
- (3) Gray shaded columns indicate that these factors are not present within the proposed RPA to either a minor or major extent.

Number of Blocks	Sidwell Block Numbers			Age	Dilapidation	Obsolescence	Deterioration	Below Minimum Code	Illegal Use	Excessive Vacancies	Lack of Vent., Light, or Sanitary Facilities	Inadequate Utilities	Excessive Land Coverage	Deleterious Land Use or Layout	Lack of Community Planning	Environmental Remediation Costs	Lack of Growth in EAV*
1	20	11	211	XX								XX					XX
2	20	11	214				X					XX					XX
3	20	11	215									XX					XX
4	20	11	216														XX
5	20	11	404	XX		X	X	XX				XX	XX				XX
6	20	11	405	XX				XX				XX		X			XX
7	20	11	406														XX
8	20	11	407	XX			X	XX				XX					XX
9	20	11	408	XX			X	XX				XX					XX
10	20	11	409	XX				XX				XX	XX				XX
11	20	11	410	XX				XX				XX	XX				XX
12	20	11	411	XX				XX				XX	XX				XX
13	20	11	412	XX		X	X	XX				XX		X			XX
14	20	11	414	XX				XX				XX	XX				XX
15	20	11	415	XX		X	X	XX				XX	XX	X			XX
16	20	11	416	XX				XX				XX	XX				XX
17	20	11	417	XX			X	XX				XX	XX				XX
18	20	11	418	XX				XX				XX					XX
19	20	11	419									XX					XX
20	20	11	421				X	XX				XX					XX
21	20	11	500	XX		X	X	XX				XX		X			XX
22	20	12	107	XX		X	X	XX				XX	XX	X			XX
23	20	12	110	XX			X					XX	XX	X			XX
24	20	12	500	XX		X	X	XX				XX		X			XX
Total Blocks				18		6	12	17			22	10	7				24
% of Total Blocks				75%		25%	50%	71%			92%	42%	29%				100%

* EAV growth was calculated on an aggregate basis for the RPA as a whole.

CITY OF CHICAGO

PROPOSED 53rd Street




TAX INCREMENT FINANCE DISTRICT

MAP 4A

CONSERVATION
FACTOR MAP

AGE

LEGEND

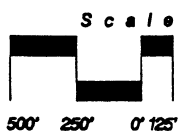
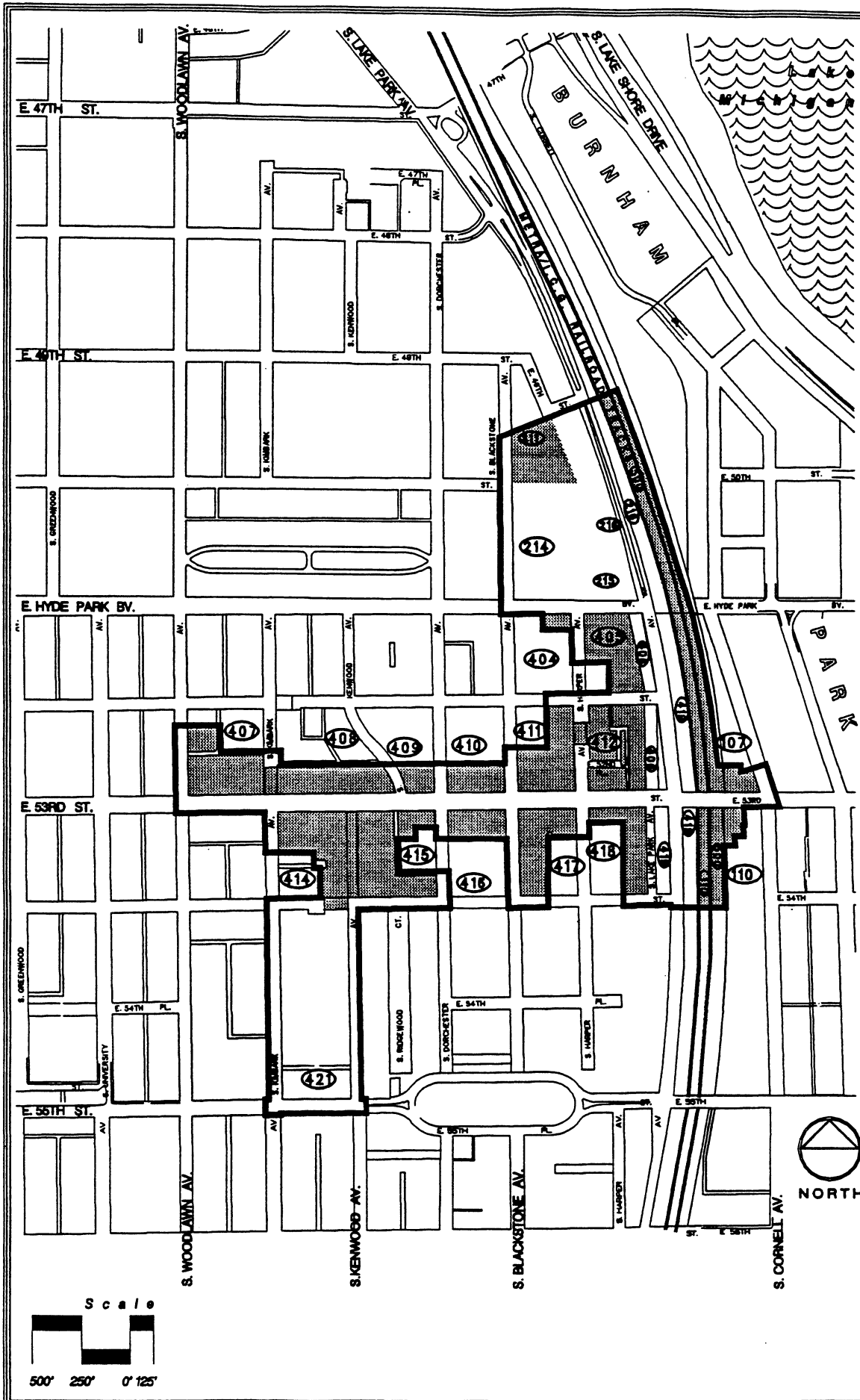
-  TIF BOUNDARY
-  BLOCK NUMBER
-  AGE



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PROPOSED 53rd Street

TAX INCREMENT FINANCE DISTRICT

MAP 4B

CONSERVATION
FACTOR MAP

STRUCTURES BELOW
MINIMUM CODE

LEGEND

 TIF
BOUNDARY

 BLOCK NUMBER

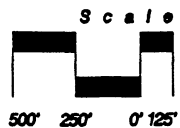
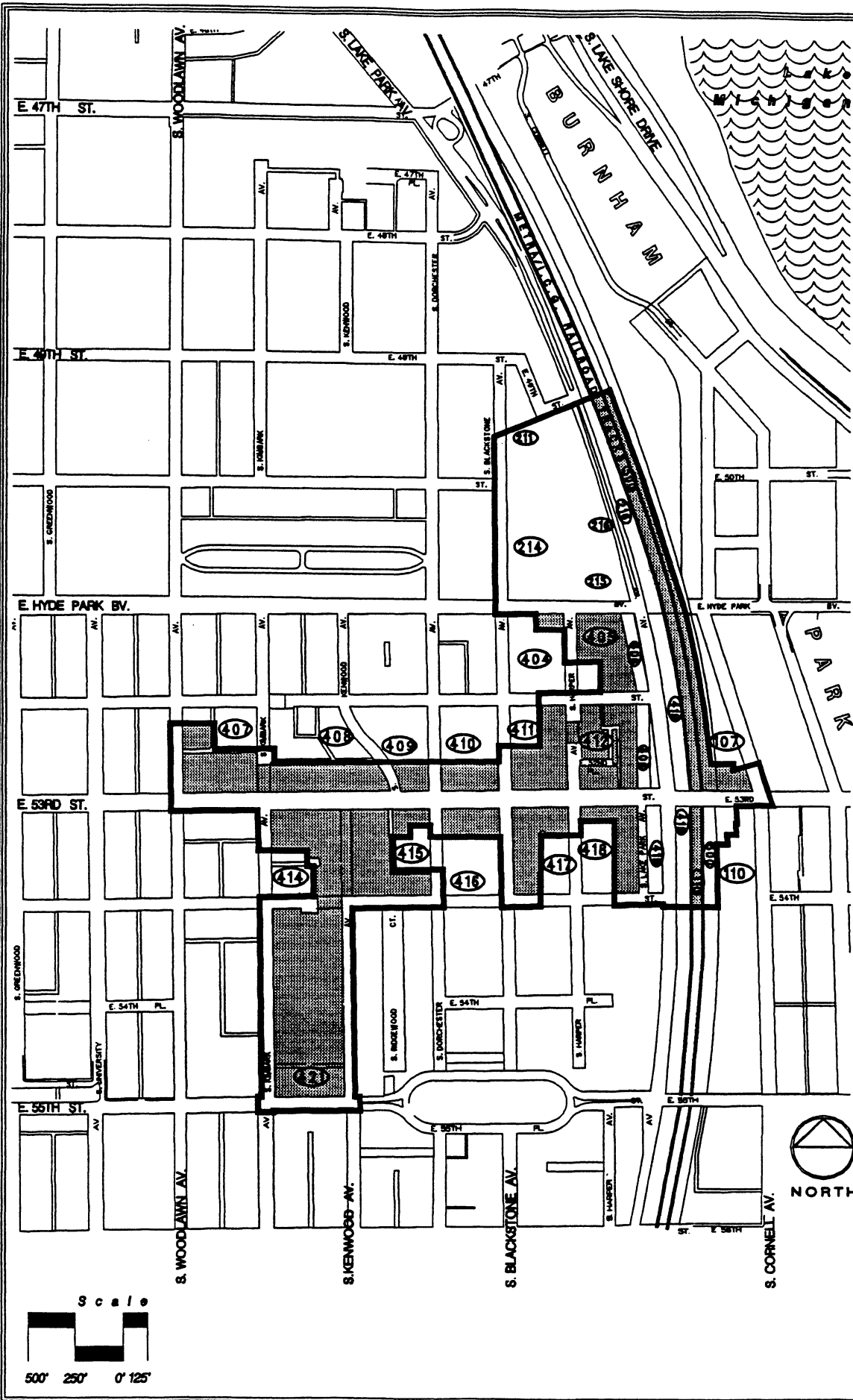
 STRUCTURES
BELOW
MINIMUM
CODE



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
PROPOSED 53rd Street TAX INCREMENT FINANCE DISTRICT

MAP 4C

CONSERVATION
FACTOR MAP

INADEQUATE UTILITIES

LEGEND

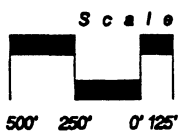
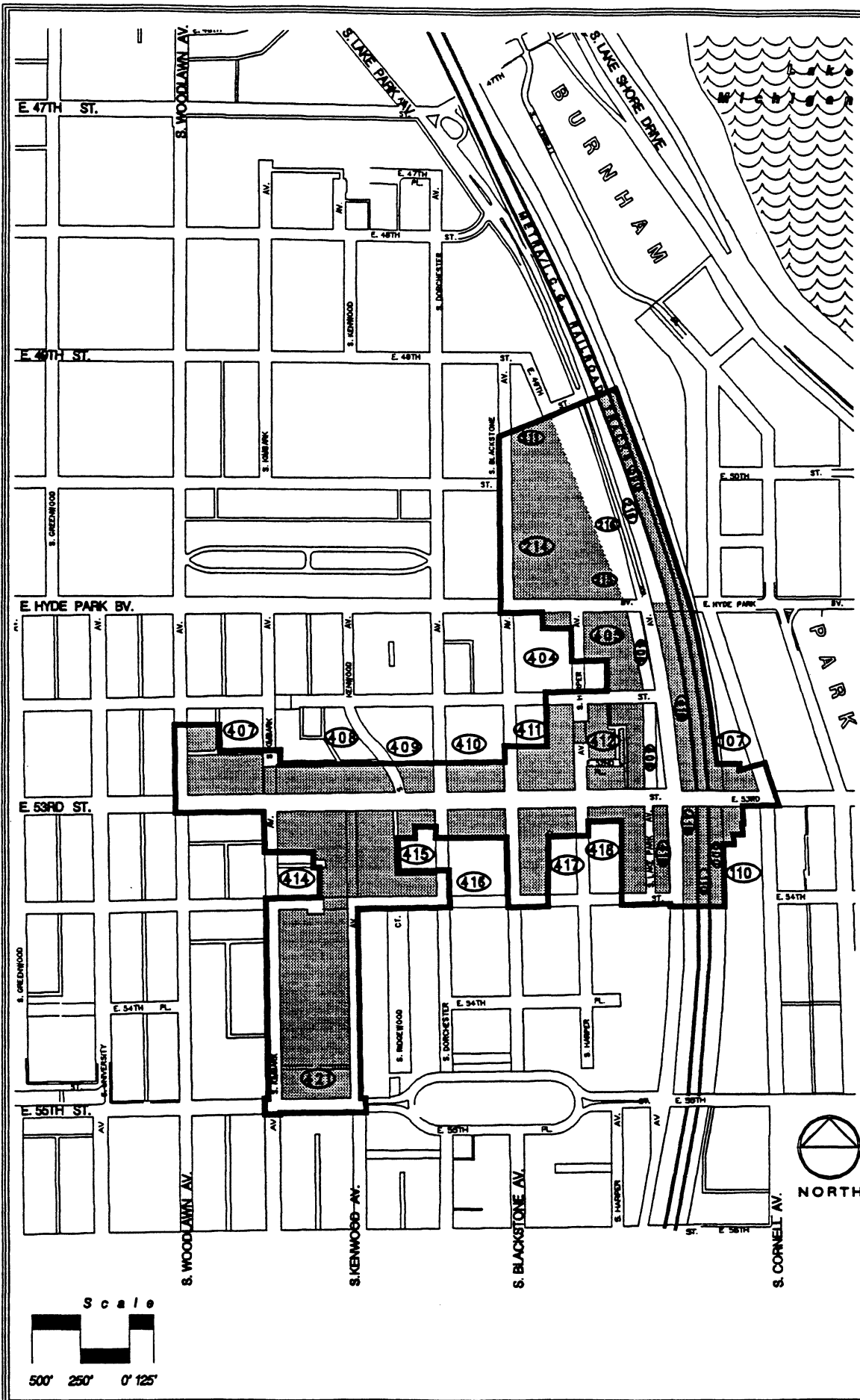
-  TIF BOUNDARY
-  BLOCK NUMBER
-  INADEQUATE UTILITIES



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PROPOSED 53rd Street




TAX INCREMENT FINANCE DISTRICT

MAP 4D

CONSERVATION
FACTOR MAP

EXCESSIVE LAND COVERAGE

LEGEND

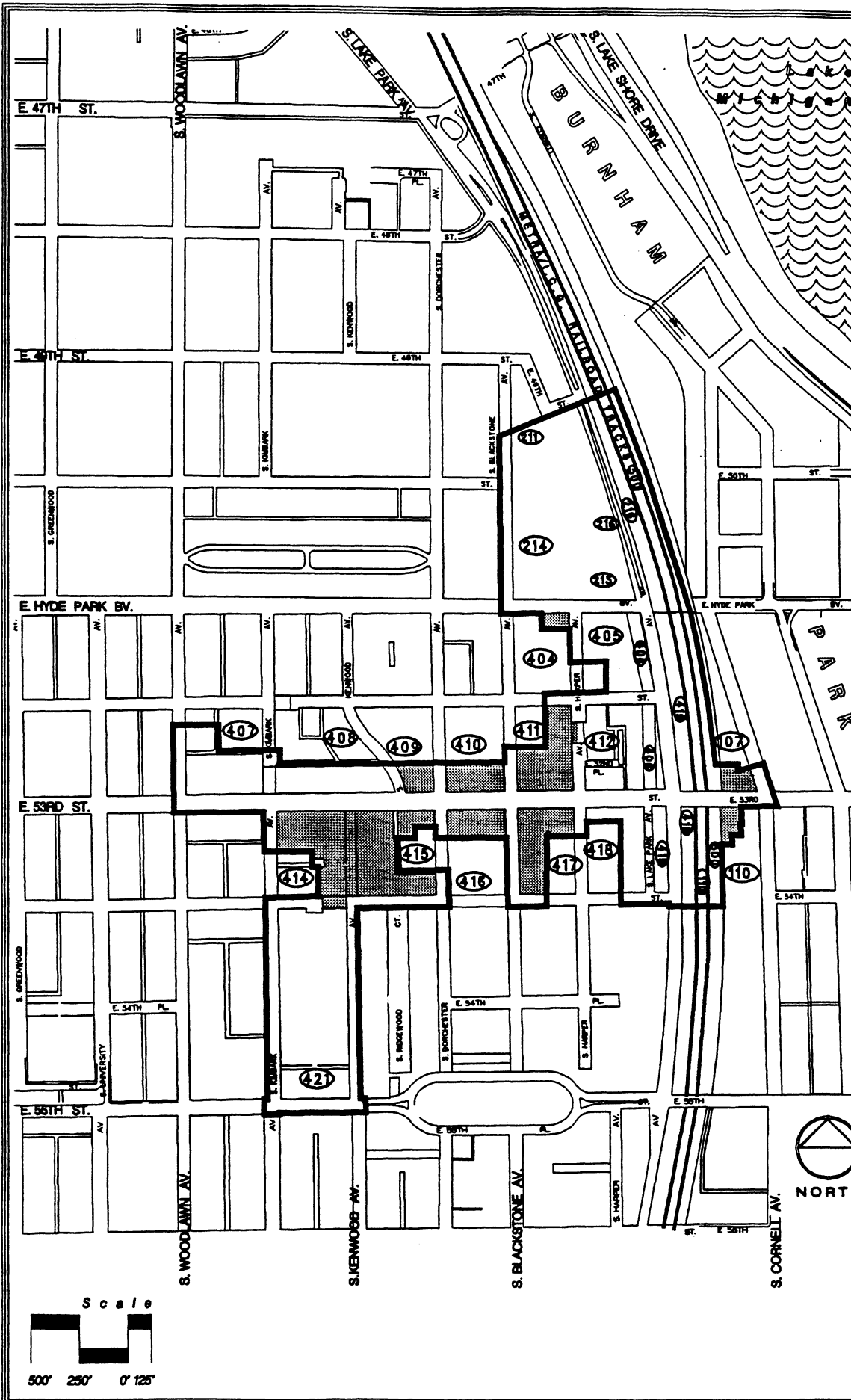
-  TIF BOUNDARY
-  BLOCK NUMBER
-  EXCESSIVE LAND COVERAGE



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Scale



500' 250' 0' 125'

CITY OF CHICAGO

PROPOSED 53rd Street




TAX INCREMENT FINANCE DISTRICT

MAP 4E

CONSERVATION FACTOR MAP

LACK OF GROWTH IN EAV

LEGEND

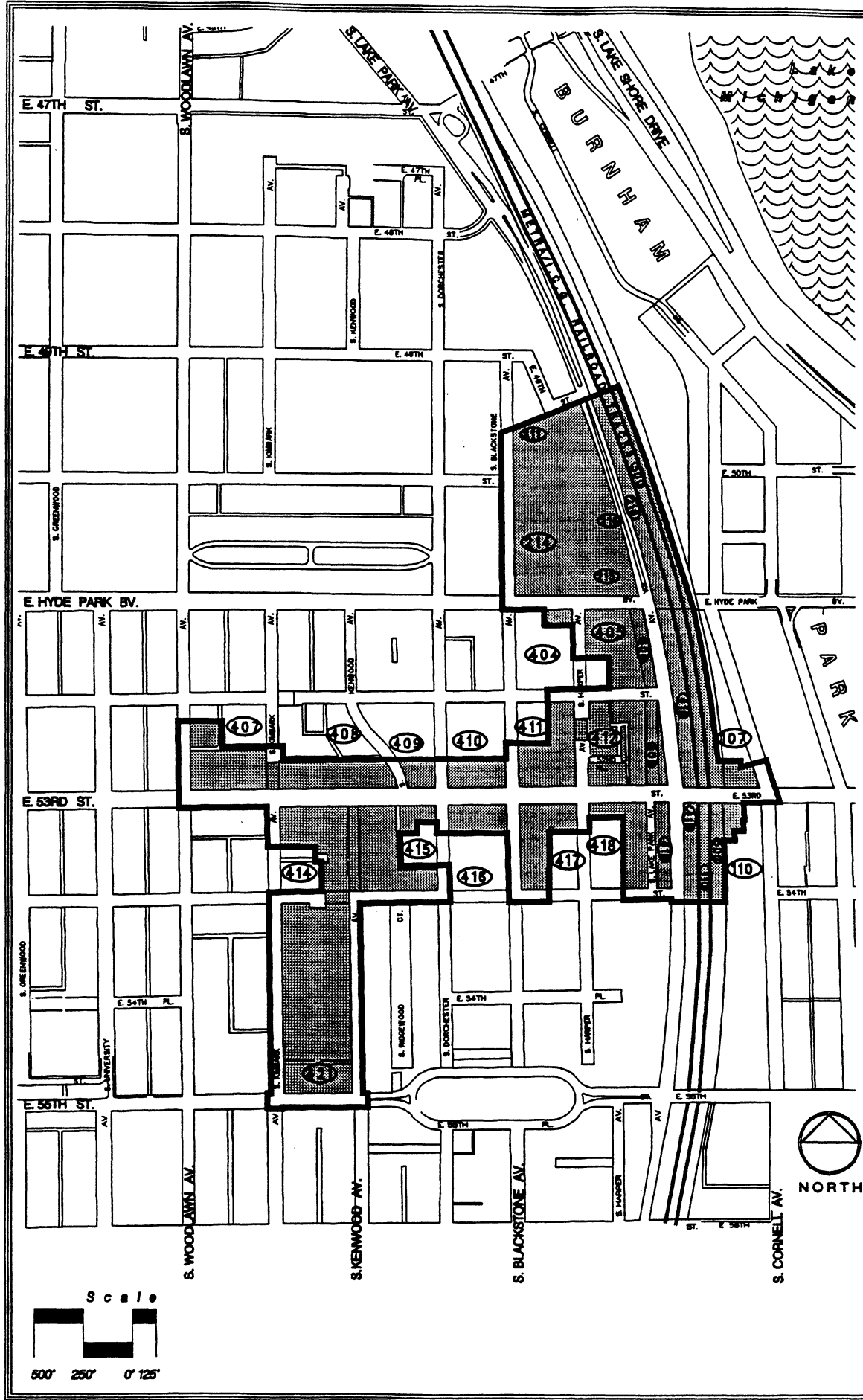
-  TIF BOUNDARY
-  BLOCK NUMBER
-  LACK OF GROWTH IN EAV



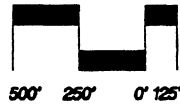
August 2000

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Scale



were found to be present to a meaningful degree. The following sections summarize our field research as it pertains to each of the identified eligibility factors found present within the 53rd Street RPA.

1. Lack of Growth in Equalized Assessed Value

The total equalized assessed value (EAV) is a measure of the property value in the 53rd Street RPA. A lack of growth in EAV has been found for the RPA in that the rate of growth in property values (as measured by EAV) of the RPA has been less than that of the balance of the City of Chicago for four out of the last five years for which information is available (1994 through 1999). In addition, the rate of growth of the RPA has been less than that of the balance of Hyde Park Township for three out of the last five years for which information is available (1994 through 1999). The lack of growth in equalized assessed value within an area is one of the strongest indicators that the area as a whole is beginning to fall into decline.

TABLE 2: Percent Change in Annual Equalized Assessed Valuation (EAV)

	Percent Change in EAV 1994/1995	Percent Change in EAV 1995/1996	Percent Change in EAV 1996/1997	Percent Change in EAV 1997/1998	Percent Change in EAV 1998/1999
53 rd Street RPA	5.04%	-4.91%	7.07%	1.69%	2.70%
Hyde Park Township (balance of)	-0.31%	1.01%	8.63%	1.15%	3.57%
City of Chicago (balance of)	0.96%	1.27%	8.40%	1.77%	4.17%

This eligibility factor was considered to be present to a meaningful extent for the entire 53rd Street RPA.

2. Structures Below Minimum Code

Based on data provided by the City of Chicago's Department of Buildings, 42 code violation citations have been issued for 32 different buildings within the 53rd Street RPA between 1995 and the beginning of 2000. The 42 code violation citations have implicated 51% of the buildings and more than two (2) out of every three (3) blocks (71%) within the 53rd Street RPA between 1995 and the beginning of 2000. This continuing problem underscores the lack of private investment, and in more extreme cases, deterioration of the area's buildings.

This eligibility factor was found to be present to a meaningful extent on 71% of the blocks within the 53rd Street RPA.

3. Excessive Land Coverage

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Eighteen of the 63 buildings (29%) within the 53rd Street RPA exhibited problem conditions which warranted the finding of this factor to be present on more than one (1) out of every three (3) blocks (42%) within the RPA. Examples of problem conditions which were found in the proposed RPA and which constitute "excessive land coverage" include a lack of reasonably required off-street parking and inadequate provision for loading and service. Many of the blocks which front 53rd Street do not have alleys, reasonably required off-street parking or adequate provision for loading and service, resulting in the over-intensive use of property and exacerbating the problems of traffic and congestion. Such problems illustrate the adverse impact that excessive land coverage of buildings can have on surrounding areas and not just individual properties. These problems limit the opportunities for continued growth and development and have the overall effect of reducing the competitiveness of area businesses. Additionally, the safety of pedestrians may be threatened in this environment.

This eligibility factor was found to be present to a meaningful extent on 42% of the blocks within the 53rd Street RPA.

4. Inadequate Utilities

A review of the City's water and sewer atlases found that inadequate underground utilities affect almost all of the blocks within the RPA. Twenty-two of the 24 (92%) blocks within the RPA are serviced by antiquated water mains that are either scheduled for or are overdue for replacement. Some replacements are required because the water lines have reached the end of their 100-year useful service lives and others are needed because the water mains are of insufficient size to comply with modern capacity requirements. It is anticipated that a total of 16,550 linear feet of water mains will need to be replaced during the life of the RPA.

Due to the age and condition of the water lines, inadequate utilities was found to be present to a meaningful extent on 92% of the blocks within the 53rd Street RPA.

Minor Supporting Factors

In addition to the factors that previously have been documented as being present to a major extent within the 53rd Street RPA, two additional factors are present to a minor extent. These additional factors demonstrate that the 53rd Street RPA is gradually declining through disinvestment. Left unchecked, these conditions could accelerate the decline of the community, and combined with those factors that have been used to qualify the RPA as a conservation area, could lead to more widespread and intensive commercial and residential disinvestment.

1. Deterioration

Seventeen of the 63 buildings (27%) within the 53rd Street RPA demonstrate a significant level of deterioration. Catalogued deterioration included the occurrence of major defects in building components, including collapsed or missing gutters and down spouts, cracked, broken or missing windows, evidence of roof leaks, building foundation problems, and cracked exterior wall surfaces. These are structural conditions not readily correctable through normal maintenance. Structural deterioration, coupled with other blighting factors found for buildings in the RPA such as code violations and excessive land coverage, are indicative of an area that is at risk of becoming blighted without direct intervention.

In addition, deterioration was documented on accessory buildings and ancillary property within the 53rd Street RPA. Accessory buildings and ancillary property include garages, surface parking lots, and property enclosed with fencing. Deterioration also was documented on 53rd Street RPA infrastructure and included potholed, cracked and uneven pavement of sidewalks and alleys.

Although this factor was not considered to be present to a major extent for the RPA as a whole, the combination of buildings with some amount of deterioration and surface improvements with deterioration was found to be present to a meaningful extent on 50% of the blocks within the 53rd Street RPA.

2. Deleterious Land Use or Layout

Deleterious land use and layout was evaluated on a building-by-building and block-by-block basis. This factor may be present regardless of whether or not a structure exists on a parcel and involves the relationship between different building and land uses. Therefore, it was necessary to evaluate deleterious land use and layout in this manner. While this factor was not found to be present for many individual buildings (six out of 63 buildings), it was found to be present to a meaningful extent on seven (29%) of the 24 blocks in the RPA, mostly around the intersection of 53rd Street and Lake Park Avenue.

For example, the entire block bounded by 53rd Street, Lake Park Avenue, 52nd Street, and Harper Avenue was found to exhibit deleterious land use or layout. This area is highly congested with both pedestrian and vehicular traffic due to the proximity of several different high-use facilities. The configuration of buildings, parking, and rights-of-way adversely impact the overall layout of the block.

Combined, the presence of such instances of deleterious land use and layout limit the development opportunities in key areas of the 53rd Street RPA. The combination of insufficient vehicular access, unsafe pedestrian movement, obsolete platting, and incompatible land uses aggravate traffic patterns and pose special hazards for pedestrians who shop or live in the 53rd Street RPA, thereby limiting potential redevelopment opportunities.

3. **Obsolescence**

Obsolescence, either functional, economic, or some combination of both, was documented for nine of the 63 buildings (14%) within the RPA. One (1) out of every four (4) blocks exhibits some type of obsolescence. A majority of the buildings within the 53rd Street RPA were built at least 35 years ago and the floor layouts of some of these buildings were designed for business operations that have become outmoded. Reconfiguration and rehabilitation of such structures would result in substantial cost to any future user and therefore would render the structure functionally obsolete. This functional obsolescence directly inhibits the redevelopment of these properties due to the enormous practical disadvantages faced by potential new users.

In addition to functional obsolescence, the economic obsolescence of some area properties is demonstrated by the stagnant, or in some cases declining, assessed valuation (other than routine increases attributable to the effect of inflation upon triennial reassessment values), and observations in the field that the property is falling into disuse. Economically obsolete buildings and properties have an adverse effect on nearby properties and detract from the physical, functional, and economic vitality of the surrounding community.

This eligibility factor is present to a meaningful extent on 25% of the blocks within the RPA.

4. Redevelopment Project & Plan

Redevelopment Needs of the 53rd Street RPA

The land use and existing conditions for the area suggest six major redevelopment needs for the 53rd Street RPA:

- capital improvements for public facilities and institutional uses that further the objectives set forth in the Redevelopment Project and Plan
- streetscape and infrastructure improvements
- rehabilitation of existing buildings
- resources for retail, commercial, and mixed-use development
- site preparation, environmental remediation, and private sector site assembly
- job training assistance and day care

The Redevelopment Plan identifies tools for the City to: support the re-establishment and improvement of the RPA as an active mixed-use district suitable for modern-day users; support other improvements that serve the redevelopment interests of the local community and the City; and assist existing businesses to promote the desirability of their businesses through expansion, improvement, and/or other mechanisms as set forth in the Redevelopment Plan.

Currently, the 53rd Street RPA is characterized by a lack of reasonably required off-street parking, inadequate provision for loading and service, conflicting land-use patterns and poor vehicular and pedestrian access, signs of structural deterioration, and an overall lack of growth in property values. These area and building conditions are minimizing the value of commercial and mixed-use properties in the area compared to other commercial and residential districts elsewhere in the City, limiting local area employment opportunities and growth, and contributing to the lack of new investment within the RPA.

The public improvements outlined in the Redevelopment Plan will create an environment conducive to private investment and redevelopment within the 53rd Street RPA. The goals, objectives, and strategies discussed below have been developed to address these needs and facilitate the sustainable redevelopment of the 53rd Street RPA. To support specific projects and encourage future investment in the RPA, public resources including tax increment financing may be used to facilitate site assembly, site preparation, and demolition for future private sector redevelopment activities; modernize RPA infrastructure and create new public facilities; create an identity for the community; and support building rehabilitation. The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly and demolition by the private sector to meet the goals, policies, or objectives of this Redevelopment Plan can be assisted using tax increment revenues.

Ultimately, the goals, objectives and strategies are designed to redevelop the RPA as a vibrant mixed-use commercial district, strengthening adjacent residential districts, and providing new and enhanced commercial activities that complement and service the residential population.

Goals, Objectives and Strategies

Goals, objectives and strategies designed to address the needs of the community form the overall framework of the Redevelopment Plan for the use of anticipated tax increment funds generated within the 53rd Street RPA.

Goal. The overall goal of the Redevelopment Plan is to reduce or eliminate conditions that qualify the 53rd Street RPA as a conservation area and to provide the direction and mechanisms necessary to re-establish the RPA as an active and vibrant mixed-use commercial district that provides a comprehensive range of commercial and retail uses to the surrounding residential community, while accommodating residential and institutional uses where appropriate. Redevelopment of the RPA will induce redevelopment opportunities in surrounding neighborhoods.

Rehabilitation and redevelopment of the RPA is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate additional private investment.

The underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment.

Objectives. Fourteen (14) objectives support the overall goal of area-wide revitalization of the 53rd Street RPA. These objectives include:

1. Provide resources for streetscaping and landscaping to visually link the area's diverse land uses and provide a cohesive and integrated identity for the area which is focused at the intersection of the 53rd Street and Lake Park Avenue corridors;
2. Facilitate the provision of adequate on- and off-street parking and improved service access for visitors, employees, and customers of the RPA;
3. Facilitate the improvement and expansion of existing public facilities as needed, such as schools and parks, and facilitate the development of new public facilities in appropriate locations throughout the RPA as needed and in accordance with the Redevelopment Plan;
4. Foster the replacement, repair, and/or improvement of the public infrastructure where needed, including sidewalks, streets, curbs, gutters, and underground water and sanitary systems to facilitate the rehabilitation of mixed-use, commercial, institutional, and public properties within the 53rd Street RPA as well as the construction of new retail, commercial, and mixed-use development where appropriate;
5. Support the goals and objectives of other overlapping plans, including *A Vision for the Hyde Park Retail District* (City of Chicago Planning Now Study, March 2000), and coordinate available federal, state, and local resources to further the goals of this redevelopment plan;
6. Facilitate the preservation and/or rehabilitation of retail, commercial, and institutional uses,

established institutional facilities, and architecturally or historically significant buildings in the 53rd Street RPA;

7. Preserve and enhance the pedestrian orientation of appropriate retail nodes, such as the 53rd Street and Lake Park Avenue intersection, by encouraging pedestrian-friendly uses and design strategies that include, but are not limited to, the following: facilitate safe pedestrian movement across wide arterial streets through improvement of pedestrian amenities; widen narrow sidewalks; and create visual interest and safer pedestrian environments with streetscaping, landscaping, lighting, and buffering;
8. Strengthen the economic well-being of the 53rd Street RPA by providing resources for retail, commercial, mixed-use, and institutional development in the 53rd Street RPA, as appropriate;
9. Create a positive environment for educational, recreational, and other institutional facilities where needed and in accordance with the Redevelopment Plan by providing enhancement opportunities for public facilities and institutions, such as schools, parks, and transit facilities;
10. Encourage the development of mixed-use, commercial, retail, and institutional uses, as appropriate, along the major corridors of 53rd Street and Lake Park Avenue, and at the core 53rd Street/Lake Park Avenue intersection;
11. Facilitate the remediation of environmental problems to provide additional land for new retail, commercial, and mixed-use development and redevelopment, as appropriate;
12. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in the job and construction opportunities associated with the redevelopment of the 53rd Street RPA;
13. Support job training programs and increase employment opportunities, including welfare to work programs, for individuals working in area businesses; and
14. Support the cost of day care operations established by businesses in the RPA to serve employees of low-income families working in the RPA.

Strategies. These objectives will be implemented through five (5) specific and integrated strategies. These include:

1. **Implement Public Improvements.** A series of public improvements throughout the 53rd Street RPA may be designed and implemented to help define and create an identity for the area and subareas, prepare sites for anticipated private investment, and create a more conducive environment for retail, commercial, and mixed-use development. Public improvements which are implemented with TIF assistance are intended to complement and

not replace existing funding sources for public improvements in the RPA.

These improvements may include new public parking facilities, streetscaping, improved street and sidewalk lighting, resurfacing of alleys, sidewalks and streets, improvement of underground infrastructure, and other public improvements consistent with the Redevelopment Plan. These public improvements may be completed pursuant to redevelopment agreements with private entities or intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. **Develop Underutilized Sites.** The redevelopment of underutilized sites within the 53rd Street RPA is expected to stimulate both physical and economic private investment and enhance properties within the RPA. Development of underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.
3. **Encourage Private Sector Activities.** Through the creation and support of public-private partnerships or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners and businesses, to undertake rehabilitation and redevelopment projects and other improvements that are consistent with the goals of this Redevelopment Plan and which maintain the integrity of the historically significant buildings in the Hyde Park-Kenwood Historic District.
4. **Facilitate/Support New Development.** To facilitate private market interest, the City may enter into agreements within the limits of the Act to facilitate and support redevelopment projects that complement and comport with the goals, objectives, and strategies of this Redevelopment Plan.

The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies, or objectives of this Redevelopment Plan may be assisted by using tax increment revenues.

5. **Facilitate Site Preparation and Environmental Remediation.** To meet the goals, policies or objectives of this Redevelopment Plan, the City may engage in site preparation or environmental remediation as needed. Furthermore, the City may require written development agreements with developers before assisting in site preparation or environmental remediation of any properties.

Redevelopment Plan Elements

There are three (3) general categories of activities that may be supported by tax increment funds under the provisions of the Act:

1. **Development/Redevelopment/Rehabilitation Activities, such as:**

- Site preparation, site assembly
 - Interest subsidies
 - Rehabilitation costs
 - Relocation costs
 - Environmental remediation
2. **Public Improvements**, such as:
- Provision or rehabilitation of public improvements, including open space and taxing district facilities
 - Capital costs, as they are incurred as a result of, or in furtherance of, the redevelopment plan
3. **Administrative Support and Financing**, such as:
- Job training and related educational programs, including welfare to work
 - Day care services
 - Analysis, administration, studies, legal, etc.
 - Financing costs

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels (collectively referred to as “Redevelopment Projects”). A number of key types of projects, activities and improvements were identified for the 53rd Street RPA and are described below. These activities are those which could be undertaken as resources become available. As community needs and market conditions change, it is likely that additional projects may be suggested throughout the life of the 53rd Street RPA. To the extent that these additional projects are consistent with the goals of this Redevelopment Plan, and the related costs are eligible under the Act, these projects may be considered for funding.

Public Improvements. Public improvements within the 53rd Street RPA along all arterial and collector streets, and railroad and public right-of-way overpasses may be undertaken to facilitate redevelopment activities, including but not limited to, the following:

- Streetscaping;
- Public parking facilities;
- Street, alley and sidewalk resurfacing;
- Street lighting;
- Traffic signalization;
- Reconstruction of street curbs and gutters;
- Underground water and sanitary systems; and
- Open space.

These public improvements should be designed to enhance the area for private commercial and mixed-use investment. The public improvements also will be designed to give a marketable identity to the RPA as an important commercial and retail destination within the

Hyde Park community.

Commercial, Mixed-Use, and Institutional Rehabilitation. Existing commercial and mixed-use properties may be targeted for rehabilitation to improve their market competitiveness, stabilize the commercial segments within the 53rd Street RPA, and provide opportunities for commercial and retail job retention and attraction. Similarly, community institutional resources also may be eligible to receive TIF assistance to improve their facilities to better serve the surrounding community.

Environmental Remediation of Redevelopment Sites. Potential redevelopment opportunity sites within the 53rd Street RPA may contain hazardous building materials that were left on-site which must be removed prior to any new construction or rehabilitation.

Marketing. In conjunction with site assembly activities, the City may market sites to commercial and retail developers, by means of site signage, direct mailings, audio/visual marketing materials, and site brochures.

Site Assembly and Preparation. To meet the goals, policies or objectives of this Redevelopment Plan, the City may acquire and assemble property throughout the RPA. Land assemblage by the City may be done by purchase, exchange, donation, lease, eminent domain, or through the Tax Reactivation Program and may be for the purposes of (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance, or dedication for the construction of public improvements or facilities. Furthermore, the City may require written development 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 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 Redevelopment Plan.

Relocation assistance may be provided in order to facilitate redevelopment of portions of the 53rd Street RPA, and to meet other City objectives. Legal occupants of properties that are acquired by the City may be provided with relocation advisory and/or financial assistance as determined by the City. Site preparation may include demolition of existing improvements and environmental remediation, where appropriate. The private sector often acquires and assembles property to create redevelopment opportunities and suitable sites for modern development needs. Property assembly by the private sector to meet the goals, policies, or objectives of this Redevelopment Plan can be funded using tax increment revenues.

These activities are representative of the types of projects contemplated to be undertaken during the life of the 53rd Street RPA. Market forces are critical to the completion of these projects. Phasing of projects will depend on the interests and resources of both public and private sector parties. Not all projects will necessarily be undertaken. Further, additional projects may be identified throughout the life of the 53rd Street RPA. To the extent that these projects meet the goals of this Redevelopment Plan and the requirements of the Act and budget outlined in the next section, these projects may be considered for tax increment funding.

The City requires that developers who receive TIF assistance for the development of market rate housing must set aside 20% of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means that affordable for-sale housing units should be priced at a level that is affordable to persons earning no more than 120% of the area median income, and affordable rental units should be affordable to persons earning no more than 80% of the area median income.

Future Land Use

The future land use of the 53rd Street RPA reflects the objectives of the Redevelopment Plan, which are: to support the improvement of the RPA as an active mixed-use district; and to support other improvements that serve the redevelopment interests of the local community, current business owners, and the City. The proposed objectives are compatible with historic land use patterns and support current development trends in the area. Currently, most of the blocks within the RPA contain more than one use. The mixed-use category allows for a broader range of future development opportunities.

The proposed land uses are detailed on Map 5 and are as follows:

- Institutional (including public facilities, hospitals, social services);
- Parks/Open Space; and
- Mixed-Use (including combinations of commercial, residential, and institutional).

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

CITY OF CHICAGO

PROPOSED 53rd Street TAX INCREMENT FINANCE DISTRICT

MAP 5

PROPOSED
LAND USE
MAP

LEGEND

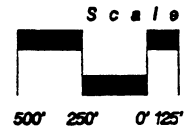
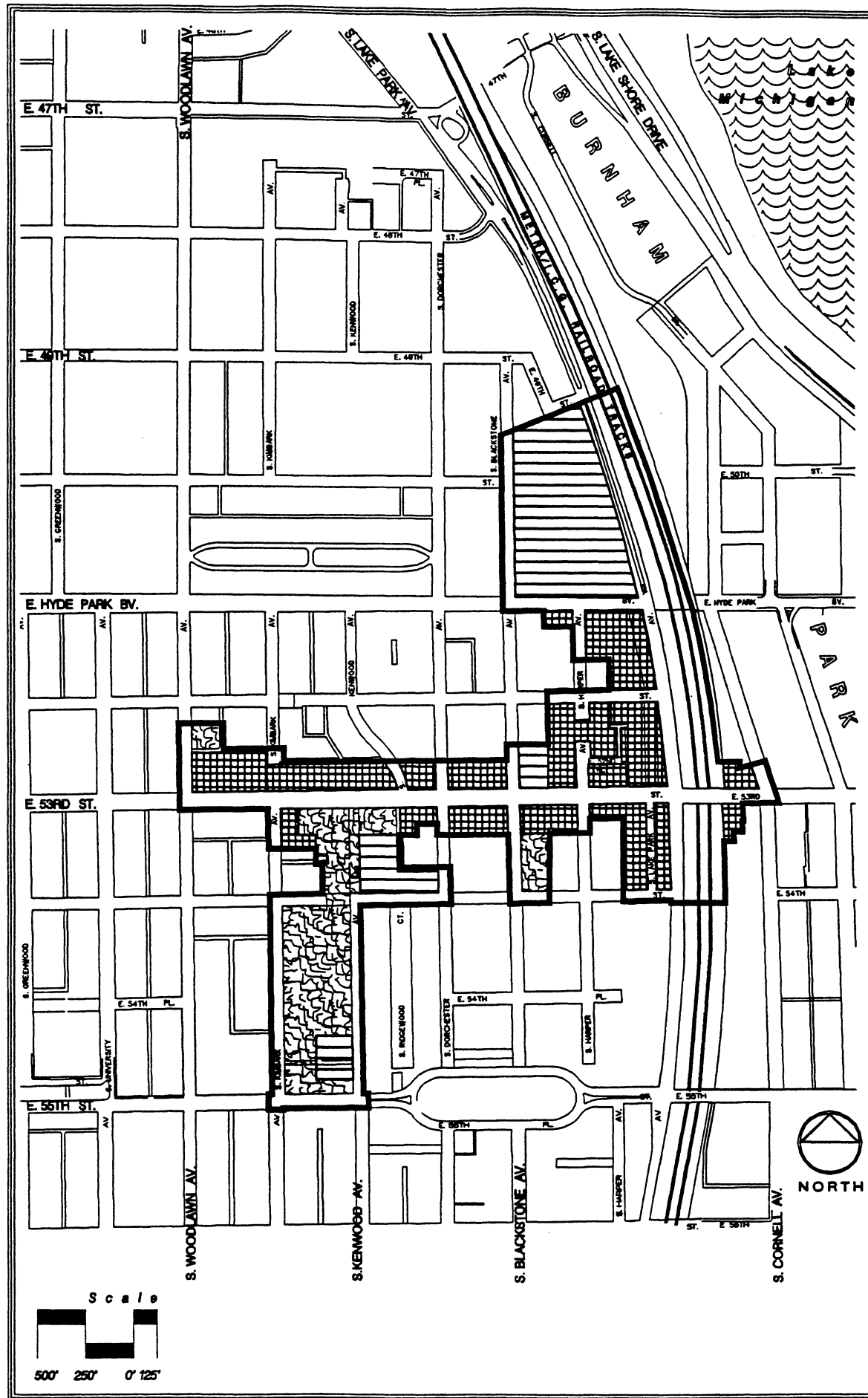
 TIF BOUNDARY

PREDOMINANT USE

 MIXED USE

 INSTITUTIONAL

 PARKS



August 2000

S. B. Friedman & Company
Real Estate Advisors and Development Consultants

Campbell Tiu Campbell, Inc.
Architects - Planners - Construction Managers

Housing Impact and Related Matters

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

The project area contains an estimated 430 occupied residential units, including approximately 422 units in mixed-use buildings and approximately eight units in multifamily buildings. The City does not intend to acquire, or displace by any other means, any of these units. The City of Chicago hereby certifies that no displacement will occur as a result of activities pursuant to this Redevelopment Plan.

5. Financial Plan

Eligible Costs

The Act outlines several categories of expenditures that can be funded using tax increment revenues. These expenditures, referred to as eligible redevelopment project costs, include all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this plan pursuant to the Act. The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including, but not limited to, tax increment financing, and by undertaking certain activities and incurring certain costs. Such costs may include, without limitation, the following:

1. 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, development advisors, development managers, legal, marketing sites within the area to prospective businesses, developers, and investors, financial, planning or other services (excluding lobbying expenses), related hard and soft costs, and other related expenses; provided however, that no such charges may be based on a percentage of the tax increment collected and that annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment project area or approved a redevelopment plan;
2. Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, 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;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project if the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
4. Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
5. Costs of job training and retraining projects including the cost of “welfare to work” programs implemented by businesses located within the redevelopment project area;
6. Financing costs, including but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest 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 incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the municipality by written agreement accepts and approves such costs;
8. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the RPA will be reimbursed as provided in the Act;
9. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law or by Section 74.4-3(n)(7) of the Act;
10. Payment in lieu of taxes;
11. Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and taxing district(s), which agreement describes the program to be undertaken, including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by the community college district of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public and Community College Act as cited in the Act and by school districts of cost pursuant to Section 10-22.20a and 10-23.3a of The School Code as cited in the Act;
12. Interest costs incurred by a redeveloper or other users related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. Such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - b. Such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper/user with regard to the redevelopment project during that year;
 - c. If there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (12) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

- d. The total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the redeveloper/user for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;
 - e. The percentage increases from thirty percent (30%) to seventy-five percent (75%) for the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act; and
 - f. 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 this benefit under the Act;
13. The cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the City, county, or regional median income as determined from time to time by the United States Department of Housing and Urban Development; and
 14. Unless explicitly stated in the Act and as provided for in relation to low- and very-low income housing units, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.

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

Estimated Redevelopment Project Costs

The estimated eligible costs of this Redevelopment Plan are shown in Table 3. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest, issuance costs, interest, and other financing costs. Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan. Additional funding in the form of State and Federal grants, private developers contributions and other outside sources may be pursued by the City as a means of financing improvements and facilities which are

of benefit to the general community.

TABLE 3: ESTIMATED TIF ELIGIBLE COSTS

Project/Improvements	Estimated Project Costs*
Public Works or Improvements (1)	\$11,900,000
Rehabilitation Costs	\$3,000,000
Property Assembly: including site preparation and environmental remediation	\$500,000
Professional Services/Administration	\$500,000
Relocation (Commercial)	\$350,000
Job Training	\$1,500,000
Interest Costs	\$1,500,000
Day Care	\$750,000
TOTAL REDEVELOPMENT COSTS (2)	\$20,000,000

*Exclusive of capitalized interest, issuance costs, and other financing costs

(1) This category also may include the payment or reimbursement of capital costs of taxing districts including schools resulting from the redevelopment project necessarily incurred in the furtherance of the objectives of the Redevelopment Project Area Plan and Project to the extent the City by written agreement accepts and approves such costs.

(2) All costs are in 2000 dollars and may be increased by the rate of inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

Adjustments to the estimated line item costs in Table 3 are expected and may be made by the City without amendment to the Plan. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

Phasing and Scheduling of the Redevelopment

Each private project within the 53rd Street RPA shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to

the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s). The redevelopment plan 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 provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving this redevelopment project area is adopted (by December 31, 2024, if the ordinances establishing the RPA are adopted during 2000).

Sources of Funds to Pay Costs

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

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

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

The 53rd Street RPA may be or become contiguous to, or be separated only by a public right-of-way from, other redevelopment areas created under the Act. The City may utilize net incremental property tax revenues received from the 53rd Street RPA to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. The amount of revenue from the 53rd Street RPA made available to support such contiguous redevelopment project areas, or those separated only by a public right-of-way, when added to all amounts used to pay eligible Redevelopment Project Costs within the 53rd Street RPA, shall not at any time exceed the total Redevelopment Project Costs described in Table 3 of this Redevelopment Plan.

The 53rd Street RPA may be or become contiguous to, or separated only by a public right-of-way from, other redevelopment project areas created under the Illinois Industrial Jobs Recovery Law, (65 ILCS 5/11-74.61-1 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 53rd Street RPA, the City may determine that it is the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the 53rd Street RPA be made available to support any such redevelopment project areas, and vice versa. The City, therefore, proposes to utilize net incremental revenues received from the 53rd Street RPA to pay eligible redevelopment projects costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas, and vice versa. Such revenues may be transferred or loaned between the 53rd Street RPA and such areas. The amount of revenue from the 53rd Street RPA so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the 53rd Street RPA or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 3 of this Redevelopment Plan.

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

Issuance of Obligations

To finance project costs, the City may issue bonds or obligations secured by the anticipated tax increment revenue generated within the 53rd Street RPA, or such other bonds or obligations as the City may deem as appropriate. The City may require the utilization of guarantees, deposits or other forms of security made available by private sector developers to secure such obligations. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within the time frame described under "Phasing and Scheduling of the Redevelopment" above. Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City shall not exceed the amounts available from tax increment revenues, or other sources of funds, if any, as may be provided by ordinance. Obligations may be of parity or senior/junior lien nature. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

In addition to paying redevelopment project costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs. To the extent that real property tax increment is not required for such purposes, revenues shall be declared surplus and become available for distribution annually to area taxing districts in the manner provided by the Act.

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

The purpose of identifying the most recent equalized assessed valuation (“EAV”) of the 53rd Street RPA is to provide an estimate of the initial EAV which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the 53rd Street RPA. The 1999 EAV of all taxable parcels in the 53rd Street RPA is approximately \$23,190,777. This total EAV amount by PIN is summarized in Appendix 2. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the Redevelopment Project Area will be calculated by Cook County.

Anticipated Equalized Assessed Valuation

By the tax year 2023 (collection year 2024), the EAV for the 53rd Street RPA will be approximately \$50,000,000. This estimate is based on several key assumptions, including: 1) an inflation factor of 2.5% per year on the EAV of all properties within the 53rd Street RPA, with its cumulative impact occurring in each triennial reassessment year; 2) an equalization factor of 2.2505; and 3) a tax rate of 8.536% for the duration of the 53rd Street RPA.

6. Required Findings and Tests

Lack of Growth and Private Investment

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

While some new investment has occurred in the 53rd Street RPA over the past five years, this investment has been minimal in scope and in areas isolated within the RPA. Taken as a whole, the RPA has not been subject to growth and development through investment by private enterprise. The 53rd Street RPA is located entirely within Hyde Park Township. From 1994 through 1999 the growth of equalized assessed valuation ("EAV," which is the value of property from which property taxes are based) in the RPA has lagged behind that of both the City of Chicago and Hyde Park Township. The compound annual growth rate of EAV for the 53rd Street RPA was only 2.24% between 1994 and 1999. In comparison, the compound annual growth rate of EAV was 2.77% for Hyde Park Township, and 3.28% for the City of Chicago over the same period of time.

As another method to examine the scope of new investment in the 53rd Street RPA, *S. B. Friedman & Company* examined building permit data provided by the City of Chicago Department of Buildings. Specifically, we examined building permit data for the period from 1995 to early 2000 which revealed that 55 permits were issued within the 53rd Street RPA totaling \$3.6 million. Only three were for new construction. The remaining 52 permits were for rehabilitation, mechanical upgrades, minor repairs, or code compliance.

Based on our review of the data of the 55 permits, two permits (totaling approximately \$1,000,000) were initiated for public schools. The remaining 53 permits (\$2.6 million) were privately initiated, with only \$29,500, or 1%, of the total private investment issued for new construction. On average over our five-year study period, privately initiated permits amounted to approximately \$520,000 per year of total private investment, or less than 1% of the total Assessor's market value of all property within the 53rd Street RPA. At this rate, it would take the private market a substantial amount of time to replace the current Assessor's market value of the RPA.

Furthermore, a majority of the private investment has been limited to specific locations within the RPA and has not been evenly distributed throughout the area. Nine permits totaling \$1,069,000, or nearly 41% of the total private investment, was issued to only one building. The remaining 44 privately initiated permits, totaling \$1.5 million, were issued for general repairs, alterations to existing uses, and additions.

Finding: The Redevelopment Project Area (53rd Street RPA) on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.

But for....

The City is required to find that, but for the designation of the TIF district and the use of tax increment financing, it is unlikely that significant investment will occur in the 53rd Street RPA.

Without the support of public resources, the redevelopment objectives of the 53rd Street RPA would most likely not be realized. The scope of area-wide improvements and development assistance resources needed to rehabilitate the 53rd Street RPA as a mixed-use commercial district is expensive, and the private market, on its own, is not likely to absorb all of these costs. Public resources to assist with site assembly and preparation, public infrastructure improvements, and private property rehabilitation are needed to leverage private investment and facilitate area-wide redevelopment consistent with the Redevelopment Plan. TIF funds can be used to fund land assembly, site preparation, infrastructure improvements, and building rehabilitation. Accordingly, but for creation of the 53rd Street RPA, these projects, which would contribute substantially to area-wide redevelopment, are unlikely to occur without TIF designation for the 53rd Street RPA.

Finding: But for the adoption of this Redevelopment Plan, critical resources will be lacking that would otherwise support the redevelopment of the 53rd Street RPA and the 53rd Street RPA would not reasonably be anticipated to be developed.

Conformance to the Plans of the City

The 53rd Street RPA and Redevelopment Plan must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

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

Dates of Completion

The dates of completion of the project and retirement of obligations are described in “Phasing and Scheduling of the Redevelopment” in Section 5 above.

Financial Impact of the Redevelopment Project

As explained above, without the adoption of this Redevelopment Plan and tax increment financing, the 53rd Street RPA is not expected to be redeveloped by private enterprise. Additionally, there is a genuine threat that blighting conditions will continue to exist and spread, and that the entire area will become a less attractive place to maintain and improve existing buildings and sites. The lagging growth of property values also may lead to a decline of property values in surrounding areas and could lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by

the City to create an environment in which private investment can reasonably occur. The redevelopment program will be staged gradually over the 23-year life of the 53rd Street RPA. If a redevelopment project is successful, various new projects will be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting rehabilitation and development in the 53rd Street RPA.

This Redevelopment Plan is expected to have short- and long-term financial impacts on the affected taxing districts. During the period when tax increment financing is utilized, real estate tax increment revenues from the increases in EAV over and above the certified initial EAV (established at the time of adoption of this document) may be used to pay eligible redevelopment project costs for the 53rd Street RPA. At the time when the 53rd Street RPA is no longer in place under the Act, the real estate tax revenues resulting from the redevelopment of the 53rd Street RPA will be distributed to all taxing district levying taxes against property located in the 53rd Street RPA. These revenues will then be available for use by the affected taxing districts.

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

The following major taxing districts presently levy taxes on properties located within the 53rd Street RPA and maintain the listed facilities within the boundaries of the RPA, or within close proximity (approximately three blocks) of the RPA boundaries:

City of Chicago

- Blackstone Library (4904 S. Lake Park Avenue)
- Chicago Fire Department-Engine Company No. 60 (1150 E. 55th Street)

Chicago Board of Education

- Kenwood Academy High School (4959 S. Blackstone Avenue)
- Murray Academy (5335 S. Kenwood Avenue)
- Wirth Experimental School (4959 S. Blackstone Avenue)
- Shoesmith School (1330 E. 50th Street)
- Kozminski Academy (936 E. 54th Street)
- Harte School (1556 E. 56th Street)

Chicago School Finance Authority

Chicago Park District

- Elm Playlot (5215 S. Woodlawn)
- Spruce Playlot (5337 S. Blackstone)
- Nichols Park (1300 E. 55th Street)
- Kenwood Park (1330 E. 50th Street)
- Butternut Playlot (5324 S. Woodlawn)
- Burnham Park (1700 E. 53rd Street)

Metropolitan Water Reclamation District of Greater Chicago

County of Cook

Cook County Forest Preserve District

Map 6 illustrates the locations of community facilities operated by the above listed taxing districts within close proximity to the 53rd Street RPA.

Redevelopment activity may cause increased demand for services from one or more of the above listed taxing districts. The Act requires an assessment of any financial impact of the Redevelopment Project Area on, or any increased demand for service from, any taxing district affected by the Redevelopment Plan and description of any program to address such financial impacts or increased demand. The City intends to monitor development in the areas and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development.

The anticipated nature of increased demands for services on these taxing districts, and the proposed activities to address increased demand are described below.

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

Replacement of vacant and under-utilized buildings and sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. Additional costs to the City for police, fire, library circulation, and recycling and sanitation services arising from residential and non-residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the 53rd Street RPA can be handled adequately by City police, fire protection, library, sanitary collection and recycling services and programs maintained and operated by the City. In addition to several public service facilities operated by the City within the 53rd Street RPA, there also are public facilities in close proximity to the area. Therefore, no special programs are proposed for the City. In addition, to the extent that the revitalization efforts result in reduced crime and physical improvements which reduce the risk of fire, the Redevelopment Plan actually may result in some cost savings.

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

It is likely that some families who purchase new housing or rent new apartments in the 53rd Street RPA will send their children to public schools, putting increased demand on area school districts. However, the 53rd Street RPA is predominantly commercial or mixed-use residential/commercial and will most likely contain limited new residential development in the future. In addition, many of the new home owners or renters may come from the immediate neighborhood and some of these families may send their children to private schools, and senior residential development will add few, if any, additional children. Existing absorption capacity was verified through enrollment and capacity data provided by the office of Planning & Educational Programming at the Chicago Public Schools (CPS). In accordance with the practice of the CPS, we used design capacity to calculate the utilization rates for high schools and program capacity to calculate the utilization rates for elementary schools. Program capacity is 80% of design capacity. The enrollment and capacity data

CITY OF CHICAGO








PROPOSED 53rd Street

TAX INCREMENT FINANCE DISTRICT

MAP 6

COMMUNITY
FACILITIES
MAP

LEGEND

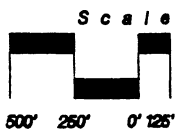
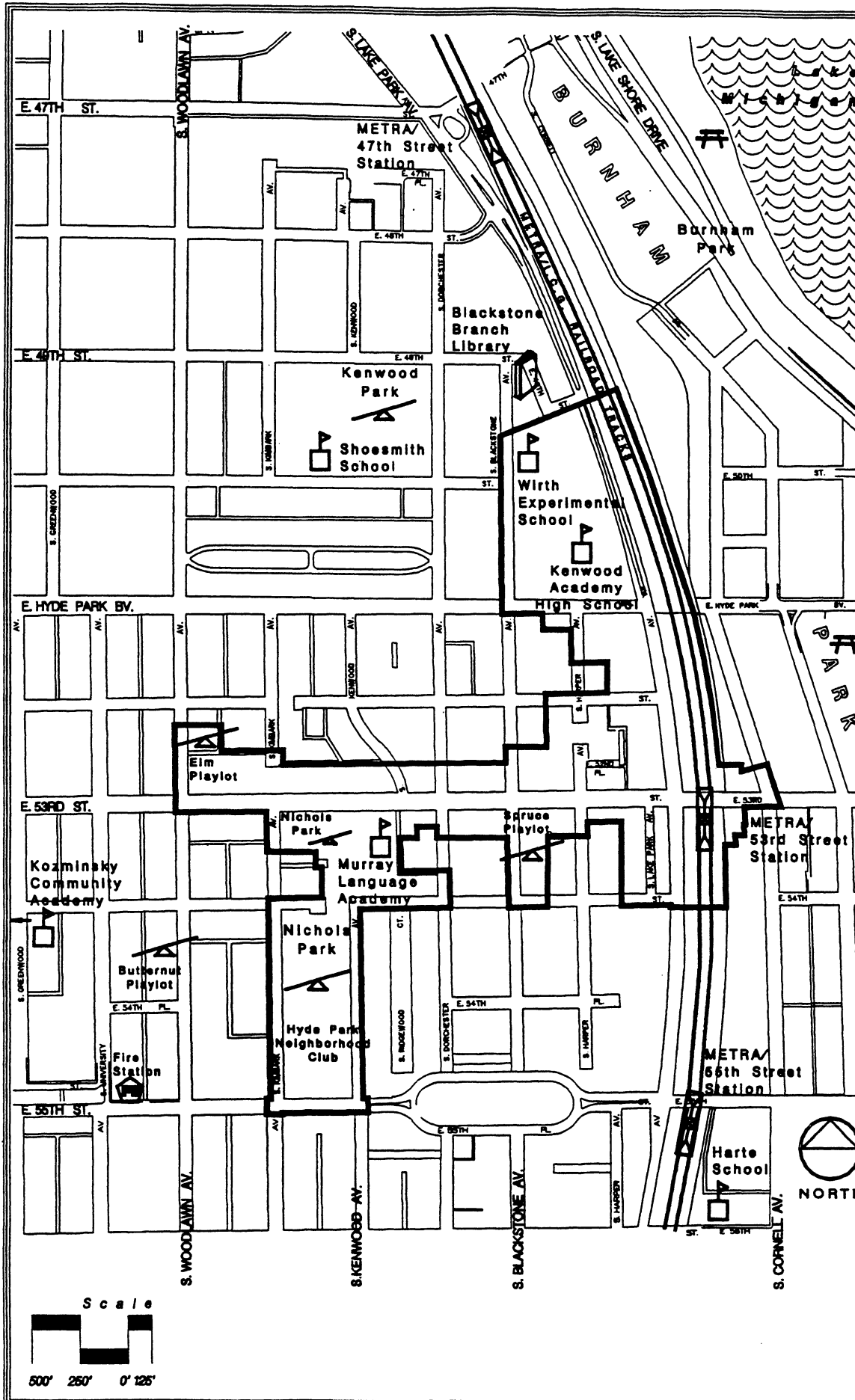
-  TIF BOUNDARY
-  REGIONAL PARK
-  SCHOOL
-  PLAYLOT/
GREENSPACE
-  LIBRARY
-  FIRE DEPARTMENT
-  TRANSIT STATION



August 2000

S. B. Friedman & Company
Real Estate Services and Development Consultants

Campbell Tiu Campbell, Inc.
Architects - Planners - Construction Managers



provided by the CPS reveal that the elementary schools that serve the area immediately surrounding the 53rd Street RPA collectively operate at approximately 90% of full capacity and the high schools at approximately 100% of full capacity (using design capacity for high schools and program capacity for elementary schools). Given the limited scope of new residential construction which would be likely to occur within the 53rd Street RPA, it is unlikely that the existing capacity will be exceeded as a result of TIF supported activities. However, the City intends to monitor development in the 53rd Street RPA and, with the cooperation of the Board of Education, will ensure that any increased demands for the services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

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

The replacement of vacant and underutilized properties with residential and non-residential development may result in an increase in population within the 53rd Street RPA, which may result in additional demand for services from the district. It is expected that the households that may be added to the 53rd Street RPA may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the 53rd Street RPA and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development.

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

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the 53rd Street RPA can be handled adequately by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District of Greater Chicago. Therefore, no special program is proposed for the Metropolitan Water Reclamation District of Greater Chicago.

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

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

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public. It is expected that any

increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

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

7. Provisions for Amending Action Plan

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

8. Commitment to Fair Employment Practices and Affirmative Action Plan

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

- A. The assurance of equal opportunity in all personnel and employment actions with respect to this Redevelopment Plan and project, including, but not limited to, hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, terminations, etc. without regard to race, color, religion, sex, age, handicapped status, national origin, sexual preference, creed, or ancestry.
- B. Meeting City standards for participation of Minority Business Enterprise and Women Business Enterprise businesses as required in redevelopment agreements.
- C. The commitment to affirmative action and non-discrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D. Meeting City standards for the hiring of City residents to work on redevelopment project construction projects.

Appendix 1:
Boundary and Legal Description (Chicago Guarantee Survey Co.)

53RD STREET TIF DISTRICT

ALL THAT PART OF SECTIONS 11 AND 12 IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF EAST HYDE PARK BOULEVARD WITH THE WEST LINE OF SOUTH BLACKSTONE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH BLACKSTONE AVENUE TO THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF LOT 5 IN BLOCK 5 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTHEASTERLY ALONG SAID SOUTHWESTERLY EXTENSION AND THE NORTHWESTERLY LINE OF LOT 5 IN SAID BLOCK 5 IN HYDE PARK TO THE SOUTHWESTERLY LINE OF SOUTH LAKE PARK AVENUE;

THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF VACATED LAKE PARK AVENUE TO THE SOUTHWEST CORNER OF THAT PART OF LOT 4 IN BLOCK 6 IN SAID HYDE PARK HERETOFORE DEDICATED AS PUBLIC RIGHT OF WAY;

THENCE NORTHEASTERLY ALONG THE SOUTH LINE OF THAT PART OF LOT 4 IN BLOCK 6 IN SAID HYDE PARK HERETOFORE DEDICATED AS PUBLIC RIGHT OF WAY, SAID SOUTH LINE BEING ALSO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-11-216-066, AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EASTERLY LINE OF THAT PART OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY BEARING PIN 20-11-500-003;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE OF THAT PART OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY BEARING PIN 20-11-500-003 TO THE SOUTH LINE OF LOT 10 IN BLOCK 17 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF

Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
Ordered by: S. B. Friedman & Company

July 25, 2000
Order No.0007008 R0
53rd Street

SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 10 IN BLOCK 17 IN HYDE PARK TO THE EAST LINE OF LOT 12 IN SAID BLOCK 17 IN HYDE PARK;

THENCE SOUTH ALONG SAID EAST LINE OF LOT 12 IN BLOCK 17 IN HYDE PARK TO THE SOUTH LINE OF LOT 1 IN CHARLES G. ROSE'S LOT 1, A SUBDIVISION OF PARTS OF LOT 10 AND 11 IN BLOCK 17 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 1 IN CHARLES G. ROSE'S LOT 1, AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EASTERLY LINE OF SOUTH CORNELL AVENUE;

THENCE SOUTH ALONG SAID EASTERLY LINE OF SOUTH CORNELL AVENUE TO THE SOUTH LINE OF EAST 53RD STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 53RD STREET TO A LINE 94.57 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF SOUTH CORNELL AVENUE, SAID LINE BEING ALSO THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-12-110-034;

THENCE SOUTH ALONG SAID LINE 94.57 FEET WEST OF AND PARALLEL WITH THE WEST LINE OF SOUTH CORNELL AVENUE, A DISTANCE OF 92.70 FEET, TO A NORTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-12-110-034;

THENCE WEST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-12-110-034, A DISTANCE OF 9.60 FEET TO THE SOUTHERLY MOST WEST LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-12-110-034;

THENCE SOUTH ALONG SAID SOUTHERLY MOST WEST LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-12-110-034 TO THE NORTH LINE OF LOT 5 IN BLOCK 33 IN AFORESAID HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH

Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
Ordered by: S. B. Friedman & Company

July 25, 2000
Order No.0007008 R0
53rd Street

PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 5 BEING ALSO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-12-110-002;

THENCE WEST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-12-110-002 TO THE WEST LINE THEREOF;

THENCE SOUTH ALONG SAID WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-12-110-002 TO THE NORTH LINE OF LOT 6 IN SAID BLOCK 33 IN HYDE PARK;

THENCE WEST ALONG SAID NORTH LINE OF LOT 6 IN BLOCK 33 IN HYDE PARK TO THE EAST LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY BEARING PIN 20-12-500-003;

THENCE SOUTH ALONG SAID EAST LINE OF THE ILLINOIS CENTRAL RAIL ROAD RIGHT OF WAY BEARING PIN 20-12-500-003 TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF EAST 54TH STREET, AS SAID 54TH STREET IS OPENED AND LAID OUT IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF EAST 54TH STREET, AS SAID 54TH STREET IS OPENED AND LAID OUT IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TO THE SOUTHERLY EXTENSION OF A LINE 120 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF BLOCK 31 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND ALONG A LINE 120 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF BLOCK 31 IN HYDE PARK TO THE SOUTH LINE OF LOT 7 IN SAID BLOCK 31 IN HYDE PARK;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 7 IN BLOCK 31 IN HYDE PARK TO A LINE 128 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF BLOCK 31 IN HYDE PARK;

Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
Ordered by: S. B. Friedman & Company

July 25, 2000
Order No.0007008 R0
53rd Street

THENCE NORTH ALONG SAID LINE 128 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF BLOCK 31 IN HYDE PARK TO THE NORTH LINE OF THE SOUTH 15 FEET OF LOT 2 IN SAID BLOCK 31 IN HYDE PARK;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 15 FEET OF LOT 2 IN SAID BLOCK 31 IN HYDE PARK AND ALONG THE NORTH LINE OF THE SOUTH 15 FEET OF LOT 17 IN BLOCK 31 IN HYDE PARK TO THE EAST LINE OF SOUTH HARPER AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH HARPER AVENUE TO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOT 4 IN BLOCK 30 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 4 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF EAST 53RD STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE NORTH LINE OF LOT 4 IN BLOCK 30 IN HYDE PARK TO THE WEST LINE OF SAID LOT 4;

THENCE SOUTH ALONG SAID WEST LINE OF SAID LOT 4, AND ALONG THE WEST LINE OF LOTS 5, 6, 7, 8 AND 9 IN SAID BLOCK 30 TO SOUTH LINE OF THE NORTH 16 FEET OF SAID LOT 9 IN BLOCK 30 IN HYDE PARK;

THENCE EAST ALONG SAID SOUTH LINE OF THE NORTH 16 FEET OF SAID LOT 9 IN BLOCK 30 IN HYDE PARK TO THE EAST LINE OF THE WEST 5 FEET OF SAID LOT 9 IN BLOCK 30 IN HYDE PARK;

THENCE SOUTH ALONG SAID EAST LINE OF THE WEST 5 FEET OF LOT 9 IN BLOCK 30 IN HYDE PARK AND ALONG THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF EAST 54TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 54TH STREET TO THE WEST LINE OF SOUTH BLACKSTONE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH BLACKSTONE AVENUE TO THE NORTH LINE OF LOT 4 IN BLOCK 29 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE NORTHEAST FRACTIONAL QUARTER OF SECTION 11,

Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
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July 25, 2000
Order No.0007008 R0
53rd Street

AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID NORTH LINE OF LOT 4 IN BLOCK 29 IN HYDE PARK AND ALONG THE NORTH LINE OF LOT 15 IN SAID BLOCK 29 IN HYDE PARK AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH DORCHESTER AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH DORCHESTER AVENUE TO THE NORTH LINE OF THE SOUTH 50 FEET OF LOTS 1, 2 AND THE EASTERLY 4 FEET OF LOT 3, ALL IN BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK, A SUBDIVISION OF PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 50 FEET OF LOTS 1, 2 AND THE EASTERLY 4 FEET OF LOT 3, ALL IN BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK TO THE WEST LINE OF SAID EASTERLY 4 FEET OF LOT 3;

THENCE SOUTH ALONG SAID WEST LINE OF THE EASTERLY 4 FEET OF LOT 3 IN BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK TO THE NORTH LINE OF LOT 13 IN SAID BLOCK 28 IN HYDE PARK;

THENCE WEST ALONG SAID NORTH LINE OF LOT 13 IN BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK TO THE WEST LINE OF SAID LOT 13, SAID WEST LINE OF LOT 13 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF SOUTH DORCHESTER AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY WEST OF SOUTH DORCHESTER AVENUE TO THE SOUTH LINE OF LOT 16 IN SAID BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 16 IN BLOCK 28 IN KIMBARK'S ADDITION TO HYDE PARK AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH DORCHESTER AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH DORCHESTER AVENUE TO THE SOUTH LINE OF EAST 54TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 54TH STREET TO THE EAST LINE OF SOUTH KENWOOD AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH KENWOOD AVENUE TO THE SOUTH LINE OF EAST 55TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 55TH STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 41 IN BLOCK 29 IN AFORESAID KIMBARK'S ADDITION TO HYDE PARK, SAID EAST LINE OF LOT 41 BEING ALSO THE WEST LINE OF SOUTH KIMBARK AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND ALONG THE WEST LINE OF SOUTH KIMBARK AVENUE TO THE NORTH LINE OF EAST 54TH STREET;

THENCE EAST ALONG SAID THE NORTH LINE OF EAST 54TH STREET TO THE EAST LINE OF THE WESTERLY 15 FEET OF LOT 19 IN BLOCK 27 IN AFORESAID KIMBARK'S ADDITION TO HYDE PARK;

THENCE NORTH ALONG SAID EAST LINE OF THE WESTERLY 15 FEET OF LOT 19 IN BLOCK 27 IN KIMBARK'S ADDITION TO HYDE PARK TO THE NORTH LINE OF SAID LOT 19, SAID NORTH LINE OF LOT 19 BEING ALSO THE SOUTH LINE OF THE ALLEY NORTH OF EAST 54TH STREET;

THENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY NORTH OF EAST 54TH STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 12 IN SAID BLOCK 27 IN KIMBARK'S ADDITION TO HYDE PARK;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE OF LOT 12 AND ALONG THE EAST LINE OF LOT 11, BOTH IN BLOCK 27 IN KIMBARK'S ADDITION TO HYDE PARK TO THE NORTH LINE OF SAID LOT 11;

THENCE WEST ALONG SAID NORTH LINE OF LOT 11 IN BLOCK 27 IN KIMBARK'S ADDITION TO HYDE PARK AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH KIMBARK AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH KIMBARK AVENUE TO THE SOUTH LINE OF EAST 53RD STREET;

THENCE WEST ALONG SAID SOUTH LINE OF EAST 53RD STREET TO THE WEST LINE OF SOUTH WOODLAWN AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH WOODLAWN AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 7 IN BLOCK 25 IN AFORESAID KIMBARK'S ADDITION TO HYDE PARK;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 7 IN BLOCK 25 IN KIMBARK'S ADDITION TO HYDE PARK AND ALONG THE EASTERLY EXTENSION THEREOF TO THE WEST LINE OF LOT 5 IN SAID BLOCK 25 IN KIMBARK'S ADDITION TO HYDE PARK, SAID WEST LINE OF LOT 5 BEING ALSO THE EAST LINE OF THE ALLEY EAST OF SOUTH WOODLAWN AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 5 IN BLOCK 25 IN KIMBARK'S ADDITION TO HYDE PARK TO THE SOUTH LINE OF SAID LOT 5, SAID SOUTH LINE OF SAID LOT 5 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF EAST 53RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF EAST 53RD STREET AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH KIMBARK AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH KIMBARK AVENUE TO THE SOUTH LINE OF LOT 19 IN BLOCK 24 IN KIMBARK'S ADDITION TO HYDE PARK;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 19 IN BLOCK 24 IN KIMBARK'S ADDITION TO HYDE PARK TO THE EAST LINE OF SOUTH KIMBARK AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH KIMBARK AVENUE TO THE SOUTH LINE OF LOT 18 IN SAID BLOCK 24 IN KIMBARK'S ADDITION TO HYDE PARK, SAID SOUTH LINE OF LOT 18 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF EAST 53RD STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF EAST 53RD STREET AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EASTERLY LINE OF SOUTH KENWOOD STREET;

THENCE SOUTH ALONG SAID EASTERLY LINE OF SOUTH KENWOOD STREET TO THE NORTH LINE OF LOT 12 IN BLOCK 23 IN KIMBARK'S ADDITION TO HYDE PARK;

THENCE EAST ALONG SAID NORTH LINE OF LOT 12 IN BLOCK 23 IN KIMBARK'S ADDITION TO HYDE PARK AND ALONG THE NORTH LINE OF LOTS 13 AND 14 IN SAID IN BLOCK 23 IN KIMBARK'S ADDITION TO HYDE PARK TO THE WEST LINE OF SOUTH DORCHESTER AVENUE;

THENCE EAST ALONG A STRAIGHT LINE TO THE SOUTHWEST CORNER OF LOT 13 IN BLOCK 22 IN HYDE PARK, A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER AND THE EAST HALF OF THE Chicago Guarantee Survey Co.
601 S. La Salle St., Ste. 400, Chicago, Ill., 60605
Ordered by: S. B. Friedman & Company

July 25, 2000
Order No.0007008 R0
53rd Street

NORTHEAST FRACTIONAL QUARTER OF SECTION 11, AND THE NORTH PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 12 AND THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 13 IN BLOCK 22 IN HYDE PARK TO THE EAST LINE THEREOF;

THENCE NORTH ALONG SAID EAST LINE OF LOT 13 IN BLOCK 22 IN HYDE PARK TO THE SOUTH LINE OF LOT 5 IN SAID BLOCK 22 IN HYDE PARK;

THENCE EAST ALONG SAID SOUTH LINE OF LOT 5 IN BLOCK 22 IN HYDE PARK AND ALONG THE EASTERLY EXTENSION THEREOF AND ALONG THE SOUTH LINE OF LOT 14 IN BLOCK 21 IN HYDE PARK TO THE WEST LINE OF LOT 5 IN SAID BLOCK 21 IN HYDE PARK;

THENCE NORTH ALONG SAID WEST LINE OF LOT 5 IN BLOCK 21 IN HYDE PARK AND ALONG THE WEST LINE OF LOTS 4, 3, 2 AND 1 IN SAID BLOCK 21 IN HYDE PARK AND ALONG THE NORTHERLY EXTENSION THEREOF TO THE NORTH LINE OF EAST 52ND STREET;

THENCE EAST ALONG SAID NORTH LINE OF EAST 52ND STREET TO THE EAST LINE OF LOT 8 IN BLOCK 15 IN CORNELL'S RESUBDIVISION OF BLOCKS 15 AND 16 OF HYDE PARK, IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID EAST LINE OF LOT 8 IN CORNELL'S RESUBDIVISION AND ALONG THE EAST LINE OF LOTS 9 AND 10 IN SAID CORNELL'S RESUBDIVISION TO THE NORTH LINE OF SAID LOT 10;

THENCE WEST ALONG SAID NORTH LINE OF SAID LOT 10 AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF SOUTH HARPER AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF SOUTH HARPER AVENUE TO THE SOUTH LINE OF LOT 2 IN BLOCK 14 IN AFORESAID HYDE PARK;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 2 IN BLOCK 14 IN HYDE PARK TO THE WEST LINE THEREOF;

THENCE NORTH ALONG SAID WEST LINE OF LOT 2 IN BLOCK 14 IN HYDE PARK AND ALONG THE WEST LINE OF LOT 1 IN SAID BLOCK 14 IN HYDE PARK TO THE SOUTH LINE OF EAST HYDE PARK BOULEVARD;

THENCE WEST ALONG SAID SOUTH LINE OF EAST HYDE PARK BOULEVARD TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 12 IN BLOCK 9 IN AFORESAID HYDE PARK, SAID EAST LINE OF LOT 12 BEING ALSO THE WEST LINE OF SOUTH BLACKSTONE AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION TO THE POINT OF BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH LINE OF EAST HYDE PARK BOULEVARD WITH THE WEST LINE OF SOUTH BLACKSTONE AVENUE;

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

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

Summary of 1999 EAV By Permanent Index Number (PIN)

No.	PIN Number	Assessed Value 1999 (AV)	Equalized Assessed Value 1999 (EAV)
1	20 - 11 - 211 - 012 - 0000	\$ -	\$ -
2	20 - 11 - 211 - 013 - 0000	\$ 1,784	\$ 4,015
3	20 - 11 - 211 - 014 - 0000	\$ -	\$ -
4	20 - 11 - 214 - 001 - 0000	\$ -	\$ -
5	20 - 11 - 214 - 002 - 0000	\$ -	\$ -
6	20 - 11 - 214 - 003 - 0000	\$ -	\$ -
7	20 - 11 - 214 - 004 - 0000	\$ -	\$ -
8	20 - 11 - 214 - 005 - 0000	\$ -	\$ -
9	20 - 11 - 214 - 006 - 0000	\$ -	\$ -
10	20 - 11 - 214 - 007 - 0000	\$ -	\$ -
11	20 - 11 - 214 - 008 - 0000	\$ -	\$ -
12	20 - 11 - 214 - 009 - 0000	\$ -	\$ -
13	20 - 11 - 214 - 010 - 0000	\$ -	\$ -
14	20 - 11 - 214 - 011 - 0000	\$ -	\$ -
15	20 - 11 - 214 - 012 - 0000	\$ -	\$ -
16	20 - 11 - 214 - 013 - 0000	\$ -	\$ -
17	20 - 11 - 214 - 014 - 0000	\$ -	\$ -
18	20 - 11 - 214 - 015 - 0000	\$ -	\$ -
19	20 - 11 - 214 - 016 - 0000	\$ -	\$ -
20	20 - 11 - 214 - 017 - 0000	\$ -	\$ -
21	20 - 11 - 215 - 001 - 0000	\$ -	\$ -
22	20 - 11 - 215 - 002 - 0000	\$ -	\$ -
23	20 - 11 - 215 - 003 - 0000	\$ -	\$ -
24	20 - 11 - 215 - 004 - 0000	\$ -	\$ -
25	20 - 11 - 215 - 005 - 0000	\$ -	\$ -
26	20 - 11 - 215 - 006 - 0000	\$ -	\$ -
27	20 - 11 - 215 - 007 - 0000	\$ -	\$ -
28	20 - 11 - 216 - 013 - 0000	\$ -	\$ -
29	20 - 11 - 216 - 050 - 0000	\$ -	\$ -
30	20 - 11 - 216 - 051 - 0000	\$ -	\$ -
31	20 - 11 - 216 - 052 - 0000	\$ -	\$ -
32	20 - 11 - 216 - 059 - 0000	\$ -	\$ -
33	20 - 11 - 216 - 060 - 0000	\$ -	\$ -
34	20 - 11 - 216 - 061 - 0000	\$ -	\$ -
35	20 - 11 - 216 - 062 - 0000	\$ 12,447	\$ 28,012
36	20 - 11 - 216 - 066 - 0000	\$ -	\$ -
37	20 - 11 - 216 - 067 - 0000	\$ -	\$ -
38	20 - 11 - 404 - 005 - 0000	\$ 115,564	\$ 260,077
39	20 - 11 - 405 - 008 - 0000	\$ 546,412	\$ 1,229,700
40	20 - 11 - 405 - 009 - 0000	\$ 454,374	\$ 1,022,569
41	20 - 11 - 405 - 010 - 0000	\$ 256,669	\$ 577,634
42	20 - 11 - 406 - 018 - 0000	\$ -	\$ -

No.	PIN Number	Assessed Value 1999 (AV)	Equalized Assessed Value 1999 (EAV)
43	20 - 11 - 406 - 022 - 0000	\$ -	\$ -
44	20 - 11 - 406 - 024 - 0000	\$ -	\$ -
45	20 - 11 - 406 - 025 - 0000	\$ -	\$ -
46	20 - 11 - 406 - 026 - 0000	\$ 1,779	\$ 4,004
47	20 - 11 - 406 - 027 - 0000	\$ 447	\$ 1,006
48	20 - 11 - 406 - 028 - 0000	\$ -	\$ -
49	20 - 11 - 406 - 029 - 0000	\$ -	\$ -
50	20 - 11 - 406 - 031 - 0000	\$ 25,872	\$ 58,225
51	20 - 11 - 406 - 033 - 0000	\$ 19,859	\$ 44,693
52	20 - 11 - 406 - 034 - 0000	\$ 11,393	\$ 25,640
53	20 - 11 - 406 - 035 - 0000	\$ 7,367	\$ 16,579
54	20 - 11 - 407 - 002 - 0000	\$ -	\$ -
55	20 - 11 - 407 - 003 - 0000	\$ -	\$ -
56	20 - 11 - 407 - 004 - 0000	\$ -	\$ -
57	20 - 11 - 407 - 028 - 0000	\$ 50,517	\$ 113,689
58	20 - 11 - 407 - 029 - 0000	\$ 75,239	\$ 169,325
59	20 - 11 - 407 - 030 - 0000	\$ 98,072	\$ 220,711
60	20 - 11 - 407 - 031 - 0000	\$ 152,557	\$ 343,330
61	20 - 11 - 408 - 024 - 0000	\$ 239,225	\$ 538,376
62	20 - 11 - 408 - 032 - 0000	\$ 114,968	\$ 258,735
63	20 - 11 - 408 - 033 - 0000	\$ 30,695	\$ 69,079
64	20 - 11 - 408 - 034 - 0000	\$ 176,552	\$ 397,330
65	20 - 11 - 408 - 036 - 0000	\$ 153,493	\$ 345,436
66	20 - 11 - 408 - 058 - 0000	\$ 213,175	\$ 479,750
67	20 - 11 - 409 - 018 - 0000	\$ 133,371	\$ 300,151
68	20 - 11 - 409 - 019 - 0000	\$ 131,850	\$ 296,728
69	20 - 11 - 410 - 020 - 0000	\$ 618,999	\$ 1,393,057
70	20 - 11 - 410 - 023 - 0000	\$ 10,909	\$ 24,551
71	20 - 11 - 410 - 024 - 0000	\$ 669,498	\$ 1,506,705
72	20 - 11 - 411 - 012 - 0000	\$ 126,002	\$ 283,568
73	20 - 11 - 411 - 013 - 0000	\$ 26,005	\$ 58,524
74	20 - 11 - 411 - 018 - 0000	\$ 267,749	\$ 602,569
75	20 - 11 - 411 - 019 - 0000	\$ 27,493	\$ 61,873
76	20 - 11 - 411 - 020 - 0000	\$ 52,402	\$ 117,931
77	20 - 11 - 411 - 021 - 0000	\$ 455,850	\$ 1,025,890
78	20 - 11 - 411 - 022 - 0000	\$ -	\$ -
79	20 - 11 - 411 - 023 - 0000	\$ 106,679	\$ 240,081
80	20 - 11 - 412 - 013 - 0000	\$ 12,467	\$ 28,057
81	20 - 11 - 412 - 017 - 0000	\$ 448,019	\$ 1,008,267
82	20 - 11 - 412 - 022 - 0000	\$ 27,575	\$ 62,058
83	20 - 11 - 412 - 023 - 0000	\$ 23,077	\$ 51,935
84	20 - 11 - 412 - 024 - 0000	\$ -	\$ -
85	20 - 11 - 412 - 030 - 0000	\$ 261,452	\$ 588,398

No.	PIN Number	Assessed Value 1999 (AV)	Equalized Assessed Value 1999 (EAV)
86	20 - 11 - 412 - 033 - 0000	\$ -	\$ -
87	20 - 11 - 412 - 034 - 0000	\$ -	\$ -
88	20 - 11 - 412 - 036 - 0000	\$ 38,983	\$ 87,731
89	20 - 11 - 412 - 037 - 0000	\$ 40,879	\$ 91,998
90	20 - 11 - 412 - 038 - 0000	\$ 91,825	\$ 206,652
91	20 - 11 - 412 - 039 - 0000	\$ 78,312	\$ 176,241
92	20 - 11 - 412 - 042 - 0000	\$ 108,197	\$ 243,497
93	20 - 11 - 412 - 043 - 0000	\$ 5,849	\$ 13,163
94	20 - 11 - 412 - 044 - 0000	\$ 4,547	\$ 10,233
95	20 - 11 - 412 - 046 - 8001	\$ -	\$ -
96	20 - 11 - 412 - 046 - 8002	\$ 993	\$ 2,235
97	20 - 11 - 412 - 047 - 8001	\$ -	\$ -
98	20 - 11 - 412 - 047 - 8002	\$ 828	\$ 1,863
99	20 - 11 - 412 - 048 - 8001	\$ -	\$ -
100	20 - 11 - 412 - 048 - 8002	\$ 3,975	\$ 8,946
101	20 - 11 - 412 - 049 - 1001	\$ 72,499	\$ 163,159
102	20 - 11 - 412 - 049 - 1002	\$ 19,820	\$ 44,605
103	20 - 11 - 412 - 049 - 1003	\$ 19,820	\$ 44,605
104	20 - 11 - 412 - 049 - 1004	\$ 159,344	\$ 358,604
105	20 - 11 - 412 - 049 - 1005	\$ 132,786	\$ 298,835
106	20 - 11 - 414 - 001 - 0000	\$ 84,973	\$ 191,232
107	20 - 11 - 414 - 002 - 0000	\$ -	\$ -
108	20 - 11 - 414 - 003 - 0000	\$ -	\$ -
109	20 - 11 - 414 - 004 - 0000	\$ -	\$ -
110	20 - 11 - 414 - 005 - 0000	\$ -	\$ -
111	20 - 11 - 414 - 006 - 0000	\$ -	\$ -
112	20 - 11 - 414 - 007 - 0000	\$ -	\$ -
113	20 - 11 - 414 - 008 - 0000	\$ -	\$ -
114	20 - 11 - 414 - 009 - 0000	\$ 45,625	\$ 102,679
115	20 - 11 - 414 - 010 - 0000	\$ -	\$ -
116	20 - 11 - 414 - 011 - 0000	\$ -	\$ -
117	20 - 11 - 414 - 012 - 0000	\$ -	\$ -
118	20 - 11 - 414 - 013 - 0000	\$ -	\$ -
119	20 - 11 - 414 - 014 - 0000	\$ -	\$ -
120	20 - 11 - 414 - 019 - 0000	\$ -	\$ -
121	20 - 11 - 414 - 020 - 0000	\$ -	\$ -
122	20 - 11 - 414 - 021 - 0000	\$ -	\$ -
123	20 - 11 - 414 - 022 - 0000	\$ -	\$ -
124	20 - 11 - 414 - 023 - 0000	\$ -	\$ -
125	20 - 11 - 414 - 024 - 0000	\$ -	\$ -
126	20 - 11 - 414 - 025 - 0000	\$ -	\$ -
127	20 - 11 - 414 - 027 - 0000	\$ -	\$ -
128	20 - 11 - 415 - 001 - 0000	\$ -	\$ -

No.	PIN Number	Assessed Value 1999 (AV)	Equalized Assessed Value 1999 (EAV)
129	20 - 11 - 415 - 002 - 0000	\$ -	\$ -
130	20 - 11 - 415 - 006 - 0000	\$ -	\$ -
131	20 - 11 - 415 - 007 - 0000	\$ -	\$ -
132	20 - 11 - 415 - 008 - 0000	\$ 154,604	\$ 347,936
133	20 - 11 - 415 - 010 - 0000	\$ 60,105	\$ 135,266
134	20 - 11 - 415 - 011 - 0000	\$ 29,941	\$ 67,382
135	20 - 11 - 415 - 012 - 0000	\$ 30,184	\$ 67,929
136	20 - 11 - 415 - 013 - 0000	\$ 24,326	\$ 54,746
137	20 - 11 - 415 - 014 - 0000	\$ 30,629	\$ 68,931
138	20 - 11 - 415 - 015 - 0000	\$ -	\$ -
139	20 - 11 - 415 - 016 - 0000	\$ 25,994	\$ 58,499
140	20 - 11 - 415 - 017 - 0000	\$ 2,745	\$ 6,178
141	20 - 11 - 415 - 018 - 0000	\$ -	\$ -
142	20 - 11 - 415 - 021 - 0000	\$ -	\$ -
143	20 - 11 - 415 - 022 - 0000	\$ -	\$ -
144	20 - 11 - 415 - 023 - 0000	\$ -	\$ -
145	20 - 11 - 415 - 024 - 0000	\$ -	\$ -
146	20 - 11 - 415 - 025 - 0000	\$ -	\$ -
147	20 - 11 - 415 - 026 - 0000	\$ -	\$ -
148	20 - 11 - 415 - 029 - 0000	\$ -	\$ -
149	20 - 11 - 415 - 030 - 0000	\$ -	\$ -
150	20 - 11 - 415 - 031 - 0000	\$ -	\$ -
151	20 - 11 - 415 - 032 - 0000	\$ -	\$ -
152	20 - 11 - 416 - 001 - 0000	\$ -	\$ -
153	20 - 11 - 416 - 002 - 0000	\$ 80,253	\$ 180,609
154	20 - 11 - 416 - 010 - 0000	\$ 298,334	\$ 671,401
155	20 - 11 - 417 - 001 - 0000	\$ 115,015	\$ 258,841
156	20 - 11 - 417 - 002 - 0000	\$ 82,574	\$ 185,833
157	20 - 11 - 417 - 003 - 0000	\$ 50,163	\$ 112,892
158	20 - 11 - 417 - 004 - 0000	\$ 51,930	\$ 116,868
159	20 - 11 - 417 - 005 - 0000	\$ 54,309	\$ 122,222
160	20 - 11 - 417 - 006 - 0000	\$ -	\$ -
161	20 - 11 - 417 - 007 - 0000	\$ -	\$ -
162	20 - 11 - 417 - 010 - 0000	\$ -	\$ -
163	20 - 11 - 417 - 012 - 0000	\$ -	\$ -
164	20 - 11 - 417 - 014 - 0000	\$ 146,061	\$ 328,710
165	20 - 11 - 417 - 015 - 0000	\$ 148,547	\$ 334,305
166	20 - 11 - 417 - 022 - 0000	\$ -	\$ -
167	20 - 11 - 417 - 023 - 0000	\$ -	\$ -
168	20 - 11 - 417 - 024 - 0000	\$ -	\$ -
169	20 - 11 - 418 - 001 - 0000	\$ 195,902	\$ 440,877
170	20 - 11 - 418 - 005 - 0000	\$ 998,019	\$ 2,246,042
171	20 - 11 - 418 - 006 - 0000	\$ 19,722	\$ 44,384

No.	PIN Number	Assessed Value 1999 (AV)	Equalized Assessed Value 1999 (EAV)
172	20 - 11 - 418 - 007 - 0000	\$ 72,399	\$ 162,934
173	20 - 11 - 418 - 008 - 0000	\$ 103,265	\$ 232,398
174	20 - 11 - 419 - 040 - 0000	\$ 38,971	\$ 87,704
175	20 - 11 - 419 - 041 - 0000	\$ -	\$ -
176	20 - 11 - 419 - 042 - 0000	\$ 17,443	\$ 39,255
177	20 - 11 - 419 - 044 - 0000	\$ -	\$ -
178	20 - 11 - 419 - 045 - 0000	\$ -	\$ -
179	20 - 11 - 500 - 005 - 6001	\$ -	\$ -
180	20 - 11 - 500 - 005 - 6002	\$ 11,631	\$ 26,176
181	20 - 12 - 107 - 015 - 0000	\$ 160,875	\$ 362,049
182	20 - 12 - 107 - 017 - 0000	\$ 8,473	\$ 19,068
183	20 - 12 - 107 - 018 - 0000	\$ 31,127	\$ 70,051
184	20 - 12 - 107 - 019 - 0000	\$ 85,275	\$ 191,911
185	20 - 12 - 110 - 033 - 0000	\$ 108,794	\$ 244,841
186	20 - 12 - 110 - 040 - 0000	\$ -	\$ -
187	20 - 12 - 110 - 041 - 0000	\$ -	\$ -
Total		\$ 10,304,722	\$23,190,777

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

Please see attached.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

CERTIFICATION

TO:

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Rm. 1149
Chicago, Illinois 60606

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

Dean L. Viverito, Comptroller
Forest Preserve District of Cook County
536 North Harlem Avenue
River Forest, Illinois 60305
Attn: Barbara McKinzie

Michael Koldyke, Chairman
Chicago School Finance Authority
135 S. LaSalle Street, Suite 3800
Chicago, Illinois 60603

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

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

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

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

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq., (the "Act") with regard to the 53rd Street Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

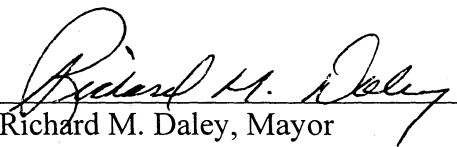
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2001, 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 28th day of June, 2002.


Richard M. Daley, Mayor
City of Chicago, Illinois

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

Please see attached.



City of Chicago
Richard M. Daley, Mayor

Department of Law

Barbara S. Georges
Corporation Counsel

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

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

June 28, 2002

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Rm. 1149
Chicago, Illinois 60606

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

Dean L. Viverito, Comptroller
Forest Preserve District of Cook County
536 North Harlem Avenue
River Forest, Illinois 60305
Attn: Barbara McKinzie

Michael Koldyke, Chairman
Chicago School Finance Authority
135 S. LaSalle Street, Suite 3800
Chicago, Illinois 60603

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

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

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

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

Re: 53rd Street Redevelopment Project Area (the "Redevelopment
Project Area")

Dear Addressees:

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



June 28, 2002

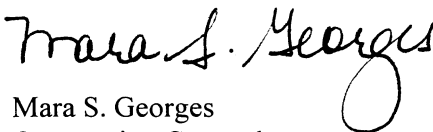
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following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

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

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

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

Very truly yours,



Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, there was no financial activity in the Special Tax Allocation Fund.

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, the City did not purchase any property in the Project Area.

53rd Street Redevelopment Project Area 2001 Annual Report

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

- (A)** Projects implemented in the preceding fiscal year.
- (B)** A description of the redevelopment activities undertaken.
- (C)** Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/00 to 12/31/01, and of such investments expected to be undertaken in Year 2002; also, a project-by-project ratio of private investment to public investment from 11/1/00 to 12/31/01, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, no projects were implemented.

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

Redevelopment activities undertaken within this Project Area during the year 2001, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

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

During 2001, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

53rd Street Redevelopment Project Area 2001 Annual Report

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

The Project Area has not yet received any increment.

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

During 2001, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

53rd Street Redevelopment Project Area 2001 Annual Report

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

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

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

During 2001, no public investment was undertaken in the Project Area. As of December 31, 2001, no public investment is estimated to be undertaken for 2002.

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CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on October 13, 2000, at 10:00 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Mr. John McCormick, Chairman.

PRESENT:

- MR. JOHN MC CORMICK, Chairman
- MR. DENNIS SIENKO
- MS. MELINDA HOLBY
- MR. L. I. BARRON
- MS. SUSAN MARICK
- MS. PHILAMINA SWOOP

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

1 MR. MC CORMICK: For the record, my name
2 is John McCormick, I'm the Representative of the
3 City of Chicago, which under Section 11-74.4-5 of
4 the Tax Increment Allocation Redevelopment Act, as
5 well, as statutory designated members of the Joint
6 Review Board. Until the election of a Chairperson,
7 I will moderate the Joint Review Board meetings.

8 For the record, there will be two
9 meetings of the Joint Review Board. One to review
10 the proposed 53rd Street/Jackson Financing District
11 and one to review the proposed River West Tax
12 Increment Financing District. The date of this
13 meeting was announced at and set by the Community
14 Development Commission of the City of Chicago at
15 its September 12th and 26th, the year 2000
16 meetings. Notice of these meetings of the Joint
17 Review Board was also provided by certified mail to
18 each of the taxing districts represented on the
19 board, which includes the Chicago Board of
20 Education, the Chicago Community Colleges District
21 508, the Chicago Park District, Cook County and the
22 City of Chicago and the Public Member.

23 Public notice of these meetings was
24 also posted as of Wednesday, October 11th, 2000, in

1 various locations throughout City Hall. What the
2 proposed redevelopment plan would result in the
3 displacement of residents from ten or more
4 inhabited residential units or would include 75 or
5 more inhabited residential units. The TIF Act
6 requires that the Public Member of the Joint Review
7 Board must reside in the proposed redevelopment
8 project area. In addition, the Municipalities
9 Housing Study determines if the majority of
10 residential units in the proposed redevelopment
11 project area are occupied by very low, low or
12 moderate income households, as defined in Section 3
13 of the Illinois Affordable Housing Act, the Public
14 Member must be a person resides in very low, low or
15 moderate income housing with the proposed
16 redevelopment project area.

17 Although, the City of Chicago's
18 proposed redevelopment plans for the 53rd Street
19 and River West District do not include the housing
20 impact studies because the plan certified that no
21 displacement of an inhabited residential unit will
22 occur. The City has attempted to find a
23 resolution, each of these areas to fill the
24 position of Public Member.

1 With us today is Philamina Swoop.

2 MS. SWOOP: That's correct.

3 MR. MC CORMICK: Are you familiar with the
4 boundaries of the proposed 53rd Street Tax
5 Increment Financing Redevelopment Project Area?

6 MS. SWOOP: Yes.

7 MR. MC CORMICK: What is the address of
8 your primary residence?

9 MS. SWOOP: 1421 East 53rd, my only
10 residence.

11 MR. MC CORMICK: Okay. Is such residence
12 within the boundaries?

13 MS. SWOOP: -- with the rest of the
14 country.

15 MR. MC CORMICK: Is such resident address
16 within the boundaries of the proposed 53rd Street
17 Tax Increment Financing Redevelopment Area?

18 MS. SWOOP: Yes, it is.

19 MR. MC CORMICK: Thank you. Have you
20 provided representatives of the City of Chicago's
21 Department of Planning and Development with
22 accurate information concerning your income and
23 income of other members of the household residing
24 in such address?

1 MS. SWOOP: That's right.

2 ALDERMAN PRECKWINKLE: That's right. We
3 checked the income guidelines.

4 MR. MC CORMICK: That's fine. Based on
5 the information provided to you by the Department
6 of Planning and Development regarding applicable
7 income level of, for low, very low, low, moderate
8 income household, do you generally qualify as a
9 member of very low, low or moderate income
10 household?

11 MS. SWOOP: Oh, yes.

12 MR. MC CORMICK: Thank you. Ms. Swoop,
13 are you willing to serve as a Public Member for the
14 Joint Review Board for the 53rd Street Tax
15 Increment Financing Redevelopment Area?

16 MS. SWOOP: Yes, I do.

17 MR. MC CORMICK: Thank you. I will
18 entertain a motion that Philamina Swoop be selected
19 as the Public Member. Is there a motion?

20 MS. MARICK: So moved.

21 MR. MC CORMICK: Is there a second?

22 MR. SIENKO: Second.

23 MR. MC CORMICK: All in favor, please vote
24 by saying, aye.

1 (Board in chorus aye.)

2 MR. MC CORMICK: All opposed, please vote
3 by saying, no.

4 Let the record reflect that Philamina
5 Swoop has been selected as the Public Member for
6 the 53rd Street Tax Increment Financing
7 Redevelopment Project Area.

8 Our next order of business is to
9 select a Chairperson for the Joint Review Board.
10 Are there any nominations?

11 MS. BARRON: I'd like to nominate John
12 McCormick.

13 MR. MC CORMICK: Is there a second for
14 this nomination?

15 PARTICIPANT: Second.

16 MR. MC CORMICK: Let the record reflect
17 that there are no other nominations. All in favor
18 of the nomination, please vote by saying aye.

19 (Board in chorus aye.)

20 MR. MC CORMICK: All opposed vote, please
21 vote by saying nay.

22 Let the record reflect that John
23 McCormick has been elected Chairperson and will now
24 serve as Chairperson for the remainder of the

1 meeting.

2 As I mention at this meeting there
3 will be, we will be reviewing a plan for the 53rd
4 Street TIF District proposed by the City of
5 Chicago. Staff of the City's Department of
6 Planning and Development and Law and other
7 departments have reviewed this plan, which was
8 introduced at the City's Community Development
9 Commission on September 12th, 2000. We will listen
10 to a presentation by the consultant on the plan.
11 Following the presentation, we can address any
12 questions that the members might have for the
13 consultant or City staff.

14 The recent amendment to the TIF Act
15 requires us to base our recommendations to approve
16 or disapprove the 53rd Street plan and the
17 designation of the 53rd Street TIF Area on the
18 basis of the area and the plan satisfying the plan
19 requirements, the eligibility criteria defined in
20 the TIF Act and objectors of the TIF Act.

21 If the Board approves the plan and the
22 designation of the area, the Board will issue an
23 advisory non-binding recommendation by the vote of
24 the majority of those members present and voting.

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

5 If the Board disapproves the plan and
6 the designation of the area, the Board must issue a
7 written report describing why the plan and area
8 failed to meet one or more of the objectors of the
9 TIF Act. Both the plan requirements and the
10 eligibility criteria of the TIF Act. The City will
11 then have 30 days to resubmit a revised plan. The
12 Board and the City must also confer during this
13 time to try to resolve issues that led to the
14 Board's disapproval.

15 If such issues cannot be resolved or
16 if the revised plan is disapproved, the City may
17 proceed with the plan but the plan can be approved
18 only by three-fifths vote of the City Council,
19 excluding positions of members who are vacant or
20 those members that are ineligible to vote because
21 of conflicts of interest.

22 Okay, I'd like to start the
23 presentations of the consultant, is S. B. Friedman
24 & Associates.

1 MR. FRIEDMAN: Thank you, John. For the
2 record, I'm Steve Friedman. I'm the President of
3 S. B. Friedman & Company and we are the consultant
4 who prepared the plan and project and eligibility
5 study for the proposed 53rd Street Tax Increment
6 Financing District.

7 The proposed 53rd Street Tax Increment
8 Finance District is shown on this map as extending
9 along Lake Park on the Metro tracks from the,
10 exactly what's -- East 49th Street as extended,
11 East 49th Street as extended and down the tracks,
12 along the tracks, under the viaduct at 53rd Street
13 and then down to 54th Street back around, following
14 along 53rd Street, along the District, picking up
15 the public parks along the edges and along back up
16 picking up and including the Kenwood Academy.

17 The District is primarily oriented
18 along the commercial frontages but incorporates
19 the, some of the public, adjoining public
20 facilities, which immediately abut the District.

21 The basic purpose of or the genesis of
22 this district is, in fact, as part of implementing
23 a vision for the Hyde Park Retail District. A plan
24 that was completed in March of 2000 under the

1 egress of the Planning Department worked closely
2 with the neighborhood and then the Mayor's Office
3 and the community groups through what is called
4 the, Planning Out Program. And this, the plan
5 identified a number of retail areas within Hyde
6 Park, including 53rd Street as the principal one
7 and numerated a number of deficiencies and
8 potentials as part of the Retail District.

9 It was determined that the best tool
10 available to achieve the vision, one of the tools
11 necessary was to create a Tax Increment Financing
12 District. Some of the goals of the plan, just to
13 provide a context for the work of the Tax Increment
14 Financing proposal, district, were to try to create
15 a vibrant mixed use center for the Hyde Park Retail
16 District which would be 53rd Street as the main
17 piece of that, to improve all the streetscape on
18 all the retail streets, strengthen access to the
19 retail district and to improve the viaducts, to
20 develop a long term parking strategy and to
21 establish design guidelines for buildings and
22 signs. And one of the important observations of
23 the study and plan that went to the observation is
24 a substantial purchasing power in the retail

1 districts in the Hyde Park market, which is not
2 being captured within Hyde Park. Much leaving the
3 area going to other neighborhoods, some of it, we
4 know from other studies, the shopping patterns,
5 that people leave this part of the City and
6 actually head south out of the City resulting in
7 the loss of sales tax revenue, as well as the loss
8 of property values in the City.

9 So these were some of the facts and
10 factors that led to the desire to explore the
11 creation of and the eligibility for having a Tax
12 Increment Financing District that would include
13 53rd Street as the key retail district within Hyde
14 Park.

15 With that as background, I'm going to
16 ask Rob Lindquist, who served as our Project
17 Manager for this, this project and did the
18 eligibility study to go through the eligibility
19 factors and then he will hand the presentation back
20 to me and I will go through the plan objectives and
21 strategies and the land use and the budget for your
22 consideration.

23 MR. LINDQUIST: As Steve said, there was
24 some concern that 53rd Street was beginning to fall

1 into decline. There was an amount of disinvestment
2 there and so our initial study area was focused
3 along 53rd Street. Although, we studied all the
4 boundaries of 53rd Street to determine what the
5 optimal boundary would be for including property
6 within this plan.

7 There's two considerations. One, one
8 has to be eligible and the other is, do we expect
9 it to substantially benefit from inclusion in the
10 plan. And that's how we arrived at the boundaries.
11 So that we stopped here because it becomes much
12 more residential and really the buildings are in
13 better shape and don't qualify. We stopped at the
14 west end, as well as, this wasn't included for
15 instance because it's so residential/condo and it's
16 purely residential along here, even though there's
17 a school just west of here, which we might have
18 liked to include and some people in the community
19 wanted to include. But there was no way to include
20 it and stay within the eligibility requirements of
21 the law.

22 We decided to designate this area as a
23 conservation area which has an initial pre-
24 requisite of 50 percent or more of the buildings

1 having been 35 years of age or older. That
2 criteria was easily met, as 75 percent of the
3 buildings are 35 years of age or older. And then
4 we had to find at least three other eligibility
5 factors which are present and meaningful extent and
6 reasonably distributed.

7 We found four factors that were
8 sufficient to qualify the area and three other
9 factors which, well, probably not quite strong
10 enough to qualify the area due half way to the case
11 that, the area qualifies under the eligibilities
12 part of the law. The factors which we found
13 present to a meaningful extent and reasonably
14 distributed were lack of growth in EAV. The EAV is
15 a metra property value and the law requires that
16 the area grow at a rate less than the balance of
17 the municipality, in this case, the City of Chicago
18 for, in less than three of the last five years.

19 In this case, it lags the City of
20 Chicago for the last five years. It was also found
21 to lag Hyde Park Township, which was the general
22 area surrounding it, which lagged also the City of
23 Chicago.

24 The second factor is structures below

1 and minimum code. In order to evaluate this
2 factor, we relied on data provided by the City of
3 Chicago's Department of Buildings and looked at
4 code violations or citations issued over the last
5 five years for the properties in the area.

6 In fact, the majority of the buildings
7 had been cited for code violations for the last
8 five years and in fact, 71 percent of the blocks.
9 So over half the buildings and three-quarters of
10 the blocks are effected by code violations. That
11 doesn't mean that or that backgrounds owned
12 wouldn't be sufficient to qualify an area just
13 because they had some citations. But it's an
14 indicator that there's problems. It often reflects
15 the level of deterioration that we can see from the
16 field survey and so it shows that interior
17 conditions, there might be some level of
18 deterioration there too, as reflected by the code
19 violations.

20 The third factor is excessive land
21 coverage and for the percentage in terms of total
22 buildings is not that high, 18 out of 63 or 29
23 percent of the buildings. This factor manifests
24 itself on an areawide level. Much of 53rd Street

1 or the frontage of 53rd Street does not have alleys
2 in back like much of Chicago does. And this
3 results in lack of off-street parking, inadequate
4 provision for loading and service, garbage has to
5 be picked up on the side streets here, loading is
6 done either on 53rd Street or sidestreets and that
7 leads to traffic congestion some, some extent
8 threatens safety of pedestrians and generally makes
9 it hard for the area to continue to grow and
10 develop.

11 Let's see, the next factor is
12 inadequate utilities, 92 percent of the blocks were
13 serviced to some extent by water mains that were
14 either or already antiquated or, or considered
15 obsolete and that their capacity is below
16 contemporary standards or the standards which 53rd
17 Street now requires. Most of the water mains, in
18 fact, are over 100 years old and so they're both
19 obsolete and deteriorating and will need to be
20 replaced.

21 There's three supporting factors all
22 of which are relatively strong advocates, the first
23 is deterioration, 27 percent of the buildings were
24 found, evidence of deterioration. We didn't -- and

1 deterioration as a factor effected half of the
2 blocks in the area. Although, in effecting a
3 block, we also looked at surface improvements,
4 condition of alleys and parking lots, et cetera and
5 that's why there's this disparity between 27
6 percent of the buildings and 50 percent of the
7 blocks effected.

8 We did not call it a major factor
9 probably because of the distribution of the factor,
10 it wasn't necessarily as well distributed as the
11 factors and having the same kind of impact on the
12 area and because a lot had to do with surface
13 improvements while that deterioration might be more
14 easily remediated and so it's not necessarily a
15 major factor but it certainly adds its weight to
16 the case.

17 Deleterious land use and lay out was
18 found for only six buildings but effect seven or 29
19 percent of the blocks and mostly in this core area
20 here, which is the intersection of 53rd Street and
21 Hyde Park. And it refers to the adverse effects of
22 incaptible land use relationship. For example,
23 this block here where Harper Court is, you have
24 commercial frontage here and then Harper Court laid

1 out here and this is public, a combination of
2 public alleys and right-of-ways and then a City
3 parking lot. So there's people walking through
4 alleys, which are also being used as right-of-ways,
5 which is also being used for loading and service.
6 That's the best example of deleterious land use.

7 Obsolescence is not as widespread, it
8 was more of isolated incidences of particular
9 buildings that were falling into disuse and usually
10 that's several factors associated with them.

11 Now the overall goal of the
12 redevelopment plan is, of course, reduce or
13 limiting the conditions which qualify the area as a
14 conservation area and so, Steve's going to talk
15 about how these conditions will be reduced or
16 eliminated through implementation of the plan.

17 MR. FRIEDMAN: Thank you, Rob. Okay, so
18 summarize, we're proposing this as a conservation
19 area. We have age. We have four factors that we
20 consider to be present at a major extent, lack of
21 growth, EVA, which is very qualifiable, structures
22 below minimum codes, excessive land coverage and
23 lack utilities. And the lack of growth in the EAV
24 factors defined in the law, as to how you measure

1 it, and so that was pretty, pretty cut and dry.

2 The, the nature of the plan is to
3 attempt in large measures to implement the goals of
4 the vision plan or the vision for Hyde Park Retail
5 District. And hence, the proposal is to provide
6 for resources to help implement that plan, which
7 include resources for streetscaping, to provide,
8 provision for on and off-street parking. And this
9 goes back to the, to the issue of how do you
10 resolve the excessive land coverage factor that Rob
11 described and the idea is that the development of
12 more, more developed, including potentially
13 structured parking may be part of relieving both
14 the parking and loading problem in an area where we
15 don't have alleys. We're not proposing to tear
16 down the area and create alleys, although,
17 certainly in, in any redevelopment that occurs and
18 there are projects under discussion in this area.
19 The traffic patterns would be paid careful
20 attention but rather to use the provision of off-
21 street parking and the provision of potentially
22 structured parking to relieve the pressure that is
23 on the street and to provide, therefore, for more
24 loading zones and loading opportunities and

1 otherwise to make the area function more
2 effectively.

3 To facilitate the improvement and
4 expansion of public facilities, including the
5 schools and the parks that are adjacent to or in
6 the district, to foster the replacement of public
7 infrastructure, as noted, the public infrastructure
8 is aged and, and would need to be replaced. And,
9 of course, there have been debates about the proper
10 role of TIF and the payment of paying for
11 infrastructure as opposed to the general City
12 budget. But it is an eligible expense and is one
13 that a portion of these dollars will be expected to
14 be looked to for a supplement to monies that are in
15 the general capital budget for such replacement.

16 The overlapping plans will be
17 supported include the vision plan but we're also
18 looking to coordinate this with other available
19 Federal, State and private resources. Facilitate
20 the preservation, rehabilitation of anchor retail
21 and institutional uses, including the historically
22 and architecturally significant buildings. This is
23 a conservation oriented plan. This is an area with
24 a great deal, not right down here but as you go up

1 through this part of the district with a
2 streetscape, a street wall referred to in the
3 vision plan that is of great significance to the
4 City and to the community. It is very attractive
5 and the plan is intended to help preserve that and
6 to facilitate the preservation of it.

7 Potential --

8 MS. MARICK: Can you tell me what a street
9 wall is.

10 MR. FRIEDMAN: Street, okay, sorry. A
11 clearer term, the street wall is a concept of, it's
12 like, it's the buildings as they face and address
13 the street. So when you have buildings that are
14 lined up along this street in a uniform way, it is
15 referred to as a street wall. I'm not sure that's
16 a great -- well, that's not a bad picture. There's
17 a street wall here on this, this piece of it. So
18 it is, when the stores come up to the sidewalk,
19 right to the edge of the sidewalk and there's no
20 parking between the sidewalk and the front door of
21 the store, the, that is what's generally referred
22 to in plannerese as the street wall. The wall of
23 buildings along the street. And most of the
24 streets that people find enjoyable to walk down,

1 the streets, the buildings relate to the street,
2 close to the sidewalk line and are not interrupted
3 by parking in front, Michigan Avenue, the street
4 wall is maintained consistently. We could get into
5 a broader discussion of urban design issues but,
6 that's what constitutes -- the main theme of
7 uniformity of that street, of the set backs in
8 relationship to the buildings along the street.

9 Overall strengthening the economic
10 situation, creating proper environment for
11 educational and other facilities, encouraging the
12 development of mixed use, commercial, retail,
13 industrial use and institution uses that respect
14 the historic character of the area. And as I
15 mentioned is discussed, active plans for the
16 development in this area is met by one of the major
17 anchor businesses in the area and that is a key
18 consideration as to try to make sure this is
19 environment, aesthetically in character with
20 historic character.

21 There may be environmental problems
22 for which we want to be able to use the funds in
23 the plan to remediate, that relate to some gas
24 stations in the area. The, so that is included as

1 a goal or as an objective as well. And then
2 through the implementation of the plan to provide
3 opportunities for women-owned, minority-owned,
4 locally-owned businesses to share in the benefits
5 of the district, to support job training and to
6 support the cost of day care, as provided for in
7 the Act. Operations established by businesses
8 which would serve employees of the businesses who
9 are eligible and working in the RPA.

10 The City has certified that there will
11 be no residential displacement as a result of this
12 plan. So that the City will not, will not use TIF
13 resources for the redevelopment of buildings or
14 relocation of buildings where housing units will be
15 displaced. It is a mixed -- there's some mixed use
16 buildings within the district. It is hoped that
17 future buildings that are built in the district are
18 also, would also be mixed use but in doing so, the
19 City will not assist anything where existing units
20 will be displaced.

21 The major strategies again relate to
22 the objectives implemented in public improvements,
23 development of underutilized sites, encouraging
24 private sector activities which again relates at

1 the current time, there's been some concern about
2 speculative TIF districts. This one is based on a
3 plan and is also not speculative in a sense, there
4 is a potential development that is under active
5 planning and supporting new development and
6 preparing sites, if necessary. As I mentioned
7 there's a specific site, there is a potential shift
8 from gas stations to another use. It could occur
9 certainly in the 23 years of planning and we want
10 to have the availability of funds to deal with it.

11 The proposed budget is 20 million
12 dollars and is primarily focused initially upon
13 public works improvement. As you know, funds can
14 be transferred between categories without any
15 further action by the City Council. But we, we use
16 the budget to try to reflect what the main intent
17 is and the main intent here is for public works
18 improvements and that's where 85 percent of the
19 budget funds are allocated this quote. As other
20 projects become, come to the fore, that require TIF
21 funds it could be individually evaluated to
22 determine whether that consistencies extend beyond
23 infrastructure and public improvements.

24 The existing and future land use

1 proposed, existing land use shows the interspersing
2 of mixed use and commercial uses. This is the
3 Kimbark Shopping Plaza at this end, this is the
4 Hyde Park Bank at this end and the, there's
5 scattered institutional uses.

6 The land use plan, the TIF plan,
7 simply controls what you could spend TIF money on.
8 It does not impact the other lines only. So the
9 true control plan use is still held by the
10 underlying zoning, however, this allows for how,
11 how TIF money can be used. And what we've said is,
12 we've said basically mixed use throughout the whole
13 area except in this institutional park land, which
14 is being preserved. With the help, with the
15 thinking that over the 23 years of the plan, some
16 of the uses in here and over the years, a number of
17 kind of strip center type uses have found their way
18 in here with little parking in front, putting in
19 Kimbark Plaza and another one in this area. As
20 those, as conditions change, those may be
21 redeveloped in a mixed use format, in which there
22 may be commercial uses on the ground floor and
23 residential uses above. And so the plan provides
24 for that kind of approach in development of the

1 area.

2 We look at how well the area meets --

3 MS. MARICK: So, Steve, are you saying
4 that part of the plan calls for removing some of
5 that strip?

6 MR. FRIEDMAN: It doesn't call for, but it
7 allows for it.

8 MS. MARICK: It allows for it.

9 MR. FRIEDMAN: It allows for it. We are
10 not, not out to get those guys, if you will. But
11 it allows for and the vision is that this would
12 become restored as an urban mixed use district,
13 which is what the primary condition of it is today
14 with retail on the first floor and residential
15 above and the parking tended to be accessed in
16 some, some way from behind, facilitated where we
17 have alleys, harder where we don't have alleys.
18 So those things would be worked out over the 23
19 years.

20 There, there are two findings that we
21 need to meet that, that there has not been adequate
22 present investment, growth and development in the
23 private sector. The prior discussion of lack of
24 growth in the EAV is one of the evidences that this

1 area is lagging. Other commercial districts in the
2 City and in the areas with incomes comparable to or
3 even lower than those available in this market
4 area, have been growing and have been able to grow
5 primarily due to easier physical conditions to work
6 with, partly with the presence of alleys. And they
7 have been growing in other areas as well is the
8 fact that this has been lagging not only in the
9 City but in the township. And the township itself
10 is lagging in the City, which suggests to us, that
11 the test is met.

12 The other evidence that we look at is
13 building permits and there were only two for new
14 construction. One of which, discussed to the bulk
15 of 44 percent of the total private investments for
16 one building is the Hyde Park Bank Building, work
17 on that building. We have not seen private
18 investment in this area in any kind of general
19 ascertained ways, very specific, to a particular
20 anchor that is doing, making some investment but
21 has not yet, but has not stimulated broad
22 investment.

23 MR. SIENKO: And that is the Bank.

24 MR. FRIEDMAN: And that's the Bank. Based

1 on the fact that nothing has been happening other
2 than the Bank and the shortage of resources that
3 are necessary, the amount of resources necessary to
4 implement the objectives of this plan and to
5 implement the objectives that are even incorporated
6 in the TIF plan, we have concluded but for the
7 creation of the TIF, the things that we want to see
8 happen and more particularly this public objective,
9 are necessary to help this area function
10 effectively as a retail district, cannot happen or
11 not likely happen without the adoption of the TIF
12 plan --

13 With that, I will turn it back to you
14 for questions.

15 MR. MC CORMICK: Okay. Based on the
16 presentations do any members of the Joint Review
17 Board have any questions?

18 MR. SIENKO: I have one. In terms of the
19 Budget I see a million five for job training. Can
20 you tell me a little bit about what you had in mind
21 there?

22 MR. FRIEDMAN: Rob, do you want --

23 MR. SIENKO: And I guess my question is,
24 is that outset -- is that on top of public funds,

1 you know, people in that area might qualify under
2 the -- Investment Act on top of that.

3 MR. FRIEDMAN: Rob, do you want to take
4 that.

5 MR. LINDQUIST: Okay.

6 MR. SIENKO: Job training question.

7 MR. LINDQUIST: There has been some
8 discussion, meetings of the working group and
9 community meetings and this is, job training was
10 some benefit, can be utilized here and it's
11 something they felt was important part of the
12 community objectives. It can, it has to be focused
13 within the RPA and so to that extent it does help
14 revitalize the retail in the RPA by providing local
15 people the opportunity to, to work there.

16 MR. SIENKO: So potentially it might be
17 job training either relating to either some of the
18 reconstruction activities or some of the group
19 businesses that might amend something along those
20 lines.

21 MR. LINDQUIST: Yes.

22 MR. FRIEDMAN: Now is your question going
23 to the questions of whether community colleges can
24 provide some of that job training?

1 MR. SIENKO: Not necessarily, eventually,
2 of course. I'm just wondering how this relates to
3 some of the public money that's already --

4 MR. FRIEDMAN: The job training is focused
5 on the distribution -- you want to comment on this
6 further?

7 ALDERMAN PRECKWINKLE: Right. I'm Toni
8 Preckwinkle. I'm the Alderman of the Ward. I think
9 there was a sense, we wanted to make some
10 investment in the people who lived both within the
11 Tax Increment Financing District and in the
12 community around it. And that one of the ways to
13 do that was to supplement the public resources that
14 are available for employment training with some
15 additional resources that might be needed or
16 appropriate.

17 So, and we talked about providing a
18 program that might help people with, with retail
19 skills, helping people be better prepared for the
20 new retail jobs that might emerge or for other
21 jobs. There are a lot of doctors and dentists
22 offices, professional offices, that are there, for
23 which we thought there might be some assistance to
24 perspective employees, as well.

1 MR. SIENKO: That's correct.

2 MR. MC CORMICK: Any other questions?

3 MS. HOLBY: Actually, I have one. What
4 are the public use areas that are going to be in
5 the proposal going to mixed use?

6 MR. FRIEDMAN: There's nothing --

7 ALDERMAN PRECKWINKLE: There's no public
8 uses going to mixed uses. Sorry, institutional
9 public use will be increased, the colors --

10 MR. FRIEDMAN: This parking lot, yeah.
11 It's parking actually and this probably will end up
12 being part of this proposed new development here.

13 MR. LINDQUIST: And the blue to the north,
14 there's Kenwood --

15 MR. FRIEDMAN: Yeah, Kenwood Academy.
16 These are, these are parking lots.

17 MS. HOLBY: Okay.

18 ALDERMAN PRECKWINKLE: One of them, the
19 one on the north end is city-owned? City-owned at
20 grade parking lot, the one at the south end is at
21 grade parking lot for the Bank and for its tenants.

22 MS. HOLBY: Okay.

23 MR. MC CORMICK: Any further questions?

24 ALDERMAN PRECKWINKLE: I'm sorry. You

1 know, I didn't want you think that we're going to
2 take park land and school land and turn them into
3 mixed use development. That wasn't the idea.

4 MS. HOLBY: I was just curious.

5 MR. LINDQUIST: It's, that's mixed and the
6 proposed use allows for -- there's still going to
7 be some public parking there and hopefully more,
8 actually. But it allows for reconfiguration of, of
9 it. We don't know exactly how it's going to end up
10 being laid out at this point.

11 MR. SIENKO: Any creation of alleys are an
12 intricate part of the plan?

13 MR. FRIEDMAN: Well, the creation of some
14 kind of transportation --

15 MR. SIENKO: But whether it be --

16 MR. FRIEDMAN: -- in certain areas, trying
17 to create alleys would be, would create wholesale
18 mayhem and we're not doing that. This plan had, as
19 part of it and I really sure, you know,
20 unfortunately, nobody who did this plan is here to
21 speak to, but has -- Park and Ashton which is a
22 traffic and parking consulting firm. So that a lot
23 of attention was paid to how to deal with the
24 parking and traffic issues here over time.

1 Where possible, internal circulation
2 will be created so this area is expected to be
3 reconstructed and reconfigured and this area, the
4 two areas where the most possible is less, is not
5 to possible and likely in this area, here there is
6 an alley. If there were wholesale reconstruction
7 of a block for some reason, I think there would be
8 a definite intent to create internal, internal
9 circulation. The primary strategy is to provide
10 relief from the, in this area, by providing
11 additional parking down close to the, well close to
12 the Metra Station and also to make this area more
13 attractive so that the walking flow is enhanced.
14 And we again, we tried to relieve some of the
15 traffic pressure while still getting more customers
16 into the area.

17 MR. LINDQUIST: With deliveries, I spoke
18 primarily, primarily will be on the street and I
19 think part of the proposal, I think if I'm not
20 mistaken, Alderman, is for there to be more loading
21 zones on the street or hours of loading zones.

22 ALDERMAN PRECKWINKLE: Yeah, one of the
23 two -- to respond to your concern about congestion.
24 I think the principal way you're going to have to

1 address congestion is to get the passenger vehicles
2 off the street into structured parking and reduce
3 congestion in that way. Because the absence of
4 alleys makes it virtually impossible for us to
5 figure out how we're going to deal with the
6 loading. You know, it's either got to be on 53rd
7 Street or on the side streets given the absence of
8 alleys and the only way, we create alleys is to
9 take people's houses because the commercial
10 district abuts right up against the residential.

11 MR. LINDQUIST: And that would be a bad
12 thing.

13 ALDERMAN PRECKWINKLE: Yes.

14 MR. MC CORMICK: Any further questions?
15 If there are no further questions, I'll entertain a
16 motion that this Joint Review Board finds that the
17 proposed redevelopment plan, 53rd Street Tax
18 Increment Financing Redevelopment Project Area,
19 satisfies the redevelopment plan requirements under
20 the TIF Act. The eligibility criteria defined in
21 the 11-74.4-3 of the Act and the objectives of the
22 TIF Act and that based on such findings approve
23 such a plan, approve such proposed plan and the
24 designation of such area as a redevelopment project

1 area under the TIF Act, is there a motion?

2 MS. MARICK: So moved.

3 MR. MC CORMICK: Is there a second to the
4 motion?

5 MR. SIENKO: Second.

6 MR. MC CORMICK: If there is any further
7 discussion, if not, all in favor, please vote by
8 saying aye.

9 (Board in chorus aye.)

10 MR. MC CORMICK: All opposed vote by
11 saying no.

12 Let the record reflect that the Joint
13 Review Board's approval of the proposed 53rd Street
14 Redevelopment Plan designation and the 53rd Street
15 Tax Increment Financing Redevelopment Project Area
16 as a redevelopment project area under the Act. I'd
17 like to, as Chairman of the Board, thank Philamina
18 Swoop as our Public Member for her assistance and
19 also I'd like to thank Alderman Preckwinkle for her
20 assistance today.

21 ALDERMAN PRECKWINKLE: Thank you very
22 much. Thank you all.

23 MR. MC CORMICK: Okay. Let's move to the
24 River West Tax Increment Financing District, under

1 11-74.4-5 of the Tax Increment Allocation
2 Redevelopment Act, is one of the statutory
3 designated members of the Joint Review Board from
4 the River West Tax Increment Financing District.
5 The date of this meeting was announced at and set
6 by the Community Development Commission of the City
7 of Chicago at its September 26th, 2000 meetings.
8 Until the election for a Chairperson for the River
9 West Joint Review Board, I will moderate this
10 meeting.

11 Notices of this meeting of the Joint
12 Review Board was also provided by certified mail to
13 each taxing district represented on the Board,
14 which includes the Chicago Public Board of
15 Education, the Chicago Community Colleges District
16 508, the Chicago Park District, Cook County and the
17 City of Chicago and the Public Member. Prior
18 notice of this meeting was also posted as of
19 Wednesday, October 11th, 2000, in various locations
20 throughout City Hall. What a proposed
21 redevelopment plan would result in the displacement
22 of residents from ten or more inhabited residential
23 units or would include 75 more inhabited
24 residential units, the TIF Act requires that the

1 Public Member of the Joint Review Board must reside
2 in the proposed redevelopment project area.

3 In addition, if the Municipalities
4 Housing Impact Study determines that majority of
5 the residential units in the proposed redevelopment
6 project area were occupied by very low, low or
7 moderate income households, as defined in Section 3
8 of the Illinois Affordable Housing Act, the Public
9 Member must be a person who resides in very low,
10 low or moderate income housing with the, within the
11 proposed redevelopment project area.

12 Although, the City of Chicago's
13 proposed redevelopment project plan for the River
14 West District does not include the housing impact
15 study because the plan certifies that no
16 displacement of inhabited residential units will
17 occur. The City has attempted to find a resident
18 of the River West Area to fill the position of the
19 Public Member. Scott Stein has volunteered to be
20 the Public Member. I'd like somebody from the
21 Joint Review -- or DPD Staff is here with us, could
22 you introduce yourself.

23 MS. WAYNE: My name is Dinah Wayne. I'm a
24 planner with the Department of Planning and

1 Development.

2 MR. MC CORMICK: What is the address of
3 Mr. Scott's primary residence?

4 MS. WAYNE: 525 North Halsted.

5 MR. MC CORMICK: Is such address within
6 the boundaries of the proposed River West Tax
7 Increment Financing Redevelopment Project Area?

8 MS. WAYNE: Yes.

9 MR. MC CORMICK: Has he provided
10 representatives of the City of Chicago's Department
11 of Planning and Development with information
12 concerning his income and income of any family
13 members of the household residing at such address?

14 MS. WAYNE: Yes.

15 MR. MC CORMICK: Based on the information
16 provided the Department of Planning and Development
17 by Mr. Stein, does he qualify as a member of very
18 low, low or moderate income?

19 MS. WAYNE; No.

20 MR. MC CORMICK: Okay.

21 MS. WAYNE: Although, the TIF consultants
22 gave us evidence indicating that there were
23 majority of low, very low and moderate income
24 people living the district. We were unable to find

1 a Public Member who was willing to serve. The
2 person was willing to serve as a Public Member and
3 we worked closely with the Alderman and with the
4 institution in the area and we weren't able to come
5 up with that person. But Mr. Stein has indicated
6 his willingness to serve as this member.

7 MR. MC CORMICK: Okay.

8 MS. WAYNE; However, he was unable to be
9 here today, so you may wish to reconvene the
10 meeting for October 27th, when he could be here to
11 grade a presentation.

12 MR. MC CORMICK: I want to entertain a
13 motion -- okay. We received word that the Public
14 Member just mentioned, could not attend today's
15 meeting. Therefore, I will entertain a motion to
16 reconvene this Joint Review Board Meeting -- okay.

17 I will -- first, I will entertain a
18 motion that Scott Stein be selected as a Public
19 Member. Is there a motion?

20 MS. MARICK: So moved.

21 MR. MC CORMICK: Is there a second?

22 MR. SIENKO: Second.

23 MR. MC CORMICK: All in favor, please vote
24 by saying, aye.

1 (Board in chorus aye.)

2 MR. MC CORMICK: All opposed? Let the
3 record reflect that Scott Stein has been selected
4 as a Public Member for the River West Tax
5 Incremental Financing Redevelopment Project Area.

6 We received word late yesterday that
7 the Public Member, Mr. Stein, could not attend
8 today's meeting. Okay, excuse me. Okay.

9 Our next order of business is to
10 select a Chairperson for the Joint Review Board.
11 Are there any nominations?

12 MS. MARICK: I nominate John McCormick.

13 MR. MC CORMICK: Are there any other
14 nominations?

15 Let the record reflect that there were
16 no other nominations. All in favor, please, for
17 nomination, please vote -- please vote by saying,
18 aye.

19 (Board in chorus aye.)

20 MR. MC CORMICK: All those opposed vote by
21 saying, no.

22 Let the record reflect that John
23 McCormick has been elected as Chairperson and will
24 now serve as Chairperson for the remainder of the

1 meeting. Okay. We received word late yesterday
2 that the Public Member could not attend today's
3 meeting.

4 Therefore, we will reconvene this
5 Joint Review Board Meeting on October 27th, 11:00
6 a.m. in Room 1003A. Oh, okay. At 121 North
7 LaSalle Street, Chicago, Illinois. Okay, I've --
8 I've already had motion to -- yeah, I ask for a
9 motion to adjourn.

10 MR. BARRON: So moved.

11 MR. MC CORMICK: Second.

12 MS. MARICK: Second.

13 MR. MC CORMICK: Okay, we're adjourned.

14 (Whereupon the meeting was
15 adjourned at 11:00 a.m.)

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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

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

Jack Artstein

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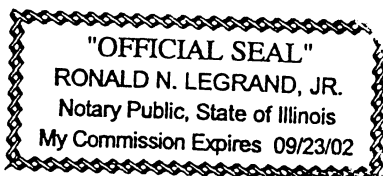
SUBSCRIBED AND SWORN TO

BEFORE ME THIS 31st DAY

OF October,

A.D. 2000.

Ronald N. LeGrand, Jr.



**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, there were no obligations issued for this Project Area.

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, there were no obligations issued for the Project Area.

**53rd Street Redevelopment Project Area
2001 Annual Report**

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

During 2001, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

53rd Street Redevelopment Project Area 2001 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The 53rd Street Redevelopment Project Area generally includes the north side of 53rd Street from Woodlawn Avenue on the west to Cornell Avenue on the east and the south side of 53rd Street from Kimbark Avenue on the west to Cornell Avenue on the east. The Area extends south to 55th Street between Kimbark and Kenwood Avenues to include Nichols Park and south to 54th Street on Lake Park Avenue. The Area extends north along both sides of Lake Park Avenue to approximately 50th Street. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

