
2013 Annual Report

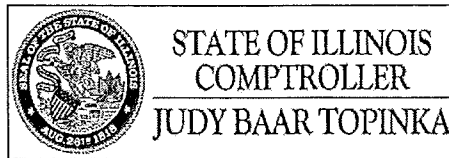
Englewood Mall Redevelopment Project Area



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

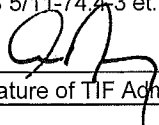
JUNE 30, 2014

FY 2013
ANNUAL TAX INCREMENT FINANCE
REPORT



Name of Municipality: City of Chicago Reporting Fiscal Year: **2013**
 County: Cook Fiscal Year End: **12 /31/2013**
 Unit Code: 016/620/30

TIF Administrator Contact Information			
First Name: <u>Andrew J.</u>	Last Name: <u>Mooney</u>		
Address: <u>City Hall, 121 N. LaSalle</u>	Title: <u>Administrator</u>		
Telephone: <u>(312) 744 0025</u>	City: <u>Chicago, IL</u>	Zip: <u>60602</u>	
Mobile: <u>n/a</u>	E-mail		
Mobile Provider: <u>n/a</u>	Best way to contact: <input checked="" type="checkbox"/> Email	<input type="checkbox"/> Phone	
	<input type="checkbox"/> Mobile	<input type="checkbox"/> Mail	

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

 Written signature of TIF Administrator _____ Date 6.24.14

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

FILL OUT ONE FOR EACH TIF DISTRICT		
Name of Redevelopment Project Area	Date Designated	Date Terminated
105th/Vincennes	10/3/2001	12/31/2025
111th Street/Kedzie Avenue Business District	9/29/1999	9/29/2022
119th and Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
126th and Torrence	12/21/1994	12/21/2017
134th and Avenue K	3/12/2008	12/31/2032
24th/Michigan	7/21/1999	7/21/2022
26th and King Drive	1/11/2006	12/31/2030
35th and Wallace	12/15/1999	12/31/2023
35th/Halsted	1/14/1997	12/31/2021
35th/State	1/14/2004	12/31/2028
40th/State	3/10/2004	12/31/2028
43rd/Cottage Grove	7/8/1998	12/31/2022
45th/Western Industrial Park Conservation Area	3/27/2002	12/31/2026
47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
49th Street/St. Lawrence Avenue	1/10/1996	12/31/2020
51st/ Archer	5/17/2000	12/31/2024
51st/Lake Park	11/15/2012	12/31/2036

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

Name of Municipality: Chicago

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Fiscal Year End: 12 / 31 /: **2013**

Unit Code: 016/620/30

53rd Street	1/10/2001	12/31/2025
60th and Western	5/9/1996	5/9/2019
63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
67th/Wentworth	5/4/2011	12/31/2035
69th/Ashland	11/3/2004	12/31/2028
71st and Stony Island	10/7/1998	10/7/2021
73rd/University	9/13/2006	12/31/2030
79th and Cicero	6/8/2005	12/31/2029
79th Street Corridor	7/8/1998	7/8/2021
79th Street/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
89th and State	4/1/1998	4/1/2021
95th and Western	7/13/1995	7/13/2018
95th Street and Stony Island	5/16/1990	12/31/2014
Addison Corridor North	6/4/1997	6/4/2020
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2023
Archer/ Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2022
Bryn Mawr/Broadway	12/11/1996	12/11/2019
Calumet Avenue/Cermak Road	7/29/1998	7/29/2021
Calumet River	3/10/2010	12/31/2034
Canal/Congress	11/12/1998	12/31/2022
Central West	2/16/2000	12/31/2024
Chicago/ Kingsbury	4/12/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago Lakeside Development – Phase 1 (USX)	5/12/2010	12/31/2034
Cicero/Archer	5/17/2000	12/31/2024
Clark Street and Ridge Avenue	9/29/1999	9/29/2022
Clark/Montrose	7/7/1999	7/7/2022
Commercial Avenue	11/13/2002	12/31/2026
Devon/Sheridan	3/31/2004	12/31/2028

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Devon/Western	11/3/1999	12/31/2023
Diversey/Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Drexel Boulevard	7/10/2002	12/31/2026
Edgewater/ Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	12/31/2013
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Forty-first Street and Dr. Martin Luther King, Jr. Drive	7/13/1994	12/31/2018
Fullerton/ Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	7/7/2022
Goose Island	7/10/1996	7/10/2019
Greater Southwest Industrial Corridor (East)	3/10/1999	12/31/2023
Greater Southwest Industrial Corridor (West)	4/12/2000	12/31/2024
Harlem Industrial Park Conservation Area	3/14/2007	12/31/2031
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan-Arthington	2/5/1998	2/5/2021
Humboldt Park Commercial	6/27/2001	12/31/2025
Irving Park/Elston	5/13/2009	12/31/2033
Irving/Cicero	6/10/1996	12/31/2020
Jefferson Park Business District	9/9/1998	9/9/2021
Jefferson/ Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	6/10/2021
Kostner Avenue	11/5/2008	12/31/2032
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
LaSalle Central	11/15/2006	12/31/2030
Lawrence/ Kedzie	2/16/2000	12/31/2024
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Lincoln-Belmont-Ashland	11/2/1994	12/31/2018
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026
Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2013
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2024
Montclare	8/30/2000	12/31/2024
Montrose/Clarendon	6/30/2010	12/31/2034

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Near North	7/30/1997	7/30/2020
Near South	11/28/1990	12/31/2014
Near West	3/23/1989	12/31/2013
North Branch (North)	7/2/1997	12/31/2021
North Branch (South)	2/5/1998	2/5/2021
North Pullman	6/30/2009	12/31/2033
North-Cicero	7/30/1997	7/30/2020
Northwest Industrial Corridor	12/2/1998	12/2/2021
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Pershing/King	9/5/2007	12/31/2031
Peterson/Cicero	2/16/2000	12/31/2024
Peterson/Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2022
Portage Park	9/9/1998	9/9/2021
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Corridor	6/9/1999	6/9/2022
Randolph and Wells	6/9/2010	12/31/2034
Ravenswood Corridor	3/9/2005	12/31/2029
Read-Dunning	1/11/1991	12/31/2015
River South	7/30/1997	7/30/2020
River West	1/10/2001	12/31/2025
Roosevelt/Canal	3/19/1997	12/31/2021
Roosevelt/Cicero	2/5/1998	2/5/2021
Roosevelt/Racine	11/4/1998	12/31/2022
Roosevelt/Union	5/12/1999	5/12/2022
Roosevelt-Homan	12/5/1990	12/31/2014
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary Drainage and Ship Canal	7/24/1991	12/31/2015
South Chicago	4/12/2000	12/31/2024
South Works Industrial	11/3/1999	12/31/2023
Stevenson/Brighton	4/11/2007	12/31/2031
Stockyards Annex	12/11/1996	12/31/2020
Stockyards Industrial Commercial	3/9/1989	12/31/2013
Stockyards Southeast Quadrant Industrial	2/26/1992	2/26/2015
Stony Island Avenue Commercial and Burnside Industrial Corridors	6/10/1998	12/31/2034
Touhy/Western	9/13/2006	12/31/2030
Weed/Fremont	1/8/2008	12/31/2032
West Irving Park	1/12/2000	12/31/2024
West Pullman Industrial Park	3/11/1998	3/11/2021
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue Rock Island	2/8/2006	12/31/2030

**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2013**

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

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A		X
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2013, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	X	

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

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

Provide an analysis of the special tax allocation fund.

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

Fund Balance at Beginning of Reporting Period \$ 4,817,041

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	239,594	\$ 7,960,114	88%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	20,324	1,057,870	12%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Miscellaneous Revenue		3,688	0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period 259,918

Cumulative Total Revenues/Cash Receipts \$ 9,021,672 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) 354,181

Distribution of Surplus -

Total Expenditures/Disbursements 354,181

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS (94,263)

FUND BALANCE, END OF REPORTING PERIOD* \$ 4,722,778

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

Total Amount Designated (Carried forward from Section 3.3) \$ 4,722,778

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

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)	27,393	
		\$ 27,393
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)	326,788	
		\$ 326,788
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

SECTION 3.2 A

PAGE 2

7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)

\$ -

8. Financing costs. Subsection (q) (6) and (o)(8)

\$ -

9. Approved capital costs. Subsection (q)(7) and (o)(9)

\$ -

10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY

\$ -

11. Relocation costs. Subsection (q)(8) and (o)(10)

\$ -

12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)

\$ -

13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)

\$ -

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 354,181

Section 3.2 B

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

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

Name	Service	Amount
S.B. Friedman & Co.	Professional Service	\$17,089
Chicago Department of Transportation	Public Improvement	\$105,458
Reliable Asphalt Corp.	Public Improvement	\$44,036
Civiltech Engineering Inc.	Public Improvement	\$18,467
Ogden Construction & Reliable Asphalt	Public Improvement	\$89,590
HDR Engineering Inc.	Public Improvement	\$17,217
Seven-D Construction Co.	Public Improvement	\$52,020

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

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

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

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

FUND BALANCE, END OF REPORTING PERIOD

\$ 4,722,778

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
Restricted for debt service	\$ -	\$ -

Total Amount Designated for Obligations \$ -

2. Description of Project Costs to be Paid		
Restricted for future redevelopment project costs		\$ 4,722,778

Total Amount Designated for Project Costs \$ 4,722,778

TOTAL AMOUNT DESIGNATED \$ 4,722,778

SURPLUS*/(DEFICIT) \$ -

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

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

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

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

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

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

PAGE 1

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

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

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			<u>2</u>
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken	\$ 14,672,386	\$ -	\$ -
Public Investment Undertaken	\$ 2,000,000	\$ 100,000	\$ 75,000
Ratio of Private/Public Investment	7 1/3		0
Project 1:			
Englewood SRO		Project Completed	
Private Investment Undertaken	\$ 14,672,386		\$ -
Public Investment Undertaken	\$ 2,000,000	\$ -	\$ -
Ratio of Private/Public Investment	7 1/3		0
Project 2:			
TIFWorks - Englewood Mall **		Project is Ongoing ***	
Private Investment Undertaken			
Public Investment Undertaken		\$ 100,000	\$ 75,000
Ratio of Private/Public Investment	0		0
Project 3:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 4:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

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

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

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

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

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

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

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

General Notes

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

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

(c) Each amount reported here under Public Investment Undertaken, 11/1/1999 to Date, is cumulative from the Date of execution of the corresponding Project to the end of the reporting year, and may include interest amounts paid to finance the Public Investment amount. Projects undertaken prior to 11/1/1999 are not reported on this table.

(d) Intergovernmental agreements, if any, are reported on Attachment M hereto.

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6

FY 2013

TIF NAME: Englewood Mall Redevelopment Project Area

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

_____ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

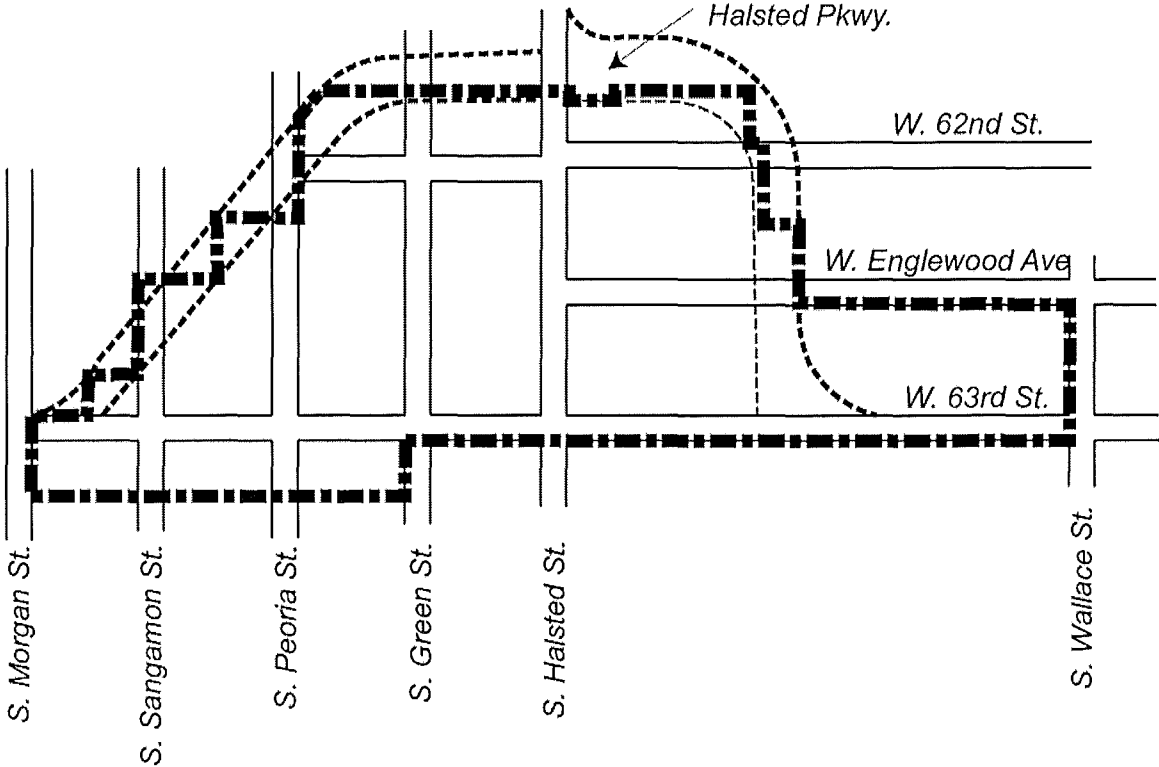
SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

--

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	X

**Englewood Mall Redevelopment Project Area
2013 Annual Report**



2013 JUN 28 PM 12:45
CITY CLERK

City of Chicago
Englewood Mall
Tax Increment Financing
Redevelopment Plan and Project

Plan Adopted: November 29, 1989
Amendment No. 1: December 17, 2008

Amendment No. 2
June 28, 2013
City of Chicago
Rahm Emanuel
Mayor



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APPENDIX 12

- **Exhibit 1: Legal Description**
- **Exhibit 2: RPA Boundary Map**
- **Exhibit 3: Existing Land Use Map**
- **Exhibit 4: Proposed Land Use Map**
- **Exhibit 5: Criteria for Qualification**
- **Exhibit 6: Certificate of Initial Equalized Assessed Valuation**
- **Exhibit 7: First Amended Plan**

**Englewood Tax Increment Financing
Redevelopment Plan and Project**

Amendment No. 2

EXECUTIVE SUMMARY

To induce redevelopment pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended from time to time (the "Act"), the City Council of the City of Chicago (the "City") adopted three ordinances on November 29, 1989, approving the Englewood Mall TIF Redevelopment Plan & Project (the "Original Plan"), designating the Englewood Redevelopment Project Area (the "Project Area" or "RPA") as a redevelopment project area under the Act, and adopting tax increment allocation financing for the Project Area. The Original Plan was initially completed in August 1989 and amended on November 17, 2008 pursuant to an ordinance adopted by the City Council of the City on December 17, 2008 to reflect minor changes to the Original Plan's text and expand acceptable land uses in several locations (the "First Amendment", and together with the Original Plan, the "First Amended Plan"). The First Amended Plan is attached as Exhibit 7.

The Plan is being amended again to extend the estimated date of completion of the Redevelopment Project pursuant to Public Act 097-0807 authorizing the extension and update the Proposed Land Use Map to allow residential use in selected locations within the Project Area. This amendment (the "Second Amendment," and together with the Original Plan, the "Second Amended Plan") also accommodates minor language changes reflecting updates to the TIF Act since the date of the First Amended Plan. The amendments are outlined below and follow the format of the Original Plan.

This Second Amended Plan summarizes the analyses and findings of the consultant's work, which, unless otherwise noted, is the responsibility of the consultant. The City is entitled to rely on the findings and conclusions of this Second Amended Plan in amending the First Amended Plan under the Act. The consultant has prepared this Second Amended Plan with the understanding that the City would rely: 1) on the eligibility findings and conclusions of the Original Plan, and 2) on the fact that the Original Plan contains the necessary information to be compliant with the Act.

The Englewood Mall RPA is generally bounded by 63rd Parkway to the north, Wallace Street to the east, 63rd Street to the south, and Morgan Street to the west. The RPA contains a total of 188 parcels and approximately 34.5 acres of land.

Section I: Introduction and Background

No changes.

Section II: Redevelopment Project Area and Legal Description

No changes.

Section III: Blighted Area Conditions Existing in the Redevelopment Project Area

No changes.

Section IV: Redevelopment Project Area Goals and Objectives

Under Section IV, insert the following text at the end of the section immediately following the last sentence "Job creation associated with the project will provide new, improved employment opportunities for community and City residents" as a separate paragraph:

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

Section V: Redevelopment Project

Under Section V, Subsection B, replace the second paragraph with the following text:

On the south side of 63rd Street, the full block within the RPA that is between Peoria and Sangamon Streets shall have a land use designation as "mixed use residential/institutional."

Under Section V, Subsection B, insert the following text immediately after Paragraph 2:

On the north side of 63rd Street, the entire area bound by Halsted Street on the east, and by 63rd Parkway on the north and west, shall have a land use designation as "mixed use commercial/retail/institutional/residential."

Under Section V, Subsection C, replace the heading, "Interest Rate Writedown," with the following text:

Interest Costs

Under Section V, Subsection C, add the following text under the heading "Affordable Housing Construction":

The City requires that developers who receive TIF assistance for market rate housing set aside

20 percent of the units to meet affordability criteria established by the City's Department of Housing and Economic Development or any successor agency. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 100 percent of the area median income, and affordable rental units should be affordable to persons earning no more than 60 percent of the area median income.

Under Section V, Subsection C, add the following text under the heading "Relocation":

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

Under Section V, Subsection C, insert the following text at the end of the subsection under a new heading:

Intergovernmental Agreements

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

Under Section V, Subsection D, delete and replace the entire subsection with the following text:

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

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

1. Eligible Redevelopment Costs

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

- a) Costs of studies, surveys, development of plans and specifications, implementation

and administration of the Plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;

b) The costs of marketing sites within the Project Area to prospective businesses, developers and investors;

c) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

d) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;

e) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification subject to the limitations in Section 11-74.4-3(q)(4) of the Act;

f) Costs of job training and retraining projects including the cost of welfare to work programs implemented by businesses located within the Project Area;

g) Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;

h) To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

i) An elementary, secondary, or unit school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;

j) Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law or by

Section 74.4-3(n)(7) of the Act;

k) Payment in lieu of taxes, as defined in the Act;

l) Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs; (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken including but not limited to, the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40, and 3-40.1 of the Public Community College Act, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code, 105 ILCS 5/10-22.20a and 5/10-23.3a;

m) Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

1. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) cost paid or incurred by the redeveloper for such redevelopment project; (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
5. up to 75 percent of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

n) Instead of the eligible costs provided for in (m) 2, 4 and 5 above, the City may pay up to 50 percent of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act;

o) The costs of daycare services for children of employees from low-income families working for businesses located within the Project Area and all or a portion of the cost of operation of day care centers established by Project Area businesses to serve employees from low-income families working in businesses located in the Project Area. For the purposes of this paragraph, low-income families means families whose annual income does not exceed 80 percent of the City, county or regional median income as determined from time to time by the United States Department of Housing and Urban Development.

p) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

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

TABLE 1

REDEVELOPMENT PROJECT- ESTIMATED PROJECT COSTS

<u>Program Action/ Improvement</u>	<u>Estimated Cost(s)</u>
Acquisition and Assembly	\$4,849,100
Affordable Housing Construction Costs	\$4,659,600
Infrastructure Improvements (Utilities, Streets, Traffic Signals, Streetscaping, Landscaping, etc.) (1)	\$10,634,500
Demolition and/or Site Preparation and Clearance	\$5,116,600
Rehabilitation	\$1,114,700
Relocation	\$1,493,700
Interest Costs as Allowed under Paragraph (II) of Chapter 24, Par. 11-74.4-3 of the Act	\$1,571,800
Planning, Legal, Architectural, Engineering, Administrative and Other Professional Service Costs	\$1,582,900
Job Training, Retraining & Affirmative Action Consulting Services	\$1,315,400
Estimated Capitalized Interest and Costs of Issuance	\$3,177,000
Contingencies	\$1,772,400
TOTAL ESTIMATED COSTS (2) (3) (4)	\$37,287,700

- (1) This category may also include paying for or reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.
- (2) Total Redevelopment Project Costs represent an upper limit on expenditures that are to be funded using tax increment revenues and exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act.
- (3) The amount of the Total Redevelopment Project Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right-of-way.
- (4) All costs are in 2012 dollars and may be increased by five percent (5%) after adjusting for inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U.S. Department of Labor.

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

Under Section V, Subsection E, delete and replace entire subsection with the following text:

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

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

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the Project Area, the City may determine that it is in the best interests of the City and the furtherance of the purposes of the Plan that net revenues from the Project Area 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 Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 1 of this Plan.

Under Section V, Subsection F, delete and replace entire subsection with the following text:

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligations bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant

to the Act.

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

Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Plan. Obligations may be issued on a parity or subordinated basis.

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

Under Section V, Subsection G, delete and replace entire subsection with the following text:

The 1988 Certified Initial EAV of all taxable parcels in the Project Area is \$3,868,736. This total EAV amount, by PIN, is summarized in Exhibit 6.

Under Section V, Subsection H, delete and replace entire subsection with the following text:

The 2025 EAV for the Englewood Mall RPA is projected to be approximately \$17,155,000. This estimate is based on several key assumptions, including an inflation factor of 2% per year on the EAV of all properties within the Englewood Mall RPA, with its cumulative impact occurring in each triennial reassessment year and an equalization factor of 2.9706 (2011), and an assumption that a mixed-use retail/residential development will occur within the RPA.

Section VI: Description of Components of Redevelopment Project

Under Section VI, Subsection B, delete and replace entire subsection with the following text:

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

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or

housing status.

B) Redevelopers must meet the City's standards for participation of 25 percent Minority Business Enterprises and 5 percent Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.

C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.

D) Redevelopers will meet City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

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

Section VII: Scheduling of the Redevelopment Project

In Section VII, under subsection A, the entire subsection is replaced with the following text:

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the thirty-fifth calendar year following the year in which the ordinance approving the Plan was adopted (i.e. by December 31, 2025). The private redevelopment investment and anticipated growth that will result from redevelopment and rehab activity in this Project Area is expected to increase the equalized assessed valuation by approximately \$13,287,000 over the 35-year period in which the Plan is in place.

Section VIII: Provisions for Amending the Tax Increment Redevelopment Project

Following Section VIII, insert new sections as follows:

Section IX: Financial Impact on Taxing Districts

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

Section X: Housing Impact Study

As set forth in the Act, if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and a municipality is

unable to certify that no displacement will occur, the municipality must prepare a housing impact study and incorporate the study in the redevelopment project plan.

The Project Area contains 99 single-room-occupancy units that were constructed in 2010. The City has certified that no residential displacement will occur as a result of the redevelopment plan.

APPENDIX

Exhibit 1: Legal Description

No changes.

Exhibit 2: RPA Boundary Map

Replace Exhibit 2 with the enclosed updated RPA Boundary Map that corrects a Scribner's error to the previous map.

Exhibit 3: Existing Land Use Map

No Changes.

Exhibit 4: Proposed Land Use Map

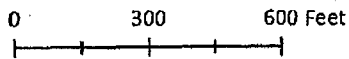
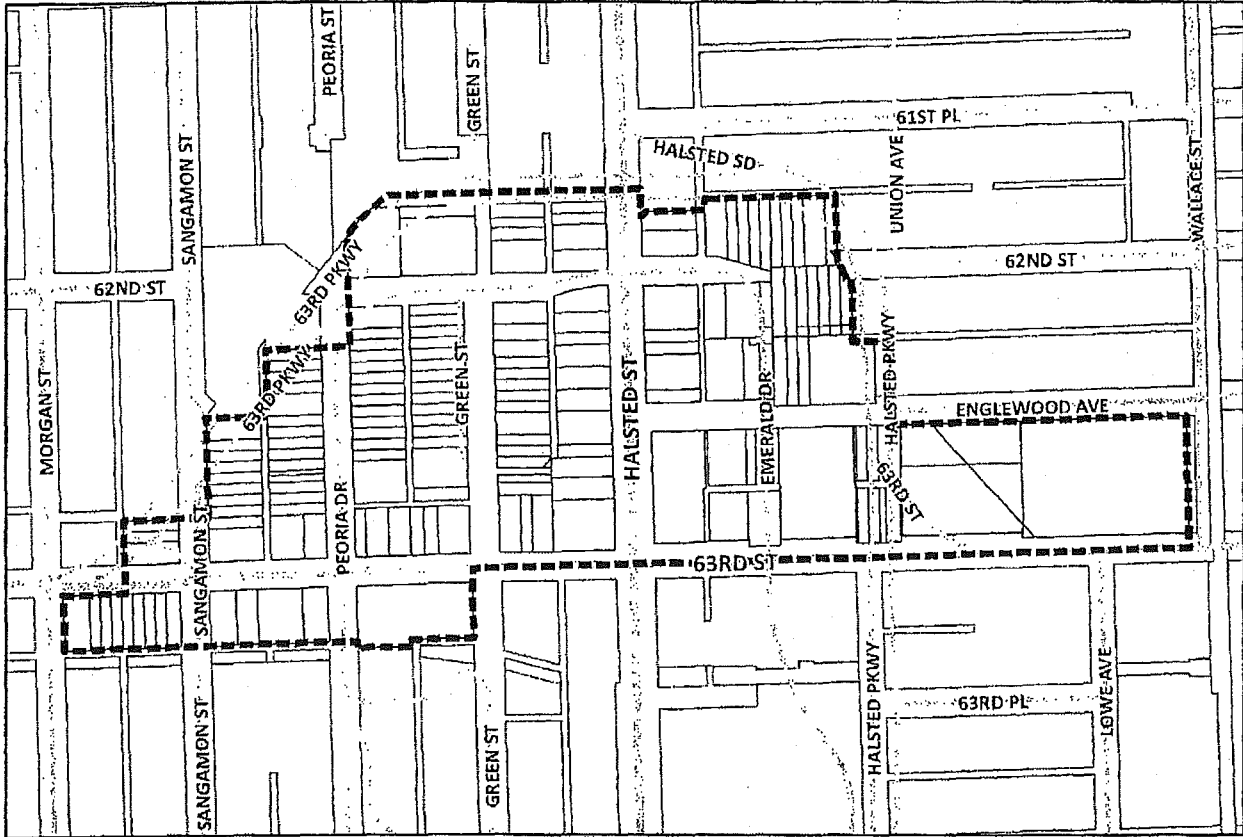
Replace Exhibit 4 with the enclosed new Proposed Future Land Use Map.


Exhibit 5: Criteria for Qualification

Immediately following Exhibit Five, insert new exhibits as follows:

Exhibit 6: Certificate of Initial Equalized Assessed Valuation

Exhibit 7: First Amended Plan

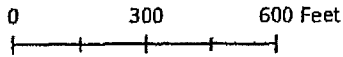
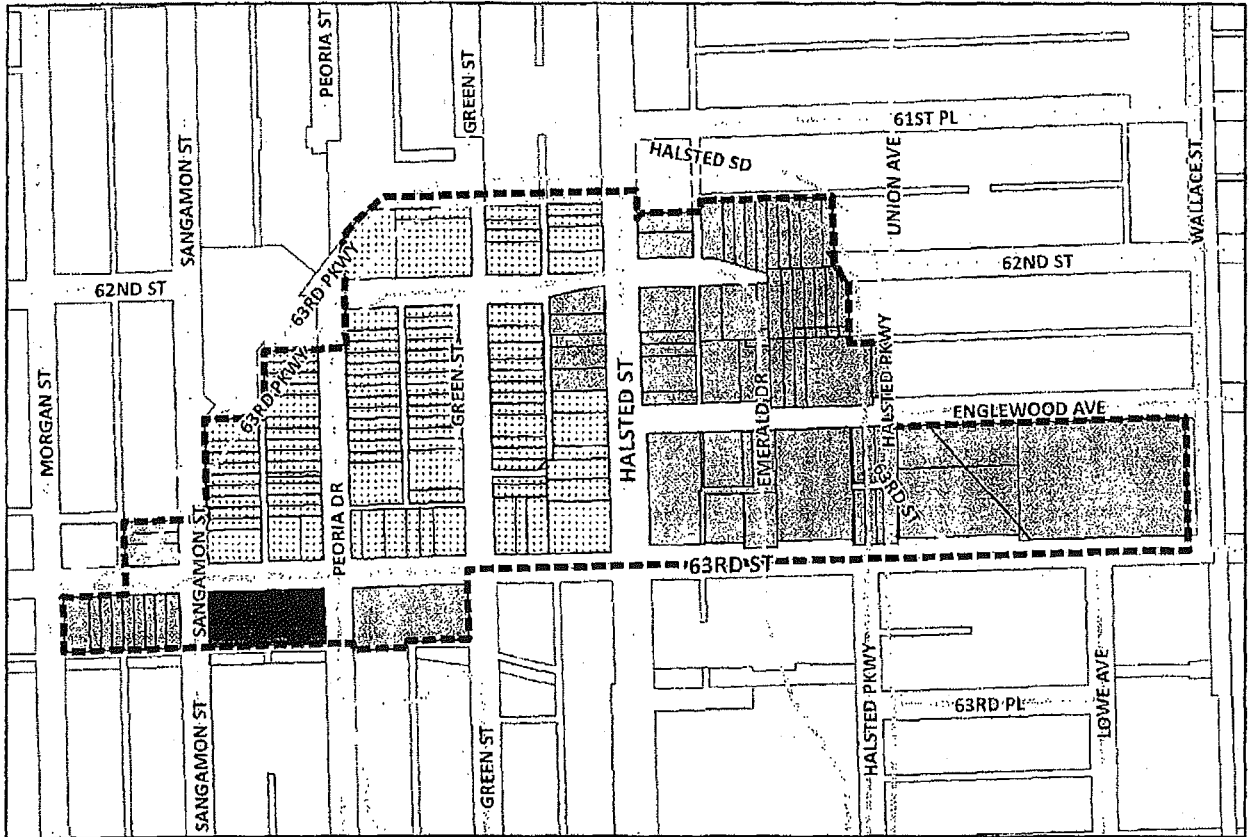


 Englewood Mall RPA Boundary*

*Boundary based on Exhibit 1 Legal Description in the Englewood Mall Area Redevelopment Plan and Project August, 1989

Exhibit 2: RPA Boundary Map


Englewood Mall TIF Redevelopment Plan and Project
Plan Amendment No. 2
June 10, 2013



 Englewood Mall RPA Boundary*

Proposed Future Land Use

 Mixed Use Commercial/Retail/Institutional

 Mixed Use Commercial/Retail/Residential/Institutional

 Mixed Use Residential/Institutional

*Boundary based on Exhibit 1 Legal Description in the Englewood Mall Area Redevelopment Plan and Project August, 1989

Exhibit 4: Proposed Future Land Use Plan Map

Englewood Mall TIF Redevelopment Plan and Project
Plan Amendment No. 2
June 10, 2013

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF INITIAL EQUALIZED ASSESSED VALUATION

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

CERTIFY THAT on December 29, 1989 the Office of the Cook County Clerk received certified copies of the following Ordinances adopted by the City of Chicago, Cook County, Illinois on November 29, 1989:

1. "An Ordinance Approving the Tax Increment Redevelopment Plan and Project for the Englewood Mall Redevelopment Area Tax Increment Financing Project";
2. "An Ordinance Designating the Englewood Mall Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and
3. "An Ordinance Adopting Tax Increment Allocation Financing for the Englewood Mall Redevelopment Tax Increment Financing Project".

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

CERTIFY THAT the initial equalized assessed value of each lot, block, and parcel of real property within the said City of Chicago Project Area as of November 29, 1989 is as set forth in the document attached hereto and made a part hereof as Exhibit "A";

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

TAX CODE AREA 72020	\$1,878,221
TAX CODE AREA 72021	\$127,596
TAX CODE AREA 72047	\$1,627,416
TAX CODE AREA 72048	\$62,263
TAX CODE AREA 72111	\$173,240

for a total of

THREE MILLION, EIGHT HUNDRED SIXTY-EIGHT
THOUSAND, SEVEN HUNDRED THIRTY-SIX
DOLLARS AND NO CENTS

(\$ 3,868,736.)

such total initial equalized assessed value as of November 29, 1989, having been computed and ascertained from the official records on file in my office and as set forth in Exhibit "A".

IN WITNESS WHEREOF, I have hereunto affixed my signature and the corporate seal of COOK COUNTY this 28th day of August 2012.

(SEAL)


County Clerk

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-16-318-044-0000	0
20-16-318-045-0000	5,597
20-16-318-046-0000	0
20-16-318-047-0000	0
20-16-318-048-0000	0
20-16-318-049-0000	0
20-16-318-050-0000	0
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20-16-318-053-0000	0
20-16-318-095-0000	20,437
20-16-321-001-0000	246,370
20-16-321-002-0000	3,768
20-16-321-003-0000	19,507
20-16-321-004-0000	0
20-16-321-005-0000	0
20-16-321-006-0000	0
20-16-321-012-0000	0
20-16-321-058-0000	0
20-16-321-069-0000	0
20-16-321-123-0000	3,430
20-16-321-124-0000	3,430
20-16-321-125-0000	3,430
20-16-321-126-0000	3,430
20-16-321-127-0000	3,430
20-16-321-128-0000	3,430
20-16-321-129-0000	3,430

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER
OF EACH LOT, BLOCK, TRACT OR PARCEL
REAL ESTATE PROPERTY WITHIN SUCH
PROJECT AREA:1988 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

20-16-321-130-0000	3,430
20-16-321-131-0000	3,430
20-16-321-132-0000	3,430
20-16-321-133-0000	3,430
20-16-321-134-0000	3,431
20-16-321-135-0000	3,431
20-16-321-136-0000	3,431
20-16-321-137-0000	3,431
20-16-321-138-0000	3,431
20-16-321-139-0000	3,431
20-16-321-140-0000	3,431
20-16-321-141-0000	3,431
20-16-321-142-0000	3,431
20-16-324-002-0000	20,563
20-16-324-004-0000	0
20-16-324-011-0000	0
20-16-324-012-0000	0
20-16-324-013-0000	0
20-16-324-022-0000	0
20-16-324-023-0000	0
20-16-324-031-0000	4,662
20-16-324-032-0000	0
20-16-324-033-0000	0
20-16-324-034-0000	0
20-16-324-037-0000	0
20-16-324-039-0000	0
20-16-324-040-0000	0

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-16-324-060-0000	0
20-16-324-061-0000	0
20-16-324-062-0000	16
20-17-422-037-0000	0
20-17-422-038-0000	0
20-17-422-042-0000	0
20-17-422-043-0000	5,433
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20-17-423-019-0000	0
20-17-423-035-0000	0
20-17-423-036-0000	4,239
20-17-423-038-0000	0
20-17-423-039-0000	0
20-17-423-040-0000	0
20-17-428-033-0000	0
20-17-428-034-0000	0
20-17-429-011-0000	0
20-17-429-012-0000	0
20-17-429-013-0000	0
20-17-429-014-0000	0
20-17-429-015-0000	0
20-17-429-016-0000	0
20-17-429-017-0000	0
20-17-429-018-0000	0
20-17-429-019-0000	2,235

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-17-429-020-0000	9,076
20-17-429-023-0000	0
20-17-429-024-0000	0
20-17-429-025-0000	0
20-17-429-026-0000	0
20-17-429-027-0000	0
20-17-429-028-0000	0
20-17-429-029-0000	0
20-17-429-030-0000	0
20-17-429-031-0000	0
20-17-429-032-0000	0
20-17-429-034-0000	40,961
20-17-429-035-0000	40,961
20-17-429-036-0000	42,117
20-17-429-045-0000	131,121
20-17-429-046-0000	77,598
20-17-429-049-0000	0
20-17-429-050-0000	2,054
20-17-430-001-0000	0
20-17-430-002-0000	0
20-17-430-003-0000	0
20-17-430-004-0000	0
20-17-430-005-0000	0
20-17-430-006-0000	0
20-17-430-007-0000	0
20-17-430-008-0000	0
20-17-430-009-0000	0

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
20-17-430-010-0000	0
20-17-430-011-0000	0
20-17-430-012-0000	0
20-17-430-013-0000	0
20-17-430-014-0000	0
20-17-430-015-0000	0
20-17-430-016-0000	0
20-17-430-017-0000	0
20-17-430-018-0000	0
20-17-430-019-0000	0
20-17-430-020-0000	0
20-17-430-021-0000	0
20-17-430-022-0000	0
20-17-430-023-0000	0
20-17-430-024-0000	0
20-17-430-025-0000	0
20-17-430-026-0000	0
20-17-430-027-0000	0
20-17-430-028-0000	0
20-17-430-029-0000	0
20-17-430-030-0000	58,540
20-17-430-031-0000	55,278
20-17-430-032-0000	136,640
20-17-430-033-0000	37,796
20-17-430-034-0000	27,668
20-17-430-035-0000	57,553
20-17-431-001-0000	0

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-17-431-002-0000	0
20-17-431-003-0000	0
20-17-431-004-0000	0
20-17-431-005-0000	0
20-17-431-006-0000	0
20-17-431-007-0000	0
20-17-431-008-0000	0
20-17-431-009-0000	0
20-17-431-010-0000	0
20-17-431-011-0000	0
20-17-431-015-0000	121,486
20-17-431-017-0000	8,338
20-17-431-018-0000	30,267
20-17-431-021-0000	90,968
20-17-431-022-0000	121,459
20-17-431-023-0000	0
20-17-431-024-0000	0
20-17-431-025-0000	0
20-17-431-026-0000	60,576
20-17-431-028-0000	228,568
20-17-431-030-0000	0
20-17-431-031-0000	0
20-17-431-032-0000	0
20-17-431-033-0000	1,823
20-20-205-001-0000	21,302
20-20-205-002-0000	26,917
20-20-206-001-0000	40,064

TOTAL INITIAL EAV FOR TAXCODE: 72020

1,878,221

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-16-324-057-0000	851
20-16-324-059-0000	1,761
20-16-324-063-0000	81,879
20-20-204-001-0000	31,496
20-20-204-002-0000	0
20-20-204-003-0000	5,252
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20-20-204-006-0000	2,119

TOTAL INITIAL EAV FOR TAXCODE: 72021 127,596

TOTAL PRINTED: 9

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA: 1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:

20-16-324-001-0000	678,882
20-16-324-019-0000	134,109
20-16-324-038-0000	461,477
20-17-423-037-0000	104,784
20-17-431-016-0000	21,534
20-17-431-019-0000	59,226
20-17-431-020-0000	68,940
20-17-431-027-0000	81,751
20-20-205-003-0000	10,596
20-20-205-004-0000	6,117

TOTAL INITIAL EAV FOR TAXCODE: 72047 1,627,416

TOTAL PRINTED: 10

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

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

1988 EQUALIZED ASSESSED VALUATION
OF EACH LOT, BLOCK, TRACT OR PARCEL
WITHIN SUCH PROJECT AREA:

20-20-204-007-0000	20,356
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20-20-204-009-0000	21,551

TOTAL INITIAL EAV FOR TAXCODE: 72048 62,263

TOTAL PRINTED: 3

DATE 08/16/2012 AGENCY: 03-0210-547 TIF CITY OF CHICAGO-ENGLEWOOD MALL

PERMANENT REAL ESTATE INDEX NUMBER OF EACH LOT, BLOCK, TRACT OR PARCEL REAL ESTATE PROPERTY WITHIN SUCH PROJECT AREA:	1988 EQUALIZED ASSESSED VALUATION OF EACH LOT, BLOCK, TRACT OR PARCEL WITHIN SUCH PROJECT AREA:
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20-16-318-007-0000	173,240
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TOTAL INITIAL EAV FOR TAXCODE: 72111	173,240
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TOTAL PRINTED:	1
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Proposed Amendments to the
ENGLEWOOD MALL TAX INCREMENT FINANCING
REDEVELOPMENT PLAN & PROJECT

Prepared For:
Department of Planning and Development
City of Chicago, Illinois

Prepared By:
ERS Enterprises, Inc.

November 17, 2008

Amended Englewood Mall TIF Redevelopment Plan and Project

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- Section 1:** Introduction and Detailed Description of Proposed Changes
- Section 2:** Original Englewood Mall Tax Increment Financing Redevelopment Plan & Project
- Section 3:** Amended Englewood Mall Tax Increment Financing Redevelopment Plan & Project

Proposed Changes to the Englewood Mall Tax Increment Financing Redevelopment Plan & Project

This section presents several minor changes to the original Englewood Mall Tax Increment Financing Redevelopment Plan & Project (the "Original Plan"). The Original Plan was adopted by the Chicago City Council on November 29, 1989. The amended version of the plan will be known as the Amended Englewood Mall Tax Increment Financing Redevelopment Plan & Project (the "Amended Plan").

The Englewood Mall TIF Redevelopment Project Area ("RPA") has not experienced significant development and the City believes that expanding the acceptable land uses in select locations may help stimulate development in the RPA's final years of existence. For example, there is currently a proposal for development of a permanent supportive housing facility that would provide permanent shelter and care for some of Chicago's most vulnerable citizens. The proposed development would consist of 99 studio apartment units, with an exercise room, a community center on the ground floor, and 24/7 security and management staff. The facility would provide permanent and stable housing to Chicago's homeless population.

Accordingly, the changes shown below shall be made to the Original Plan in an effort to help stimulate investment and development in the RPA.

Each specific change is described below, referencing the location of the change to be made to the Original Plan, followed by the full text of the Original Plan, and then the full text of the Amended Plan (reflecting all changes described below). Note that these changes do not change the Original Plan's total redevelopment project costs (except for adjusting for inflation), nor do they add or remove any parcel of land or portion of the RPA.

The reader should be aware that i) the Original Plan has been retyped since no high-quality copies were available, ii) *Exhibit 2: Boundary Map and Exhibit 3: Existing Land Use Map*, are not legible so cannot be reproduced (copies are included in their present form), and iii) *Exhibit 4: Proposed Land Use Map* could not be found, so is not included (the text portions of the Plan will suffice).

Changes to the Original Plan are as follows:

1. Section V. A, add the following text after item (7):
 - (8) Encourage the construction of affordable housing units in select locations.
2. Section V. B, after the end of the first paragraph, add the following sentence:

On the south side of 63rd Street the full block within the RPA that is between Peoria and Sangamon Streets shall have a land use designation as residential/institutional.

3. Section V. C, insert the following text before the section on "Relocation:"

Affordable Housing Construction

The City or a developer may undertake the construction of new housing units affordable to low-income and very low-income households (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act.

4. Section V. D, after item 10 d., insert the following text:
 - e. Up to 75% of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
 11. Instead of the eligible costs provided for in (10)(e) above, the City may pay up to 50% of the cost of construction, renovation and/or rehabilitation of all low-income 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-income and very low-income households, only the low- and very low-income households shall be eligible for benefits under the Tax Increment Allocation Redevelopment Act (the "TIF Act").
5. Section V. D, replace Tables 1A, 1B, and 1C with Table 1. Table 1 adds a new line item for "Affordable Housing Construction Costs," and updates the total Project Budget of the Original Plan by adjusting for inflation from 1989 dollars to 2007 dollars (2007 being the most recent complete year for which Consumer Price Index ("CPI") information is available). The adjustment to 2007 dollars is calculated as follows: The CPI for all urban consumers, as published by the Bureau of Labor Statistics of the U.S. Department of Labor, was 124.0 for calendar year 1989 and 207.342 for 2007. Therefore the inflationary adjustment is a multiplier of 1.6721 ($207.342/124.0 = 1.6721$). Note that this does not change the total budgeted redevelopment project costs, but updates the budget to current dollars, as is allowed by the TIF Act.

Additionally, in Table 1, the costs previously budgeted for Acquisition and Assembly in Tables 1A, 1B, and 1C in the Original Plan are now divided between "Acquisition and Assembly" and "Affordable Housing Construction Costs."

6. Section V. F, delete the entire first sentence of the second paragraph and replace it with the following sentence:

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Project Area was adopted (i.e. no later than December 31, 2013).

7. Section VI. A, immediately after the last line of text on Costs of Job Training, add the following text:

Affordable Housing Construction: The City may provide for the construction of affordable housing units to enhance area revitalization efforts.

8. Section VII. A, delete the entire first sentence of the first (and only) paragraph and replace it with the following sentence:

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Plan is adopted (i.e. by December 31, 2013).

9. Since the existing copies of the Original Plan are old and have been reproduced multiple times, the maps in Exhibits 2, 3 and 4 are somewhat illegible. Therefore Exhibit 2 has been re-created, although not changed in any way. Although it is illegible, a copy of the original version of "Exhibit 3: Existing Land Use Map" is still included in the Amended Plan. Exhibit 3 has not been re-created in order to avoid potential inconsistencies with the original map.

In addition, "Exhibit 4: Proposed Land Use Map", has been re-created and changed to show the new land use category (as referenced in item 2 above) of "residential/institutional" in the location described in item 2 above.

The full and un-edited text of the Original Plan is shown in the next section (Section 2), followed by the fully revised version—the Amended Englewood Mall TIF Redevelopment Plan and Project, in Section 3.

CITY OF CHICAGO,

ILLINOIS

TAX INCREMENT REDEVELOPMENT AREA (TIF)

ENGLEWOOD MALL TIF REDEVELOPMENT PLAN & PROJECT

AUGUST, 1989

PREPARED FOR:

City of Chicago Department of Economic Development

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I. INTRODUCTION AND BACKGROUND

Background

The designation of the Englewood Mall Area Redevelopment Project Area ("RPA") will assist the City of Chicago in addressing the economic problems within the Englewood Community Area. The redevelopment of this area is one of the primary goals of the City of Chicago.

The RPA is generally described as follows:

Beginning at the corner of 63rd Street Parkway and South Morgan Street, the RPA generally follows northeasterly along the 63rd Street Parkway to South Halsted Street; it then heads southeasterly along the Halsted Street Parkway to West Englewood Avenue; then easterly along West Englewood Avenue to South Wallace Street; then southerly to West 63rd Street; then westerly along West 63rd Street to an imaginary line extending northerly from the western edge of City Bank and Trust; then southerly to the right-of-way of the Chicago Transit Authority elevated train line; then westerly to South Morgan Street; then northerly to the point of beginning.

At one time, the retail/commercial area located at 63rd and Halsted was one of the largest retail sales centers located in the Chicago metropolitan area. The area originally capitalized on inherent strengths- location near the commuter railroad lines, public transportation access at 63rd Street and Halsted Street, and nearby residential densities. Historically, the area served not only the Englewood community but a wider trade area as well.

During the 1940's and 1950's, there was a major population shift in Englewood, with the minority population increasing from 2% of the population in 1940 to 69% in 1960. The shift also resulted in a population increase in the area, with over 97,000 persons resided in Englewood in 1960.

As stated previously, the 63rd and Halsted area was the primary shopping area for much of the south side and some of the City's southern suburbs throughout the 1940's and early 1950's. However, by 1960, new suburban shopping centers were beginning to provide significant competition for traditional retail centers. During the early 1950's, the development of shopping malls such as Evergreen Plaza began attracting many of Englewood's customers. The later development of Ford City as an enclosed mall increased the rate of erosion of the local customer base.

In the early 1960's, attraction of suburban shopping malls had greatly affected the operation of the 63rd and Halsted area in ways that were similar to what other in-City and near-City shopping areas experienced. Available, convenient parking, expansive enclosed mall areas, and coordinated promotional activities were successful in attracting consumers away from local, once popular, shopping areas.

At the same time, many merchants and national/regional retailers concentrated on mall locations, thus improving selection and mix at mall locations. Centralized management of malls also enabled the malls to coordinate and control the tenant mix more effectively.

An increasing need for economic redevelopment in the Englewood business district in the early 1960's coincided with a national interest in expansive suburban shopping malls. An urban pedestrian mall was then created in Englewood. Major capital improvements included closing the streets in the heart of the area (63rd Street and South Halsted Street) to automobile traffic, and the construction of a perimeter roadway. Large parking lots along the perimeter of the area, expanded sidewalk areas with overhead canopies and other sidewalk furniture, and landscaping were also provided. The City razed housing, including a large number of single family units in order to accommodate the capital improvements.

However, the capital improvement construction and the creation of the Concourse commission within the area could not stem the decline of the shopping and commercial center. A number of factors contributed to the decline.

- 1) Pedestrian malls throughout the United States had declined in consumer popularity- the emphasis on convenient parking in front of stores (rather than in the rear) as well as the location decisions of certain retailers were contributing factors.
- 2) Two major anchor department stores- Sears and Wieboldt's (both formerly located within RPA boundaries) closed their operations by 1975. The Sears facility was located on one City block. Both facilities were ultimately razed and have not been replaced by comparable uses. The sites of the former Wieboldt's department store and automotive center are still vacant land.
- 3) Economic and demographic changes within the market area resulted in a population with less disposable income. Population had also declined significantly.

- 4) Retail competition from other areas significantly eroded the position of the once prominent 63rd and Halsted area. Enclosed malls such as Evergreen Plaza or Ford City presented significant competition. The Chicago Loop retail stores also attracted shoppers.
- 5) The decline of the surrounding residential community resulted in an additional loss of purchasing power for area retailers. Between 1970 and 1980, Englewood sustained a net loss of almost 6,000 housing units.
- 6) A lack of centralized control of the mall retailers resulted in a lack of coordination related to retail mix, mall hours, promotional activities and other shopper activities.

Overall, the current configuration of the mall area is obsolete by today's retailing standards in terms of parking location and availability, store layout and site location, the consumer preferences for modern malls, and store appearance. Many structures are economically obsolete due to age and depreciation of physical maintenance. The physical condition of overhead canopies, lighting, signage, and public lots is generally poor. Utility relocation may be required in some locations of the RPA in order to accommodate redevelopment. Site preparation may also be necessary in order to reconfigure parcels and improvements for more modern commercial/retail uses.

Strengths relating to residential and community access, public transportation availability, and the area's history need to be coordinated in a comprehensive approach to eradicating blighting influences. The Greater Englewood Local Development Corporation (GELDCO) has undertaken activities to attract new business and intends to remain involved in area redevelopment. However, the physical characteristic of the mall area requires coordinated public-private efforts in order to allow for any quality market redevelopment of the northern portion of the mall area.

Redevelopment Plan

The RPA as constituted would be difficult to develop solely through investment by private enterprise. It is not reasonable to anticipate substantial reuse of sites within the RPA without the adoption of a redevelopment plan that addresses the characteristics of the properties, while providing a practical method for financing the redevelopment project. The City has prepared this redevelopment plan to address its needs and meet its redevelopment goals and objectives relating to the RPA through the use of tax increment financing.

The RPA has not been subject to redevelopment through investment by private enterprises and it is not reasonably anticipated to be developed in a comprehensive manner without the adoption of a Redevelopment Plan and Project.

The City recognizes the need for implementation of various strategies to overcome existing area conditions and lack of competitiveness with other City or suburban locations. The strategies will be coordinated by the City in conjunction with the groups described below. The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act, Illinois Rev. Stat., Section 11-74.4-3 (the "Act"). Incremental real estate tax revenue generated by the RPA will play a decisive role in encouraging private development.

Existing site conditions that have precluded intensive private investment in the past will be eliminated. Through this Redevelopment Plan and Project, the City will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the City and all the taxing districts which are included in the RPA in the form of a significant expansion of the real estate tax base and employment base. The Redevelopment Plan and Project will serve to create new jobs within the City and thereby reduce unemployment within taxing districts which cover all or part of the RPA.

On June 20, 1989, the City of Chicago's Commercial District Commission adopted a resolution authorizing a study to determine the use Tax Increment Financing ("TIF") for the redevelopment of the area legally described herein in Exhibit 1 and outlined on the map in Exhibit 2. Redevelopment of the TIF area is tenable only if a portion of the public improvements are funded by TIF.

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the proposed RPA. By means of public investment, the RPA will become an improved, more viable environment that will attract private investment. The public investment will set the stage for the redevelopment of the area with private capital. Local input and assistance has been provided by key community groups, such as the Greater Englewood Local Development Corporation (GELDCO). City planning assistance and coordination has been provided by the Englewood Mall Advisory Committee (EMAC).

Pursuant to the requirement of the Act, the RPA includes only those contiguous parcels of real property and improvements thereon which are substantially benefited by the Redevelopment Plan and Project. Also in accordance with the Act, the RPA is not less than 1 ½ acres in the aggregate.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The legal description is included in Exhibit I.

III. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Findings

The Redevelopment Project Area was studied to determine its qualifications as a "blighted area" as such term is defined in the Act. A brief description of the qualification factors is found in Exhibit 5. In summary, the following factors were found within the RPA: age, obsolescence, depreciation of physical maintenance, inadequate utilities, deleterious land use or layout, deterioration, excessive vacancies, and structures below minimum code standards. A more comprehensive review of qualification factors is included in the Designation Report contained under separate cover.

Eligibility Survey

The entire designated Redevelopment Project Area was evaluated by the City, the Greater Englewood Local Development Corporation, and Kane, McKenna and Associates, Incorporated in July, 1989.

IV. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are presented for the RPA in accordance with the City's zoning ordinance and comprehensive plan. The Redevelopment Plan and Project also conform to the Englewood Plan, prepared by the City's Department of Planning, for the development of the area as a whole.

General Goals of the Redevelopment Plan

1. Provide jobs and potential business opportunities for community and City residents in accordance with the City's Affirmative Action goals;
2. Strengthen the existing business community and enhance local business development within the area and stimulate revitalization in the surrounding residential areas;
3. Remove obsolete and substandard structures which exert a blighting influence on the community;
4. Retain and upgrade sound buildings that are compatible with the overall redevelopment plan;
5. Identify and attract new business growth to the Englewood Mall Area that will capitalize on its inherent strengths;
6. Improve the physical environment of the RPA in order to make the area more attractive for new business location and expansion; and
7. Develop "anchor" projects that encourage retail; commercial and related mixed use (including institutional) development along the 63rd and Halsted arterials.

Specific Goals of the Redevelopment Plan

1. Create new job opportunities for community residents and City residents utilizing local hiring programs and appropriate job training programs.
2. Encourage the participation of the local development corporation in the redevelopment of the north portion of the mall to ensure that development plans are consistent with local objectives and City plans
3. Redevelop retail and commercial uses that are consistent with both community and market demands. Provide a diversified retail mix that serves community residents.

4. Utilize City owned land effectively and coordinate its use in redevelopment.
5. Provide modern, functional parking, roadway, and related public improvements that are required to enhance private investment.
6. Improve the physical appearance of the mall area.
7. Support the expansion of viable existing businesses and uses that are consistent with the overall character of redevelopment and new market uses.

Redevelopment Objectives

The purpose of the RPA designation will allow the City to:

- a. Coordinate redevelopment activities within the north portion of the Mall area in order to provide a positive marketplace signal;
- b. Reduce or eliminate blighted area factors present within the area;
- c. Accomplish redevelopment over a reasonable time period;
- d. Stimulate investment in the surrounding Englewood community; and
- e. Ensure the participation of the local development corporation and community in all phases of redevelopment of the entire mall area.

The Redevelopment Project's implementation will serve to improve the physical appearance of the entire area and contribute to the economic development of the area, arresting decline and stabilizing the area. The redevelopment of the RPA will serve as a catalyst and as an essential anchor for the overall area. Job creation associated with the project will provide new, improved employment opportunities for community and City residents.

V. REDEVELOPMENT PROJECT

A. City Redevelopment Plan and Project Objectives

The City proposes to realize its goals and objectives of encouraging development of the redevelopment project area through public finance techniques including, but not limited to, Tax Increment Financing:

- (1) By reducing interest costs of a redeveloper related to the construction, expansion or rehabilitation of redevelopment projects.
- (2) Acquisition and assembly of property;
- (3) By providing public facilities which may include:
 - i. Relocation of utilities (sewers, water lines, etc.);
 - ii. Utility improvements and expansion (including curbs and sidewalks);
 - iii. Street improvements and expansion;
 - iv. Traffic signalization and intersection improvements;
 - v. Landscaping and signage on public ways; and
 - vi. Streetlighting.
- (4) Parking reconfiguration and redesign.
- (5) By providing for demolition, site preparation, clearance and grading of redevelopment sites, removal of foundation material, and site compaction, as well as appropriate relocation.
- (6) Exploration and review of job training programs in coordination with City, federal, state, and county programs.
- (7) Rehabilitation of structures, if necessary.

B. General Land Use Plan

Existing land use consists primarily of retail/commercial facilities; some institutional uses are also located within the RPA, as described in Exhibit 3. A number of vacant or partially vacant structures exist within the RPA as well. Exhibit 4, attached hereto and made a part of this plan, designates intended general land uses in the RPA. The proposed land uses will conform to the City's comprehensive plan and the recent planning studies undertaken for the Englewood Mall area.

All redevelopment projects shall be subject to the provisions of the City Zoning Ordinance, as well as planned unit development provisions, as may be amended from time to time.

C. Redevelopment Program

Pursuant to the foregoing objectives, the City, in conjunction with local community groups such as GELDCO, will implement a coordinated program of actions to facilitate redevelopment, including, but not limited to, acquisition and assembly, provision of interest rate writedown, public improvements, demolition and/or clearance, relocation, structure rehabilitation and job training assistance.

Interest Rate Writedown

The City may enter into an agreement with developers whereby a portion of the interest cost of a construction, renovation, or rehabilitation project is paid for on an annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

Public Improvements

The City may provide public improvements in the RPA to enhance the RPA as a whole, to support the Redevelopment Project Plan and Project, and to serve the needs of City and area residents. Appropriate public improvements may include, but are not limited to:

- relocation of utilities (sewer, water lines);
- new construction and improvements of streets, alleys, curbs, sidewalks/pedestrianways and street intersections;
- improvement and extension of public utilities;
- landscaping/beautification, lighting, and signage of public properties;
- traffic signalization;
- parking improvements and parking facilities; and
- streetlighting improvements.

Acquisition

Property may be acquired by the City in order to further objectives of this Plan and enhance development alternatives for appropriate users.

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

Property, when acquired, may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for planned development. Such revenues, if any, would accrue to the special tax allocation fund for the redevelopment project.

Land Disposition

Property may be acquired by the City and may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the City to a private developer or developers, in whole or in part, for redevelopment subject to the Act.

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

Demolition and Site Preparation

As determined by the types of use and market considerations, a portion or all of the existing structures may be demolished. Demolition may include removal of asbestos insulation in conformance with all environmental requirements. Should a portion of a facility be adapted for more market oriented uses, asbestos insulation may have to be removed as part of site preparation in order to accommodate development. Certain sites may also require the removal of foundation materials and compaction of fill for such sites in order to accommodate new development. Again, all removal would conform to environmental requirements. Other site preparation for reuse would also conform to appropriate environmental and other governmental regulations.

Relocation

The City or the developer may provide for relocation conformant with its policies and regulations in order to accomplish the goals and objectives of the Plan, using Federal, State or municipal criteria.

Rehabilitation

The City may undertake the rehabilitation of certain structures in order to provide for the market reuse of the structures and to improve the appearance of the RPA.

Job Training

The City may assist facilities located within the RPA to obtain job training assistance. Job training and retraining programs currently available from or through other governments include but are not limited to:

- The federal Jobs Partnership Training Act (JPTA) programs administered by the City of Chicago's Mayor's Office of Employment and Training;
- The State of Illinois High Impact Training Support (HITS) program;
- Applicable local vocation educational programs;
- The State of Illinois Industrial Training Program (ITP);
- Other federal, state, county or non-profit programs that are currently available or will be developed and initiated over time.

D. Estimated Redevelopment Project Costs- Phases 1, 2, and 3

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Project. Eligible costs permitted by the Act pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan, including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;

2. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of the construction of public works or improvements;
4. Cost of job training and retraining projects;
5. Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and not exceeding thirty-six (36) months thereafter, including reasonable reserves related thereto;
6. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City by written agreement accepts and approves such costs;
7. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or Illinois law;
8. Payment in lieu of taxes;
9. Costs of job training, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the RPA; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the

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

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

In addition, the Act provides for the following uses in conjunction with a special service area:

“An Act to provide the manner of levying or imposing taxes for the provision of special services to area within the boundaries of home rule units and non-home rule municipalities and counties”, approved September 21, 1973, as amended, then any tax increment revenues derived from the tax imposed pursuant to “An Act to provide the manner of

levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties", approved September 21, 1973, as amended, may be used within the RPA for the purposes permitted by that Act as well as the purposes permitted by the Act.

At the time of the adoption of the RPA, City of Chicago Special Service Area No. 11 included the greater portion of the RPA (excluding the far eastern block occupied by the Southtown Theatre).

Estimated project costs are shown in Tables 1a, 1b, 1c. To the extent that the City or a developer has incurred redevelopment project costs prior to, but in anticipation of, the adoption of tax increment financing, the City or a developer may be reimbursed for such costs. Adjustments to the cost items listed in Tables 1a, 1b and 1c are anticipated without amendment to the Redevelopment Plan.

**TABLE 1A
REDEVELOPMENT PROJECT – ESTIMATED PHASE 1 PROJECT COSTS**

<u>Program Action/ Improvement</u>	<u>Estimated Cost(s)</u>
Acquisition and Assembly	\$ 3,500,000
Utility Improvement and Relocation of Utilities	\$ 1,500,000
Street Construction and/or Extension	\$ 2,000,000
Intersection and Traffic Signalization Improvements	\$ 150,000
Streetscape Improvements, Including Landscaping, Signage, and Streetlights	\$ 250,000
Demolition and/or Site Preparation and Clearance	\$ 2,350,000
Rehabilitation	\$ 500,000
Relocation	\$ 500,000
Interest Costs as Allowed under Paragraph (11) of Chapter 24, Par. 11-74.4-3 of the Act	\$ 750,000
Planning, Legal, Architectural, Engineering, Administrative and Other Professional Service Costs	\$ 550,000
Job Training, Retraining & Affirmative Action Consulting Services	\$ 500,000
Estimated Capitalized Interest and Costs of Issuance	\$ 1,500,000
Contingencies	\$ <u>950,000</u>
ESTIMATED PHASE 1 COSTS	\$15,000,000

(A) All cost estimates are in 1989 dollars. Adjustments to the estimated line item costs above are expected. 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 total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line items costs for redevelopment project costs.

**TABLE 1B
REDEVELOPEMTN PROJECT – ESTIMATED PHASE 2 PROJECT COSTS**

<u>Program Action/Improvement</u>	<u>Estimated Cost(s)</u>
Acquisition and Assembly	\$ 800,000
Utility Improvements	\$ 350,000
Street Rehabilitation/Construction and/or Extension, Curb and Sidewalk Construction	\$ 400,000
Intersection and Traffic Signalization Improvements	\$ 100,000
Streetscape Improvements, Including Landscaping, Signage, and Streetlights	\$ 50,000
Demolition and/or Site Preparation and Clearance	\$ 200,000
Rehabilitation	\$ 50,000
Relocation	\$ 150,000
Interest Cost as Allowed under Paragraph (11) of Chapter 24, Par. 11-74.4-3 of the Act	\$ 50,000
Planning, Legal, Architectural, Engineering, Administrative and Other Professional Service Costs	\$ 150,000
Job Training, Retraining & Affirmative Action Consulting Services	\$ 100,000
Capitalized Interest and Costs of Issuance	<u>\$ 100,000</u>
ESTIMATED PHASE 2 COSTS	\$ 2,500,000

(A) All cost estimates are in 1989 dollars. Adjustments to the estimated line item costs above are expected. 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 total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line items costs for redevelopment project costs.

**TABLE 1C
REDEVELOPMENT PROJECT - ESTIMATED PHASE 3 PROJECT COSTS**

<u>Program Action/Improvement</u>	<u>Estimated Cost(s)</u>
Acquisition and Assembly	\$ 800,000
Utility Improvements	\$ 350,000
Street Rehabilitation/Construction and/or Extension, Curb and Sidewalk Construction	\$ 400,000
Intersection and Traffic Signalization Improvements	\$ 100,000
Streetscape Improvements, Including Landscaping, Signage, and Streetlights	\$ 50,000
Demolition and/or Site Preparation and Clearance	\$ 200,000
Rehabilitation	\$ 50,000
Relocation	\$ 150,000
Interest Costs as Allowed under Paragraph (11) of Chapter 24, Par. 11-74.4-3 of the Act	\$ 50,000
Planning, Legal, Architectural, Engineering, Administrative and Other Professional Service Costs	\$ 150,000
Job Training, Retraining & Affirmative Action Consulting Services	\$ 100,000
Capitalized Interest and Costs of Issuance	<u>\$ 100,000</u>
ESTIMATED PHASE 3 COSTS	\$ 2,500,000
TOTAL ESTIMATED PROJECT COSTS	\$20,000,000

(A) All cost estimates are in 1989 dollars. Adjustments to the estimated line item costs above are expected. 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 total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line items costs for redevelopment project costs.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for redevelopment project costs are to be derived principally from real property tax incremental revenues and proceeds from any municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Project.

The tax increment revenue which will be used to pay debt service on the tax increment obligations and to directly pay redevelopment costs shall be the incremental real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, etc. in the RPA.

Other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are: the proceeds of real property sales, real property tax receipts, certain motor tax revenues, incremental local sales tax revenues, certain land lease payments, certain state and federal grants, certain investment income, and such other sources of funds and revenues as the City may, from time to time, deem appropriate.

The City may use its general fund and utilize its taxing power to sustain redevelopment projects and pay debt service on obligations issued in connection therewith to be reimbursed, if possible, from tax increment financing revenues.

F. Nature and Term of Obligations to be issued

The City may issue obligations secured by the tax increment special tax allocation fund established for the RPA pursuant to Section 11-74, 4-7 of the Act or such other funds or security as are available to the City by virtue of its home rule powers provided by the Constitution of the State of Illinois.

All obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall not exceed twenty-three (23) years from the date of adoption of the ordinance approving the RPA or November 15, 2012. However, the final maturity date of any obligation issued pursuant to the Act may not be later than twenty (20) years from its respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. All obligations are to be repaid after issuance by projected and actual tax increment, other tax revenue and by such debt service revenue and sinking funds as may be provided by ordinance. The total principal and interest payable in any year on all obligations shall not exceed the amounts available in that year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

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

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

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

The total estimated 1988 equalized assessed valuation for the RPA is approximately \$3,911,672. The Boundary Map, Exhibit 2, shows the location of the RPA.

H. Anticipated Equalized Assessed Valuation

Upon completion of the anticipated private development, assuming a Cook County, Illinois equalization factor (multiplier) of 1.9266, it is estimated that the equalized assessed valuation of real property within the RPA after the completion of the expected three phases of redevelopment will be approximately \$18,000,000.

VI. DESCRIPTION OF COMPONENTS OF REDEVELOPMENT PROJECT

A. Description of Redevelopment Project

The City will employ an implementation strategy which stresses economic feasibility whereby tax increment funds will not be initially pledged unless corresponding private investment is reasonably projected to be sufficient to generate equal or greater return of future tax revenues. Such strategy will contribute to a realistic approach in funding projects while assuring that the City has the flexibility to continue to prioritize among possible projects in meeting both City and private sector goals. The local development corporation and community have provided assistance and resources relating to the RPA. The City is expecting that they will participate in the redevelopment process. The redevelopment projects contemplated by the City and GELDCO include, but are not limited to, the following:

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

Utility Improvements: The City may make improvements, extension and adjustment in water, storm sewer, sanitary sewer, electric lighting and other utility systems. Relocation of existing utility services may also be undertaken.

Right-of-Way Improvements: The City may improve, construct, reconstruct or extend primary and secondary street right-of-ways and other such territory located on public land, on private land or through public easement on private land. Curbs and sidewalks may also be improved or reconstructed. Signalization, landscaping, signage, or related improvements may also be undertaken by the City.

Property Acquisition and Assembly: The City may acquire land within the RPA for the purpose of facilitating the assembly and preparation of property.

Demolition, Site Preparation and Clearance: The City may remove building debris, other disposal material, and excavate foundation material from site and/or grade and compact such sites as part of its redevelopment activities.

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

Relocation: The City may provide for appropriate relocation conformant to its policies and regulations.

Rehabilitation: The City may provide for the rehabilitation of certain structures in order to enhance area revitalization efforts.

Costs of Job Training: The City may implement job training programs.

B. Commitment to Fair Employment Practices and Affirmative Action

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

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

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

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

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

VII. SCHEDULING OF THE REDEVELOPMENT PROJECT

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

This Redevelopment Project will be completed on or before a date 23 years from the adoption of an ordinance designating the RPA or November 15, 2012. The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental tax yield. Actual public and/or private construction activities are anticipated to be completed within ten (10) years from the adoption of this Redevelopment Plan (assuming land assembly proceeds on a timely basis; in the event that land assembly does not proceed on a timely basis, the activities described above may be completed over a longer period).

**VIII. PROVISIONS FOR AMENDING THE TAX INCREMENT
REDEVELOPMENT PLAN AND PROJECT**

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

EXHIBIT 1

Legal Description

Lots 22, 23, and 24 in Block 2, Lots 6 to 21, both inclusive, 25 to 37, both inclusive, in Block 1 in Crocker's Resubdivision of the south $\frac{1}{2}$ of the west $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, Township 38 North, Range 14 East of the Third Principal Meridian, and all of Lots 1 to 5, both inclusive, in the subdivision of Lots 22, 23, and 24 in Block 1 of Crocker's subdivision aforesaid and those parts of Block 7 and 8 lying southerly of the southerly line and said southerly line extended of Lyon's Subdivision of Lots 5 and 6 in Crocker's Subdivision of the east part of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid and all of Lots 1 to 52, both inclusive, in Ehrler and Hessert's of the north $5\frac{1}{3}$ acres of the South $9\frac{1}{2}$ acres of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid and Lots 1 to 20, both inclusive, in Block 1 in the subdivision of the south $4\frac{1}{6}$ acres of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, aforesaid and Lots 1 to 6, both inclusive, Lot 7 (except the south 50 feet thereof) in County Clerk's Division of Block 2 in subdivision of the south $4\frac{1}{6}$ acres aforesaid and Lot A in consolidation of the south 50 feet of Lot 7 together with the 12-foot strip of land designated as alley lying south of and adjoining said lot in County Clerk's Division aforesaid and Lot 31 (except that part thereof taken for South Halsted Parkway) and all of Lots 32 to 46 both inclusive in Listers subdivision of the west $\frac{3}{5}$ of the south $\frac{1}{2}$ of the north $\frac{1}{2}$ of the southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of Section 16, Township 38 North, Range 14 East of the Third Principal Meridian, all of Lots 7 to 13, both inclusive in Block 2, Lots 1 to 10, both inclusive, in Block 3 the west $\frac{1}{2}$ of Lot 3 and all of Lots 4 to 38, both inclusive, in Block 4, all of Lots 1 to 46 both inclusive in Block 5, Lots 1 to 20, both inclusive in Block 6, Lots 1 to 20, both inclusive in Block 7, Lot 1 (except part taken for South Wallace Street) and all of Lots 2 to 9, both inclusive and Lot 10 (except part taken for South Wallace Street) in Block 8 in Hoyt, Canfield and Matteson's Subdivision of the south $\frac{1}{2}$ of southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of Section 16 aforesaid and Lots 1 to 10, both inclusive in Block 2, Lots 1 to 10, both inclusive in Block 3, and Lots 1 to 10, both inclusive in Block 4 in Lucy M. Green Addition to Chicago in Section 20, Township 38 North, Range 14 East of the Third Principal Meridian together with all vacated public streets and alleys and all public streets and alleys within, adjoining and accruing to all of aforesaid lots and blocks, and being that part

of the east $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of Section 17, Township 38 North, Range 14 East of the Third Principal Meridian, and the east $\frac{1}{2}$ of the northeast $\frac{1}{4}$ of Section 20, Township 38 North, Range 14 East of the Third Principal Meridian, bounded and particularly described as follows: commencing at the southwest corner of Lot 24 in Block 2 in Crocker's Resubdivision of the south $\frac{1}{2}$ of the west $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid; thence north along the west line of Lots 21 to 24 of said Block 2 in said Crocker's Resubdivision to the northwest corner of said Lot 21; thence east along the north line, and said north line extended east to the west line of Block 1 in said Crocker's Resubdivision; thence north along said west line to the northwest corner of Lot 37 in said Block 1; thence east along the north line and said north line extended east of said Lot 37 to the east line of a north and south 16-foot public alley in said Block 1; thence north along said east line to the northwest corner of Lot 6 in said Block 1; thence east along the north line, and said north line extended east, to the west line of Lot 49 in Ehrler and Hessert's Subdivision aforesaid; thence north along the west line and said west line extended north of Lots 49 to 52, both inclusive, in said Ehrler and Hessert's Subdivision to a point in the northerly line of West 63rd Parkway; thence northeasterly along the said northerly line of West 63rd Parkway to the north line of Lot 7 in Crocker's Subdivision of the east part of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, aforesaid; thence east along the north line and said north line extended east of said Lot 7 to the east line of South Halsted Street; thence south along the east line of said South Halsted Street to a point 8.49 feet north of the southwest corner of Lot 31 in Lister's Subdivision aforesaid; thence northeasterly 14.14 feet to a line 18.06 feet north of the south line of said Lot 31; thence westerly along said last described line and said line extended east to the west line of Lot 35 in said Lister's Subdivision; thence north along said west line to the northwest corner of said Lot 35; thence east along the north line of Lots 35 to 46, both level, in said Lister's Subdivision to the northeast corner of said Lot 46; thence south along the east line, and said east line extended south of said Lot 46 to the north line of Block 2 in Hoyt, Canfield and Matteson Subdivision aforesaid; thence east along said north line to the northeast corner of Lot 7 in said Block 2; thence south along the east line of said Lot 7 and the east line and the east line extended south of Lot 38 in Block 4 of said Hoyt, Canfield and Matteson subdivision to the south line of an east and west 16-foot alley in said Block 4; thence east along said south line to the northeast corner of the west $\frac{1}{2}$ of Lot 3 in said Block 4; thence south along the east line of said west $\frac{1}{2}$ of Lot 3 and said east line extended south to the south line West Englewood Avenue; thence east along the south line of West Englewood Avenue to the west line of that part of South Wallace Street dedicated by

Instrument recorded June 17, 1930 as Document No. 10684217 (being the east line of the west 6 feet of Lot 1 in Block 8 in Hoyt, Canfield and Matteson Subdivision aforesaid); thence south along said west line, and said west line extended south of South Wallace Avenue to the center line of West 63rd Street; thence West along said center line of West 63rd Street to the west line, extended north, of South Green Street (being the east line extended north of Lot 1 in Block 2 in Lucy M. Green Addition to Chicago aforesaid); thence south along the east line extended north and the east line of said Lot 1 to the southeast corner of said Lot 1 (said southeast corner being a point in the north line of a 16-foot east and west public alley); thence west along said north line to the west line, extended north of north and south 16-foot public alley in said Block 2; thence South along said West line to the South line of vacated 16-foot east and west alley; thence west along said south line to the east line of South Peoria Street; thence north along said east line to the north line of said vacant east and west 16-foot alley; thence west along said north line extended west to the west line of South Peoria Drive (said point being the southeast corner of Lot 1, Block 3, said Lucy M. Green Addition to Chicago); thence west along the south line of Lots 1 to 10 in said Block 3 (said south line being the north line of east and west 16-foot public alley) and along the north line of said 16-foot alley extended west to the west line of South Sangamon Street; said point being the southeast corner of Lot 1, Block 4 in said Lucy M. Green Addition to Chicago; thence west along the south line of Lots 1 to 10 in said Block 4 (said south line being the north line of east and west 16-foot alley), to the east line of South Morgan Street (said point being the southwest corner of Lot 10 in Block 4 aforesaid); thence north along the west line of said Lot 10 to the northwest corner thereof (said northwest corner being a point in the south line of West 63rd Street); thence east along said south line of West 63rd Street to its intersection with the west line, extended south of Lot 24 in Block 2 in Crocker's Resubdivision of the south ½ of the west ½ of the southeast ¼ of the southeast ¼ of Section 17 aforesaid; thence north along said extended line to the point of beginning, Cook County, Illinois.

EXHIBIT 2

RPA BOUNDARY MAP

EXHIBIT 2
"R.P.A. BOUNDARY MAP"

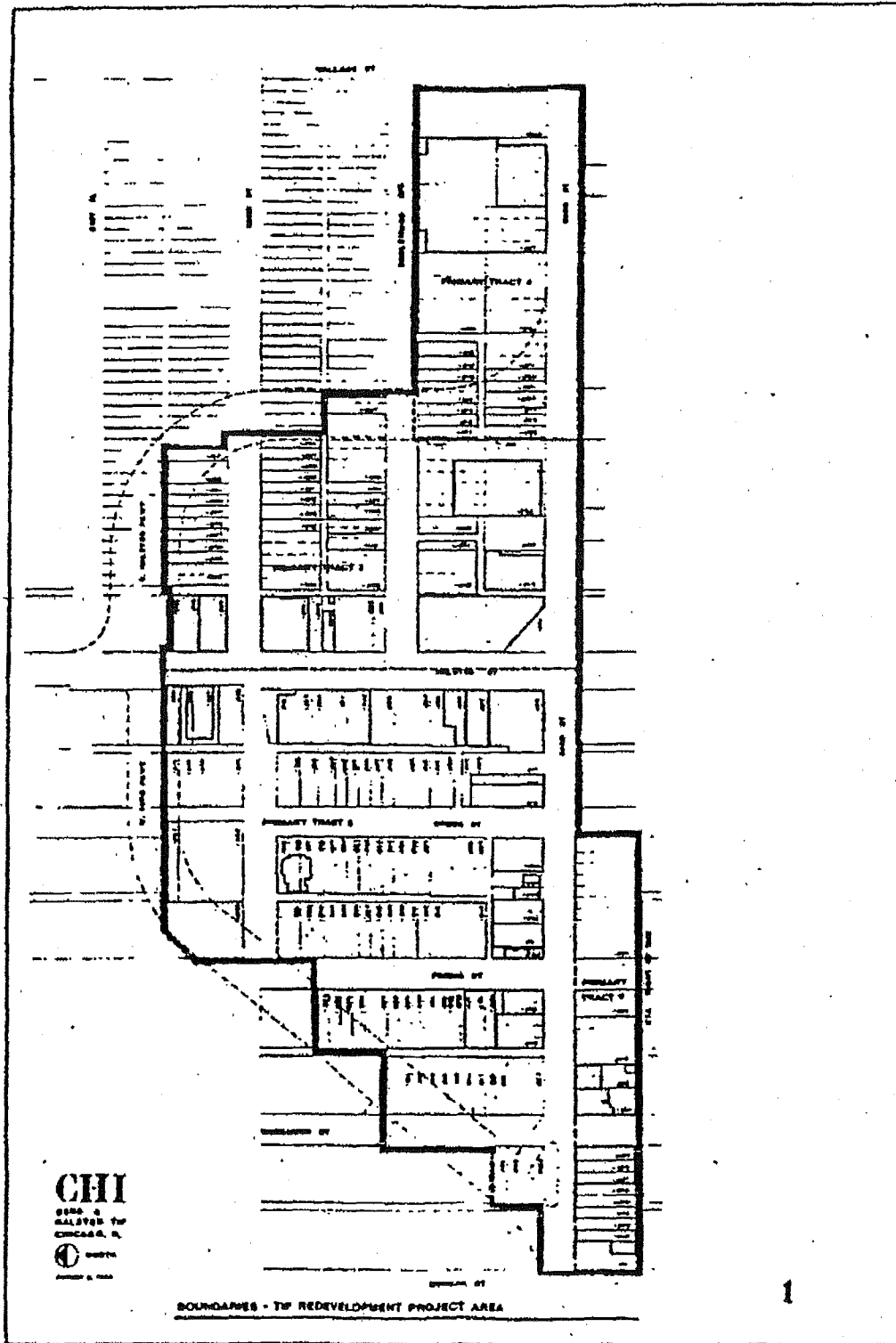


EXHIBIT 3

EXISTING LAND USE MAP

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EXHIBIT 3
"EXISTING LAND USE MAP"

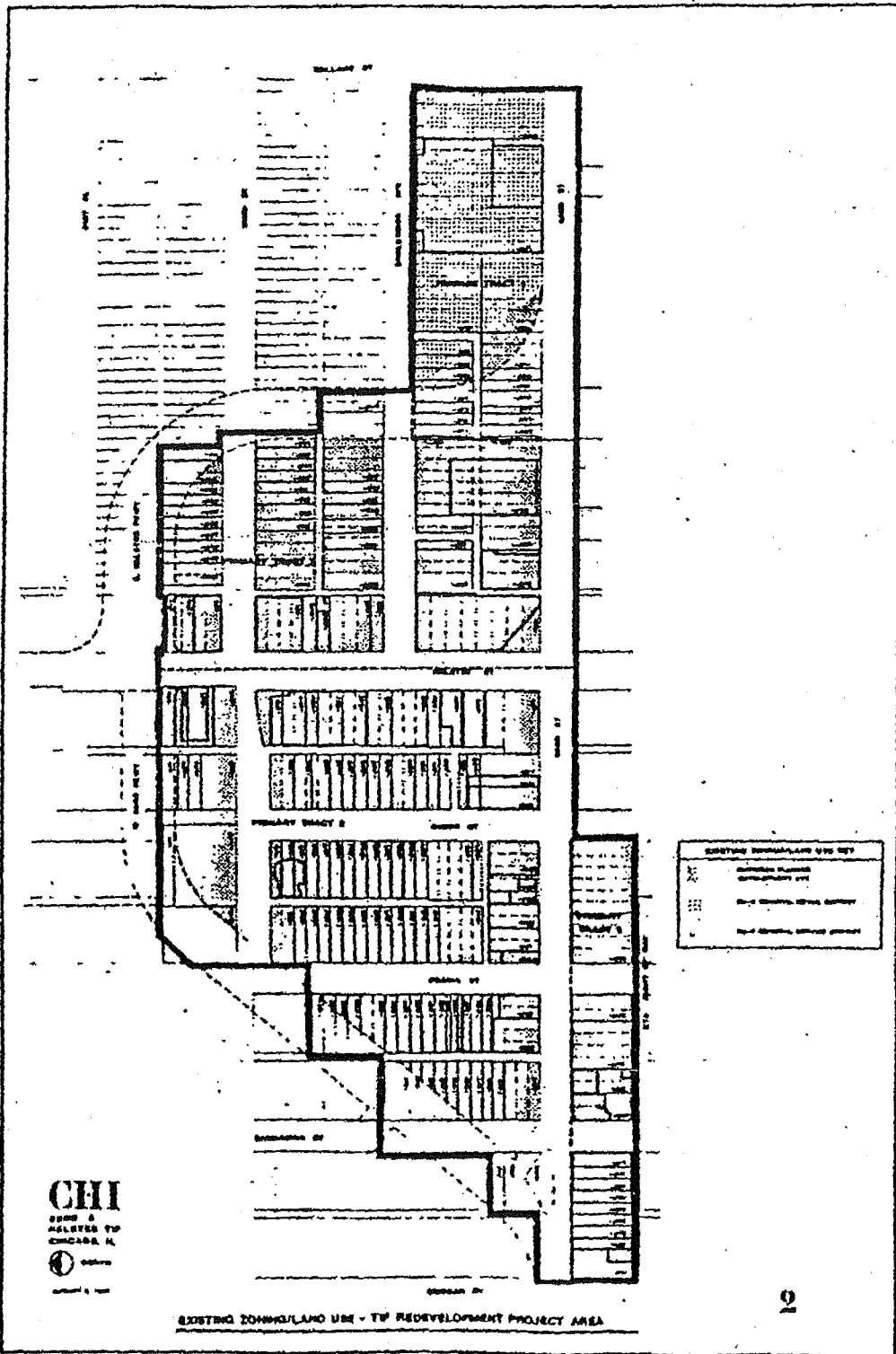


EXHIBIT 4

PROPOSED LAND USE MAP

EXHIBIT 4
"PROPOSED LAND USE MAP"

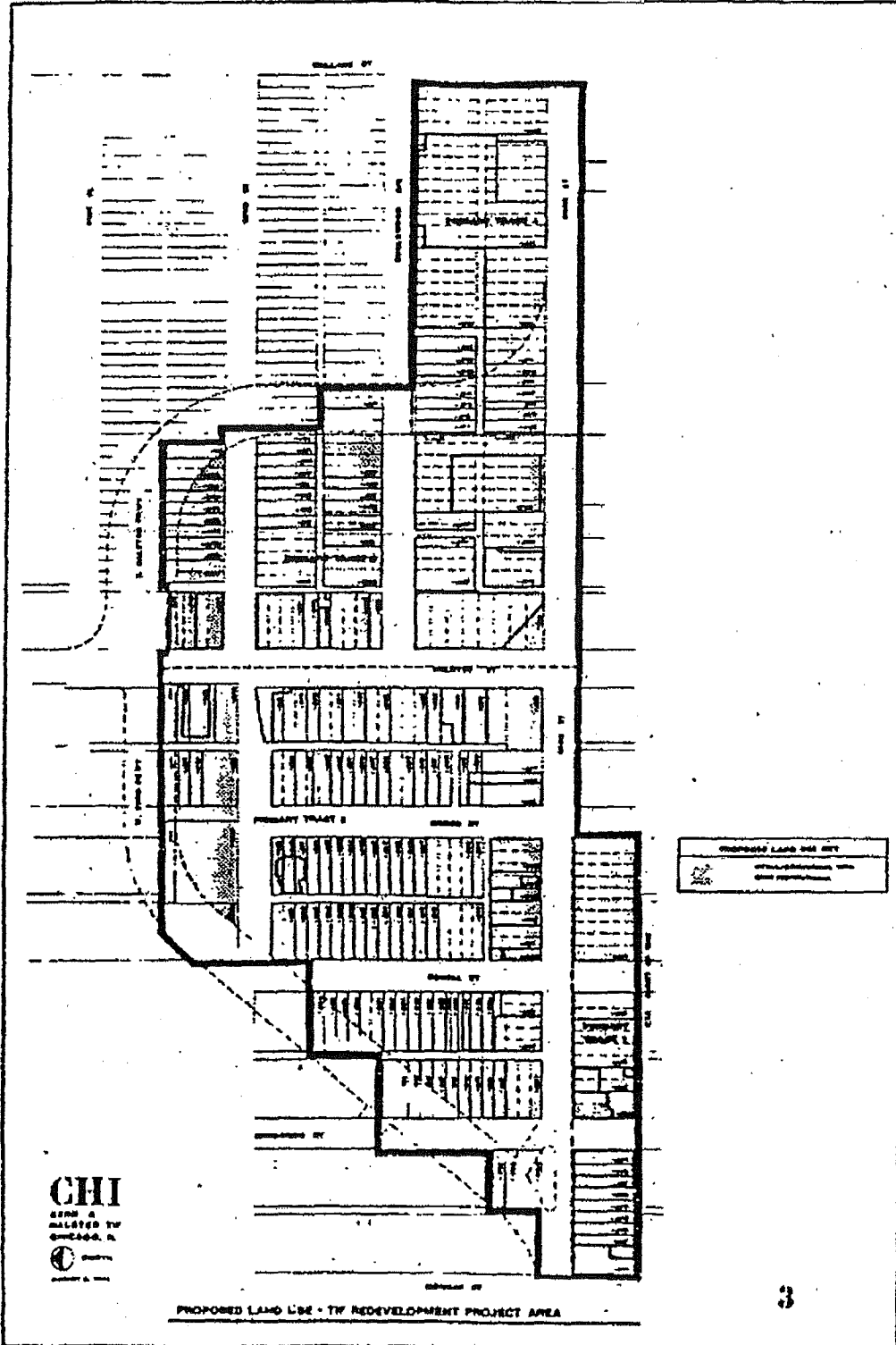


EXHIBIT 5

Criteria For Qualification

The RPA was evaluated to determine the presence or absence of appropriate qualifying factors listed in the Act.

According to Section 11-74.4-3 of the Act (in pertinent part), a "blighted area" means:

Any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of 5 or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by, (1) a combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of this subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The criteria listed in the Act were defined for purposes of the analysis are as follows:

1. Age. Simply the time which has passed since building construction was completed.
2. Illegal Use of Structure. The presence on the property of illegal uses or activities.
3. Structures Below Minimum Code Standards. Lack of conformance with local code standards of building, fire, housing, zoning, subdivision or lack of conformance with other applicable governmental codes.
4. Excessive Vacancies: When the occupancy or use level of the building is low for frequent or lengthy periods so as to represent an adverse area influence.
5. Lack of Ventilation, Light or Sanitary Facilities: Conditions which would negatively influence the health and welfare of building users.
6. Inadequate Utilities: Deficiencies in sewer, water supply, storm drainage, electricity, streets or other necessary site services.
7. Dilapidation: The condition where the safe use of the building is seriously impaired, as evidenced by substandard structural conditions; this is an advanced stage of deterioration.
8. Obsolescence: When the structure has become or will soon become ill suited for the originally designed use.
9. Deterioration: A condition where the quality of the building has declined in terms of structural integrity and/or building systems due to lack of investment, misuse or age.
10. Overcrowding of Structures and Community Facilities: A level of use beyond and designed or legally permitted level.
11. Excessive Land Coverage: Site coverage of an unacceptably high level.
12. Deleterious Land Use or Layout: Inappropriate property use or plotting, or other negative influences not otherwise covered, which discourages investment in a property.

13. Depreciation of Physical Maintenance: Decline in property maintenance which leads to building degeneration health and safety hazards, unattractive nuisances, unsightliness, property value decline and area distress.
14. Lack of Community Planning: Deficiency in local direction of growth development or redevelopment in order to maintain or enhance the viability of the area or community.

METHODOLOGY

The RPA has been evaluated in its qualification as a "blighted area" on an area-wide basis. The RPA has been evaluated according to the appropriate qualification features listed in the Act as defined above. A more comprehensive review is found under separate cover within the companion Designation Report.

Age

The majority of the buildings are over 35 years old. The physical condition of many structures as well as functional characteristics reflect outmoded retail/commercial trends (see below).

Obsolescence

The area contains single and multi-story buildings which are obsolete by current standards for more intensive commercial reuse. Economically, the condition of some structures prohibits market reuse. Overall, the RPA exhibits obsolescence on an area-wide basis – the configuration of parking, buildings, and ingress/egress is outmoded by today's standards. Pedestrian malls are no longer considered functionally efficient.

Depreciation of Physical Maintenance

A majority of the structures within the area exhibit signs of depreciation of physical maintenance. Numerous structures require tuckpointing, window work, painting, etc. Also, many structures have been vacant or partially occupied, with the consequence of minimal maintenance work. The continued lack of a comprehensive, sustained maintenance program may lead to further decline of the area's appearance. Area-wide appearance is also poor – overhead canopies require repair and painting, as do the parking lots.

Deleterious Land Use or Layout

Deleterious layout is an area-wide condition and does not encourage further redevelopment. Layouts of buildings and parking would need to be modified significantly in order to accommodate new market-oriented uses. Many sites were designed for specific users and are currently vacant or partially occupied.

Deterioration

There are structures in the RPA that are deteriorating, whereby major rehabilitation of various structural elements such as exterior walls, roofs and foundation is warranted. Some are in need of repair due to decay, deterioration and neglect or misuse to such an extent as to warrant removal to protect the public health, safety, welfare or property values.

Excessive Vacancies

There are many structures and sites within the RPA that have experienced growing vacancy rates during the last fifteen (15) years. Many of the lots are being used for temporary parking, and debris is littered throughout the sites. Some properties have been abandoned and have not been maintained, thereby contributing to the unsightliness of the area.

Inadequate Utilities

Inadequate utilities, such as sidewalks, streets, alleys and curbs, make it difficult to flow both people and goods to points within and around the area. Existing utilities may need to be relocated in order to accommodate commercial/retail users at locations within the RPA.

In addition to the factors described above, the factors of dilapidation of structures and illegal uses are also present in a number of the structures within the area.

AMENDED ENGLEWOOD MALL TAX INCREMENT
FINANCING REDEVELOPMENT PLAN & PROJECT

Prepared For:
Department of Planning and Development
City of Chicago, Illinois

Prepared By:
ERS Enterprises, Inc.
November 17, 2008

[The original Englewood Mall Tax Increment Financing Redevelopment
Plan & Project
Was Prepared By
Kane, McKenna and Associates, Inc.
In August, 1989
And Adopted by City Council on November 29, 1989.]

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I. INTRODUCTION AND BACKGROUND

Background

The designation of the Englewood Mall Area Redevelopment Project Area ("RPA") will assist the City of Chicago in addressing the economic problems within the Englewood Community Area. The redevelopment of this area is one of the primary goals of the City of Chicago.

The RPA is generally described as follows:

Beginning at the corner of 63rd Street Parkway and South Morgan Street, the RPA generally follows northeasterly along the 63rd Street Parkway to South Halsted Street; it then heads southeasterly along the Halsted Street Parkway to West Englewood Avenue; then easterly along West Englewood Avenue to South Wallace Street; then southerly to West 63rd Street; then westerly along West 63rd Street to an imaginary line extending northerly from the western edge of City Bank and Trust; then southerly to the right-of-way of the Chicago Transit Authority elevated train line; then westerly to South Morgan Street; then northerly to the point of beginning.

At one time, the retail/commercial area located at 63rd and Halsted was one of the largest retail sales centers located in the Chicago metropolitan area. The area originally capitalized on inherent strengths- location near the commuter railroad lines, public transportation access at 63rd Street and Halsted Street, and nearby residential densities. Historically, the area served not only the Englewood community but a wider trade area as well.

During the 1940's and 1950's, there was a major population shift in Englewood, with the minority population increasing from 2% of the population in 1940 to 69% in 1960. The shift also resulted in a population increase in the area, with over 97,000 persons resided in Englewood in 1960.

As stated previously, the 63rd and Halsted area was the primary shopping area for much of the south side and some of the City's southern suburbs throughout the 1940's and early 1950's. However, by 1960, new suburban shopping centers were beginning to provide significant competition for traditional retail centers. During the early 1950's, the development of shopping malls such as Evergreen Plaza began attracting many of Englewood's customers. The later development of Ford City as an enclosed mall increased the rate of erosion of the local customer base.

In the early 1960's, attraction of suburban shopping malls had greatly affected the operation of the 63rd and Halsted area in ways that were similar to what other in-City and near-City shopping areas experienced. Available, convenient parking, expansive enclosed mall areas, and coordinated promotional activities were successful in attracting consumers away from local, once popular, shopping areas.

At the same time, many merchants and national/regional retailers concentrated on mall locations, thus improving selection and mix at mall locations. Centralized management of malls also enabled the malls to coordinate and control the tenant mix more effectively.

An increasing need for economic redevelopment in the Englewood business district in the early 1960's coincided with a national interest in expansive suburban shopping malls. An urban pedestrian mall was then created in Englewood. Major capital improvements included closing the streets in the heart of the area (63rd Street and South Halsted Street) to automobile traffic, and the construction of a perimeter roadway. Large parking lots along the perimeter of the area, expanded sidewalk areas with overhead canopies and other sidewalk furniture, and landscaping were also provided. The City razed housing, including a large number of single family units in order to accommodate the capital improvements.

However, the capital improvement construction and the creation of the Concourse commission within the area could not stem the decline of the shopping and commercial center. A number of factors contributed to the decline.

- 1) Pedestrian malls throughout the United States had declined in consumer popularity- the emphasis on convenient parking in front of stores (rather than in the rear) as well as the location decisions of certain retailers were contributing factors.
- 2) Two major anchor department stores- Sears and Wieboldt's (both formerly located within RPA boundaries) closed their operations by 1975. The Sears facility was located on one City block. Both facilities were ultimately razed and have not been replaced by comparable uses. The sites of the former Wieboldt's department store and automotive center are still vacant land.
- 3) Economic and demographic changes within the market area resulted in a population with less disposable income. Population had also declined significantly.

- 4) Retail competition from other areas significantly eroded the position of the once prominent 63rd and Halsted area. Enclosed malls such as Evergreen Plaza or Ford City presented significant competition. The Chicago Loop retail stores also attracted shoppers.
- 5) The decline of the surrounding residential community resulted in an additional loss of purchasing power for area retailers. Between 1970 and 1980, Englewood sustained a net loss of almost 6,000 housing units.
- 6) A lack of centralized control of the mall retailers resulted in a lack of coordination related to retail mix, mall hours, promotional activities and other shopper activities.

Overall, the current configuration of the mall area is obsolete by today's retailing standards in terms of parking location and availability, store layout and site location, the consumer preferences for modern malls, and store appearance. Many structures are economically obsolete due to age and depreciation of physical maintenance. The physical condition of overhead canopies, lighting, signage, and public lots is generally poor. Utility relocation may be required in some locations of the RPA in order to accommodate redevelopment. Site preparation may also be necessary in order to reconfigure parcels and improvements for more modern commercial/retail uses.

Strengths relating to residential and community access, public transportation availability, and the area's history need to be coordinated in a comprehensive approach to eradicating blighting influences. The Greater Englewood Local Development Corporation (GELDCO) has undertaken activities to attract new business and intends to remain involved in area redevelopment. However, the physical characteristic of the mall area requires coordinated public-private efforts in order to allow for any quality market redevelopment of the northern portion of the mall area.

Redevelopment Plan

The RPA as constituted would be difficult to develop solely through investment by private enterprise. It is not reasonable to anticipate substantial reuse of sites within the RPA without the adoption of a redevelopment plan that addresses the characteristics of the properties, while providing a practical method for financing the redevelopment project. The City has prepared this redevelopment plan to address its needs and meet its redevelopment goals and objectives relating to the RPA through the use of tax increment financing.

The RPA has not been subject to redevelopment through investment by private enterprises and it is not reasonably anticipated to be developed in a comprehensive manner without the adoption of a Redevelopment Plan and Project.

The City recognizes the need for implementation of various strategies to overcome existing area conditions and lack of competitiveness with other City or suburban locations. The strategies will be coordinated by the City in conjunction with the groups described below. The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act, Illinois Rev. Stat., Section 11-74.4-3 (the "Act"). Incremental real estate tax revenue generated by the RPA will play a decisive role in encouraging private development.

Existing site conditions that have precluded intensive private investment in the past will be eliminated. Through this Redevelopment Plan and Project, the City will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the City and all the taxing districts which are included in the RPA in the form of a significant expansion of the real estate tax base and employment base. The Redevelopment Plan and Project will serve to create new jobs within the City and thereby reduce unemployment within taxing districts which cover all or part of the RPA.

On June 20, 1989, the City of Chicago's Commercial District Commission adopted a resolution authorizing a study to determine the use Tax Increment Financing ("TIF") for the redevelopment of the area legally described herein in Exhibit 1 and outlined on the map in Exhibit 2. Redevelopment of the TIF area is tenable only if a portion of the public improvements are funded by TIF.

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the proposed RPA. By means of public investment, the RPA will become an improved, more viable environment that will attract private investment. The public investment will set the stage for the redevelopment of the area with private capital. Local input and assistance has been provided by key community groups, such as the Greater Englewood Local Development Corporation (GELDCO). City planning assistance and coordination has been provided by the Englewood Mall Advisory Committee (EMAC).

Pursuant to the requirement of the Act, the RPA includes only those contiguous parcels of real property and improvements thereon which are substantially benefited by the Redevelopment Plan and Project. Also in accordance with the Act, the RPA is not less than 1 ½ acres in the aggregate.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The legal description is included in Exhibit 1.

III. BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Findings

The Redevelopment Project Area was studied to determine its qualifications as a "blighted area" as such term is defined in the Act. A brief description of the qualification factors is found in Exhibit 5. In summary, the following factors were found within the RPA: age, obsolescence, depreciation of physical maintenance, inadequate utilities, deleterious land use or layout, deterioration, excessive vacancies, and structures below minimum code standards. A more comprehensive review of qualification factors is included in the Designation Report contained under separate cover.

Eligibility Survey

The entire designated Redevelopment Project Area was evaluated by the City, the Greater Englewood Local Development Corporation, and Kane, McKenna and Associates, Incorporated in July, 1989.

IV. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are presented for the RPA in accordance with the City's zoning ordinance and comprehensive plan. The Redevelopment Plan and Project also conform to the Englewood Plan, prepared by the City's Department of Planning, for the development of the area as a whole.

General Goals of the Redevelopment Plan

1. Provide jobs and potential business opportunities for community and City residents in accordance with the City's Affirmative Action goals;
2. Strengthen the existing business community and enhance local business development within the area and stimulate revitalization in the surrounding residential areas;
3. Remove obsolete and substandard structures which exert a blighting influence on the community;
4. Retain and upgrade sound buildings that are compatible with the overall redevelopment plan;
5. Identify and attract new business growth to the Englewood Mall Area that will capitalize on its inherent strengths;
6. Improve the physical environment of the RPA in order to make the area more attractive for new business location and expansion; and
7. Develop "anchor" projects that encourage retail; commercial and related mixed use (including institutional) development along the 63rd and Halsted arterials.

Specific Goals of the Redevelopment Plan

1. Create new job opportunities for community residents and City residents utilizing local hiring programs and appropriate job training programs.
2. Encourage the participation of the local development corporation in the redevelopment of the north portion of the mall to ensure that development plans are consistent with local objectives and City plans
3. Redevelop retail and commercial uses that are consistent with both community and market demands. Provide a diversified retail mix that serves community residents.

4. Utilize City owned land effectively and coordinate its use in redevelopment.
5. Provide modern, functional parking, roadway, and related public improvements that are required to enhance private investment.
6. Improve the physical appearance of the mall area.
7. Support the expansion of viable existing businesses and uses that are consistent with the overall character of redevelopment and new market uses.

Redevelopment Objectives

The purpose of the RPA designation will allow the City to:

- a. Coordinate redevelopment activities within the north portion of the Mall area in order to provide a positive marketplace signal;
- b. Reduce or eliminate blighted area factors present within the area;
- c. Accomplish redevelopment over a reasonable time period;
- d. Stimulate investment in the surrounding Englewood community; and
- e. Ensure the participation of the local development corporation and community in all phases of redevelopment of the entire mall area.

The Redevelopment Project's implementation will serve to improve the physical appearance of the entire area and contribute to the economic development of the area, arresting decline and stabilizing the area. The redevelopment of the RPA will serve as a catalyst and as an essential anchor for the overall area. Job creation associated with the project will provide new, improved employment opportunities for community and City residents.

V. REDEVELOPMENT PROJECT

A. City Redevelopment Plan and Project Objectives

The City proposes to realize its goals and objectives of encouraging development of the redevelopment project area through public finance techniques including, but not limited to, Tax Increment Financing:

- (1) By reducing interest costs of a redeveloper related to the construction, expansion or rehabilitation of redevelopment projects.
- (2) Acquisition and assembly of property;
- (3) By providing public facilities which may include:
 - i. Relocation of utilities (sewers, water lines, etc.);
 - ii. Utility improvements and expansion (including curbs and sidewalks);
 - iii. Street improvements and expansion;
 - iv. Traffic signalization and intersection improvements;
 - v. Landscaping and signage on public ways; and
 - vi. Street lighting.
- (4) Parking reconfiguration and redesign.
- (5) By providing for demolition, site preparation, clearance and grading of redevelopment sites, removal of foundation material, and site compaction, as well as appropriate relocation.
- (6) Exploration and review of job training programs in coordination with City, federal, state, and county programs.
- (7) Rehabilitation of structures, if necessary.
- (8) Encourage the construction of affordable housing units in select locations.

B. General Land Use Plan

Existing land use consists primarily of retail/commercial facilities; some institutional uses are also located within the RPA, as described in Exhibit 3. A number of vacant or partially vacant structures exist within the RPA as well. Exhibit 4, attached hereto and made a part of this plan, designates intended general land uses in the RPA. The proposed land uses will conform to the City's

comprehensive plan and the recent planning studies undertaken for the Englewood Mall area.

On the south side of 63rd Street the full block within the RPA that is between Peoria and Sangamon Streets shall have a land use designation as residential/institutional.

All redevelopment projects shall be subject to the provisions of the City Zoning Ordinance, as well as planned unit development provisions, as may be amended from time to time.

C. Redevelopment Program

Pursuant to the foregoing objectives, the City, in conjunction with local community groups such as GELDCO, will implement a coordinated program of actions to facilitate redevelopment, including, but not limited to, acquisition and assembly, provision of interest rate writedown, public improvements, demolition and/or clearance, relocation, structure rehabilitation and job training assistance.

Interest Rate Writedown

The City may enter into an agreement with developers whereby a portion of the interest cost of a construction, renovation, or rehabilitation project is paid for on an annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

Public Improvements

The City may provide public improvements in the RPA to enhance the RPA as a whole, to support the Redevelopment Project Plan and Project, and to serve the needs of City and area residents. Appropriate public improvements may include, but are not limited to:

- relocation of utilities (sewer, water lines);
- new construction and improvements of streets, alleys, curbs, sidewalks/pedestrianways and street intersections;
- improvement and extension of public utilities;
- landscaping/beautification, lighting, and signage of public properties;
- traffic signalization;
- parking improvements and parking facilities; and
- streetlighting improvements.

Acquisition

Property may be acquired by the City in order to further objectives of this Plan and enhance development alternatives for appropriate users.

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

Property, when acquired, may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for planned development. Such revenues, if any, would accrue to the special tax allocation fund for the redevelopment project.

Land Disposition

Property may be acquired by the City and may be assembled into appropriate redevelopment sites. These properties may be sold or leased by the City to a private developer or developers, in whole or in part, for redevelopment subject to the Act.

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

Demolition and Site Preparation

As determined by the types of use and market considerations, a portion or all of the existing structures may be demolished. Demolition may include removal of asbestos insulation in conformance with all environmental requirements. Should a portion of a facility be adapted for more market oriented uses, asbestos insulation may have to be removed as part of site preparation in order to accommodate development. Certain sites may also require the removal of foundation materials and compaction of fill for such sites in order to accommodate new development. Again, all removal would conform to environmental requirements. Other site preparation for reuse would also conform to appropriate environmental and other governmental regulations.

Affordable Housing Construction

The City or a developer may undertake the construction of new housing units affordable to low-income and very low-income households (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act.

Relocation

The City or the developer may provide for relocation conformant with its policies and regulations in order to accomplish the goals and objectives of the Plan, using Federal, State or municipal criteria.

Rehabilitation

The City may undertake the rehabilitation of certain structures in order to provide for the market reuse of the structures and to improve the appearance of the RPA.

Job Training

The City may assist facilities located within the RPA to obtain job training assistance. Job training and retraining programs currently available from or through other governments include but are not limited to:

- The federal Jobs Partnership Training Act (JPTA) programs administered by the City of Chicago's Mayor's Office of Employment and Training;
- The State of Illinois High Impact Training Support (HITS) program;
- Applicable local vocation educational programs;
- The State of Illinois Industrial Training Program (ITP);
- Other federal, state, county or non-profit programs that are currently available or will be developed and initiated over time.

D. Estimated Redevelopment Project Costs- Phases 1, 2, and 3

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Project. Eligible costs permitted by the Act pertinent to this Redevelopment Plan and Project are:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the Redevelopment Plan, including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided, however, that

- no charges for professional services may be based on a percentage of the tax increment collected;
2. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
 3. Costs of the construction of public works or improvements;
 4. Cost of job training and retraining projects;
 5. Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and not exceeding thirty-six (36) months thereafter, including reasonable reserves related thereto;
 6. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City by written agreement accepts and approves such costs;
 7. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or Illinois law;
 8. Payment in lieu of taxes;
 9. Costs of job training, advanced vocational education or career education, including, but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the RPA; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the

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

10. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
 - b. such payments in any one year may not exceed 30% if the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; and
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (10), then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act;
 - e. up to 75% of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
11. Instead of the eligible costs provided for in (10)(e) above, the City may pay up to 50% of the cost of construction, renovation and/or rehabilitation of all low-income 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-income and very low-income households, only the low- and very low-income households shall be eligible for benefits under the Tax Increment Allocation Redevelopment Act (the "TIF Act").

In addition, the Act provides for the following uses in conjunction with a special service area:

“An Act to provide the manner of levying or imposing taxes for the provision of special services to area within the boundaries of home rule units and non-home rule municipalities and counties”, approved September 21, 1973, as amended, then any tax increment revenues derived from the tax imposed pursuant to “An Act to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties”, approved September 21, 1973, as amended, may be used within the RPA for the purposes permitted by that Act as well as the purposes permitted by the Act.

At the time of the adoption of the RPA, City of Chicago Special Service Area No. 11 included the greater portion of the RPA (excluding the far eastern block occupied by the Southtown Theatre).

Estimated project costs are shown in Table 1. To the extent that the City or a developer has incurred redevelopment project costs prior to, but in anticipation of, the adoption of tax increment financing, the City or a developer may be reimbursed for such costs. Adjustments to the cost items listed in Table 1 are anticipated without amendment to the Redevelopment Plan.

**TABLE 1
REDEVELOPMENT PROJECT – ESTIMATED PROJECT COSTS**

<u>Program Action/ Improvement</u>	<u>Estimated Cost(s)</u>
Acquisition and Assembly	\$4,350,000
Affordable Housing Construction Costs	\$4,180,000
Infrastructure Improvements (Utilities, Streets, Traffic Signals, Streetscaping, Landscaping, etc.)	\$ 9,540,000
Demolition and/or Site Preparation and Clearance	\$ 4,590,000
Rehabilitation	\$ 1,000,000
Relocation	\$ 1,340,000
Interest Costs as Allowed under Paragraph (11) of Chapter 24, Par. 11-74.4-3 of the Act	\$ 1,410,000
Planning, Legal, Architectural, Engineering, Administrative and Other Professional Service Costs	\$ 1,420,000
Job Training, Retraining & Affirmative Action Consulting Services	\$ 1,180,000
Estimated Capitalized Interest and Costs of Issuance	\$ 2,850,000
Contingencies	<u>\$ 1,590,000</u>
ESTIMATED PHASE 1 COSTS	\$33,450,000

- (A) All cost estimates are in 2007 dollars. Adjustments to the estimated line item costs above are expected. 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 total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line items costs for redevelopment project costs.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for redevelopment project costs are to be derived principally from real property tax incremental revenues and proceeds from any municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Project.

The tax increment revenue which will be used to pay debt service on the tax increment obligations and to directly pay redevelopment costs shall be the incremental real property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, etc. in the RPA.

Other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are: the proceeds of real property sales, real property tax receipts, certain motor tax revenues, incremental local sales tax revenues, certain land lease payments, certain state and federal grants, certain investment income, and such other sources of funds and revenues as the City may, from time to time, deem appropriate.

The City may use its general fund and utilize its taxing power to sustain redevelopment projects and pay debt service on obligations issued in connection therewith to be reimbursed, if possible, from tax increment financing revenues.

F. Nature and Term of Obligations to be issued

The City may issue obligations secured by the tax increment special tax allocation fund established for the RPA pursuant to Section 11-74, 4-7 of the Act or such other funds or security as are available to the City by virtue of its home rule powers provided by the Constitution of the State of Illinois.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Project Area was adopted (i.e. no later than December 31, 2013). However, the final maturity date of any obligation issued pursuant to the Act may not be later than twenty (20) years from its respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. All obligations are to be repaid after issuance by projected and actual tax increment, other tax revenue and by such debt service revenue and sinking funds as may be provided by ordinance. The total principal and interest

payable in any year on all obligations shall not exceed the amounts available in that year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

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

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

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

The total estimated 1988 equalized assessed valuation for the RPA is approximately \$3,911,672. The Boundary Map, Exhibit 2, shows the location of the RPA.

H. Anticipated Equalized Assessed Valuation

Upon completion of the anticipated private development, assuming a Cook County, Illinois equalization factor (multiplier) of 1.9266, it is estimated that the equalized assessed valuation of real property within the RPA after the completion of the expected three phases of redevelopment will be approximately \$18,000,000.

VI. DESCRIPTION OF COMPONENTS OF REDEVELOPMENT PROJECT

A. Description of Redevelopment Project

The City will employ an implementation strategy which stresses economic feasibility whereby tax increment funds will not be initially pledged unless corresponding private investment is reasonably projected to be sufficient to generate equal or greater return of future tax revenues. Such strategy will contribute to a realistic approach in funding projects while assuring that the City has the flexibility to continue to prioritize among possible projects in meeting both City and private sector goals. The local development corporation and community have provided assistance and resources relating to the RPA. The City is expecting that they will participate in the redevelopment process. The redevelopment projects contemplated by the City and GELDCO include, but are not limited to, the following:

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

Utility Improvements: The City may make improvements, extension and adjustment in water, storm sewer, sanitary sewer, electric lighting and other utility systems. Relocation of existing utility services may also be undertaken.

Right-of-Way Improvements: The City may improve, construct, reconstruct or extend primary and secondary street right-of-ways and other such territory located on public land, on private land or through public easement on private land. Curbs and sidewalks may also be improved or reconstructed. Signalization, landscaping, signage, or related improvements may also be undertaken by the City.

Property Acquisition and Assembly: The City may acquire land within the RPA for the purpose of facilitating the assembly and preparation of property.

Demolition, Site Preparation and Clearance: The City may remove building debris, other disposal material, and excavate foundation material from site and/or grade and compact such sites as part of its redevelopment activities.

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

Relocation: The City may provide for appropriate relocation conformant to its policies and regulations.

Rehabilitation: The City may provide for the rehabilitation of certain structures in order to enhance area revitalization efforts.

Costs of Job Training: The City may implement job training programs.

Affordable Housing Construction: The City may provide for the construction of affordable housing units to enhance area revitalization efforts.

B. Commitment to Fair Employment Practices and Affirmative Action

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

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

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

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

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

VII. SCHEDULING OF THE REDEVELOPMENT PROJECT

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

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Plan is adopted (i.e. by December 31, 2013). The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental tax yield. Actual public and/or private construction activities are anticipated to be completed within ten (10) years from the adoption of this Redevelopment Plan (assuming land assembly proceeds on a timely basis; in the event that land assembly does not proceed on a timely basis, the activities described above may be completed over a longer period).

**VIII. PROVISIONS FOR AMENDING THE TAX INCREMENT
REDEVELOPMENT PLAN AND PROJECT**

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

EXHIBIT 1

Legal Description

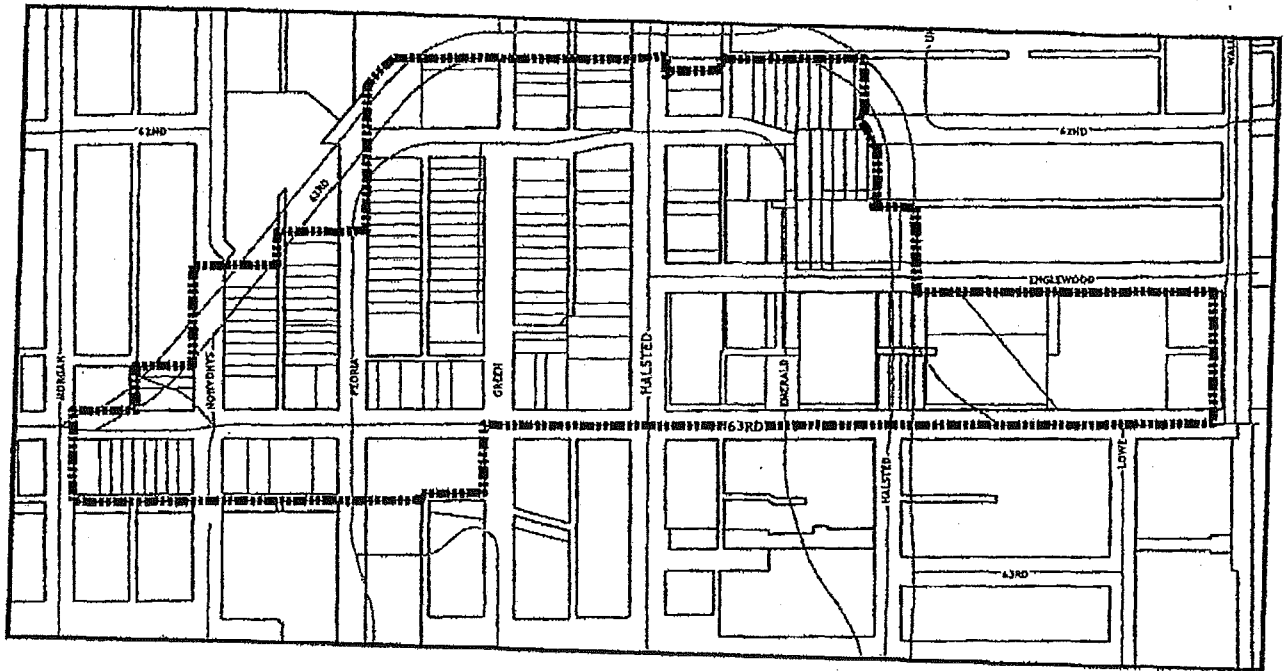
Lots 22, 23, and 24 in Block 2, Lots 6 to 21, both inclusive, 25 to 37, both inclusive, in Block 1 in Crocker's Resubdivision of the south $\frac{1}{2}$ of the west $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, Township 38 North, Range 14 East of the Third Principal Meridian, and all of Lots 1 to 5, both inclusive, in the subdivision of Lots 22, 23, and 24 in Block 1 of Crocker's subdivision aforesaid and those parts of Block 7 and 8 lying southerly of the southerly line and said southerly line extended of Lyon's Subdivision of Lots 5 and 6 in Crocker's Subdivision of the east part of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid and all of Lots 1 to 52, both inclusive, in Ehrler and Hessert's of the north $5\frac{1}{3}$ acres of the South $9\frac{1}{2}$ acres of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid and Lots 1 to 20, both inclusive, in Block 1 in the subdivision of the south $4\frac{1}{6}$ acres of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, aforesaid and Lots 1 to 6, both inclusive, Lot 7 (except the south 50 feet thereof) in County Clerk's Division of Block 2 in subdivision of the south $4\frac{1}{6}$ acres aforesaid and Lot A in consolidation of the south 50 feet of Lot 7 together with the 12-foot strip of land designated as alley lying south of and adjoining said lot in County Clerk's Division aforesaid and Lot 31 (except that part thereof taken for South Halsted Parkway) and all of Lots 32 to 46 both inclusive in Listers subdivision of the west $\frac{3}{5}$ of the south $\frac{1}{2}$ of the north $\frac{1}{2}$ of the southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of Section 16, Township 38 North, Range 14 East of the Third Principal Meridian, all of Lots 7 to 13, both inclusive in Block 2, Lots 1 to 10, both inclusive, in Block 3 the west $\frac{1}{2}$ of Lot 3 and all of Lots 4 to 38, both inclusive, in Block 4, all of Lots 1 to 46 both inclusive in Block 5, Lots 1 to 20, both inclusive in Block 6, Lots 1 to 20, both inclusive in Block 7, Lot 1 (except part taken for South Wallace Street) and all of Lots 2 to 9, both inclusive and Lot 10 (except part taken for South Wallace Street) in Block 8 in Hoyt, Canfield and Matteson's Subdivision of the south $\frac{1}{2}$ of southwest $\frac{1}{4}$ of the southwest $\frac{1}{4}$ of Section 16 aforesaid and Lots 1 to 10, both inclusive in Block 2, Lots 1 to 10, both inclusive in Block 3, and Lots 1 to 10, both inclusive in Block 4 in Lucy M. Green Addition to Chicago in Section 20, Township 38 North, Range 14 East of the Third Principal Meridian together with all vacated public streets and alleys and all public streets and alleys within, adjoining and accruing to all of aforesaid lots and blocks, and being that part

of the east $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of Section 17, Township 38 North, Range 14 East of the Third Principal Meridian, and the east $\frac{1}{2}$ of the northeast $\frac{1}{4}$ of Section 20, Township 38 North, Range 14 East of the Third Principal Meridian, bounded and particularly described as follows: commencing at the southwest corner of Lot 24 in Block 2 in Crocker's Resubdivision of the south $\frac{1}{2}$ of the west $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17 aforesaid; thence north along the west line of Lots 21 to 24 of said Block 2 in said Crocker's Resubdivision to the northwest corner of said Lot 21; thence east along the north line, and said north line extended east to the west line of Block 1 in said Crocker's Resubdivision; thence north along said west line to the northwest corner of Lot 37 in said Block 1; thence east along the north line and said north line extended east of said Lot 37 to the east line of a north and south 16-foot public alley in said Block 1; thence north along said east line to the northwest corner of Lot 6 in said Block 1; thence east along the north line, and said north line extended east, to the west line of Lot 49 in Ehrler and Hessert's Subdivision aforesaid; thence north along the west line and said west line extended north of Lots 49 to 52, both inclusive, in said Ehrler and Hessert's Subdivision to a point in the northerly line of West 63rd Parkway; thence northeasterly along the said northerly line of West 63rd Parkway to the north line of Lot 7 in Crocker's Subdivision of the east part of the southeast $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 17, aforesaid; thence east along the north line and said north line extended east of said Lot 7 to the east line of South Halsted Street; thence south along the east line of said South Halsted Street to a point 8.49 feet north of the southwest corner of Lot 31 in Lister's Subdivision aforesaid; thence northeasterly 14.14 feet to a line 18.06 feet north of the south line of said Lot 31; thence westerly along said last described line and said line extended east to the west line of Lot 35 in said Lister's Subdivision; thence north along said west line to the northwest corner of said Lot 35; thence east along the north line of Lots 35 to 46, both level, in said Lister's Subdivision to the northeast corner of said Lot 46; thence south along the east line, and said east line extended south of said Lot 46 to the north line of Block 2 in Hoyt, Canfield and Matteson Subdivision aforesaid; thence east along said north line to the northeast corner of Lot 7 in said Block 2; thence south along the east line of said Lot 7 and the east line and the east line extended south of Lot 38 in Block 4 of said Hoyt, Canfield and Matteson subdivision to the south line of an east and west 16-foot alley in said Block 4; thence east along said south line to the northeast corner of the west $\frac{1}{2}$ of Lot 3 in said Block 4; thence south along the east line of said west $\frac{1}{2}$ of Lot 3 and said east line extended south to the south line West Englewood Avenue; thence east along the south line of West Englewood Avenue to the west line of that part of South Wallace Street dedicated by

Instrument recorded June 17, 1930 as Document No. 10684217 (being the east line of the west 6 feet of Lot 1 in Block 8 in Hoyt, Canfield and Matteson Subdivision aforesaid); thence south along said west line, and said west line extended south of South Wallace Avenue to the center line of West 63rd Street; thence West along said center line of West 63rd Street to the west line, extended north, of South Green Street (being the east line extended north of Lot 1 in Block 2 in Lucy M. Green Addition to Chicago aforesaid); thence south along the east line extended north and the east line of said Lot 1 to the southeast corner of said Lot 1 (said southeast corner being a point in the north line of a 16-foot east and west public alley); thence west along said north line to the west line, extended north of north and south 16-foot public alley in said Block 2; thence South along said West line to the South line of vacated 16-foot east and west alley; thence west along said south line to the east line of South Peoria Street; thence north along said east line to the north line of said vacant east and west 16-foot alley; thence west along said north line extended west to the west line of South Peoria Drive (said point being the southeast corner of Lot 1, Block 3, said Lucy M. Green Addition to Chicago); thence west along the south line of Lots 1 to 10 in said Block 3 (said south line being the north line of east and west 16-foot public alley) and along the north line of said 16-foot alley extended west to the west line of South Sangamon Street; said point being the southeast corner of Lot 1, Block 4 in said Lucy M. Green Addition to Chicago; thence west along the south line of Lots 1 to 10 in said Block 4 (said south line being the north line of east and west 16-foot alley), to the east line of South Morgan Street (said point being the southwest corner of Lot 10 in Block 4 aforesaid); thence north along the west line of said Lot 10 to the northwest corner thereof (said northwest corner being a point in the south line of West 63rd Street); thence east along said south line of West 63rd Street to its intersection with the west line, extended south of Lot 24 in Block 2 in Crocker's Resubdivision of the south ½ of the west ½ of the southeast ¼ of the southeast ¼ of Section 17 aforesaid; thence north along said extended line to the point of beginning, Cook County, Illinois.

EXHIBIT 2

RPA BOUNDARY MAP



Legend


 Englewood Mall TIF Boundary

EXHIBIT 2: RPA BOUNDARY MAP

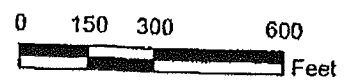
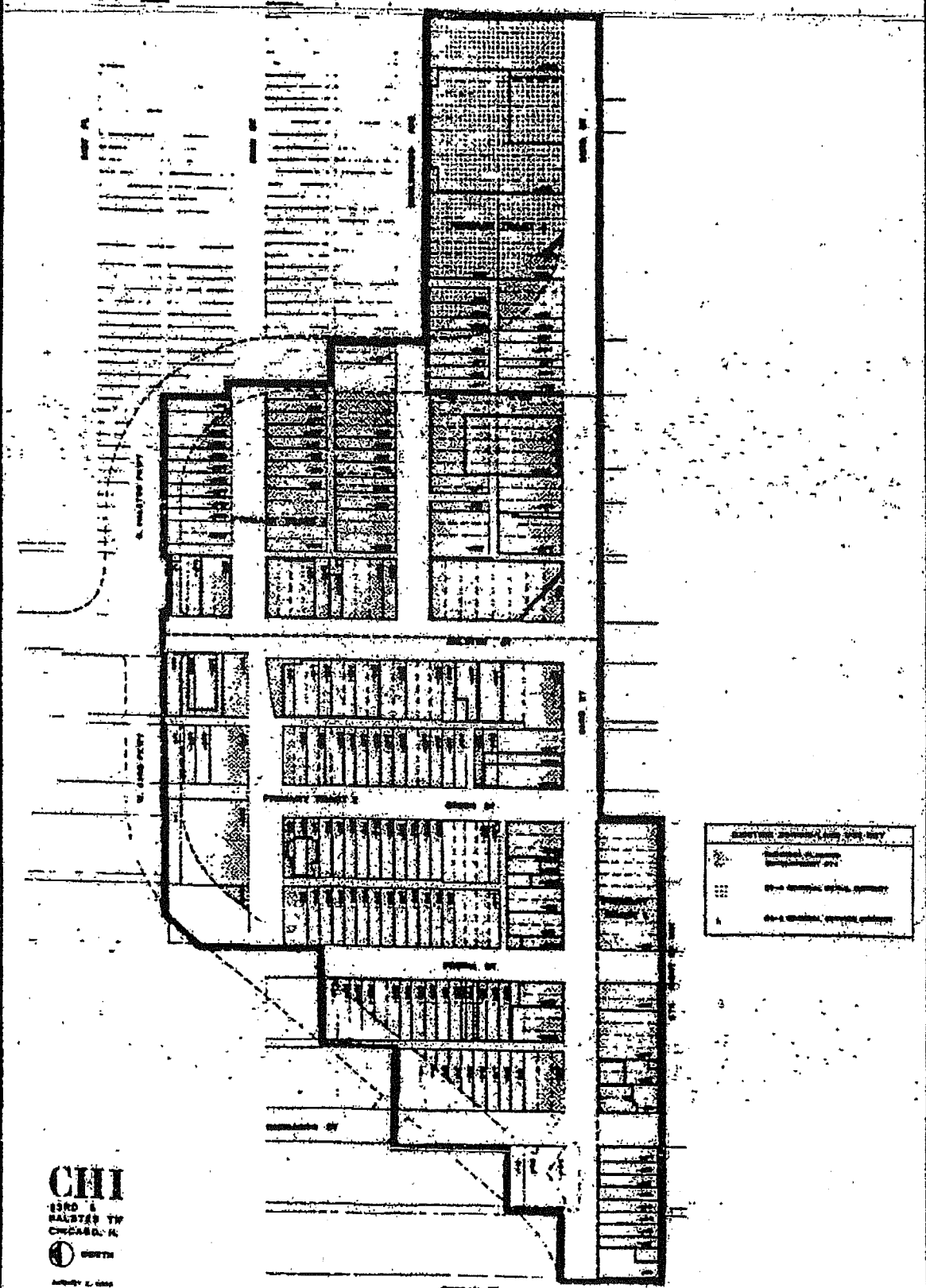


EXHIBIT 3

EXISTING LAND USE MAP



CHI
 1330 S
 HALSTED ST
 CHICAGO, IL
 60607
 (773) 581-1000
 www.chi.com

EXISTING ZONING/LAND USE - TIF REDEVELOPMENT PROJECT AREA

EXHIBIT 4

PROPOSED LAND USE MAP

EXHIBIT 5

Criteria For Qualification

The RPA was evaluated to determine the presence or absence of appropriate qualifying factors listed in the Act.

According to Section 11-74.4-3 of the Act (in pertinent part), a "blighted area" means:

Any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of 5 or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by, (1) a combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) of this subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The criteria listed in the Act were defined for purposes of the analysis are as follows:

1. Age. Simply the time which has passed since building construction was completed.
2. Illegal Use of Structure. The presence on the property of illegal uses or activities.
3. Structures Below Minimum Code Standards. Lack of conformance with local code standards of building, fire, housing, zoning, subdivision or lack of conformance with other applicable governmental codes.
4. Excessive Vacancies: When the occupancy or use level of the building is low for frequent or lengthy periods so as to represent an adverse area influence.
5. Lack of Ventilation, Light or Sanitary Facilities: Conditions which would negatively influence the health and welfare of building users.
6. Inadequate Utilities: Deficiencies in sewer, water supply, storm drainage, electricity, streets or other necessary site services.
7. Dilapidation: The condition where the safe use of the building is seriously impaired, as evidenced by substandard structural conditions; this is an advanced stage of deterioration.
8. Obsolescence: When the structure has become or will soon become ill suited for the originally designed use.
9. Deterioration: A condition where the quality of the building has declined in terms of structural integrity and/or building systems due to lack of investment, misuse or age.
10. Overcrowding of Structures and Community Facilities: A level of use beyond and designed or legally permitted level.
11. Excessive Land Coverage: Site coverage of an unacceptably high level.
12. Deleterious Land Use or Layout: Inappropriate property use or plotting, or other negative influences not otherwise covered, which discourages investment in a property.

13. Depreciation of Physical Maintenance: Decline in property maintenance which leads to building degeneration health and safety hazards, unattractive nuisances, unsightliness, property value decline and area distress.
14. Lack of Community Planning: Deficiency in local direction of growth development or redevelopment in order to maintain or enhance the viability of the area or community.

METHODOLOGY

The RPA has been evaluated in its qualification as a "blighted area" on an area-wide basis. The RPA has been evaluated according to the appropriate qualification features listed in the Act as defined above. A more comprehensive review is found under separate cover within the companion Designation Report.

Age

The majority of the buildings are over 35 years old. The physical condition of many structures as well as functional characteristics reflect outmoded retail/commercial trends (see below).

Obsolescence

The area contains single and multi-story buildings which are obsolete by current standards for more intensive commercial reuse. Economically, the condition of some structures prohibits market reuse. Overall, the RPA exhibits obsolescence on an area-wide basis -- the configuration of parking, buildings, and ingress/egress is outmoded by today's standards. Pedestrian malls are no longer considered functionally efficient.

Depreciation of Physical Maintenance

A majority of the structures within the area exhibit signs of depreciation of physical maintenance. Numerous structures require tuckpointing, window work, painting, etc. Also, many structures have been vacant or partially occupied, with the consequence of minimal maintenance work. The continued lack of a comprehensive, sustained maintenance program may lead to further decline of the area's appearance. Area-wide appearance is also poor -- overhead canopies require repair and painting, as do the parking lots.

Deleterious Land Use or Layout

Deleterious layout is an area-wide condition and does not encourage further redevelopment. Layouts of buildings and parking would need to be modified significantly in order to accommodate new market-oriented uses. Many sites were designed for specific users and are currently vacant or partially occupied.

Deterioration

There are structures in the RPA that are deteriorating, whereby major rehabilitation of various structural elements such as exterior walls, roofs and foundation is warranted. Some are in need of repair due to decay, deterioration and neglect or misuse to such an extent as to warrant removal to protect the public health, safety, welfare or property values.

Excessive Vacancies

There are many structures and sites within the RPA that have experienced growing vacancy rates during the last fifteen (15) years. Many of the lots are being used for temporary parking, and debris is littered throughout the sites. Some properties have been abandoned and have not been maintained, thereby contributing to the unsightliness of the area.

Inadequate Utilities

Inadequate utilities, such as sidewalks, streets, alleys and curbs, make it difficult to flow both people and goods to points within and around the area. Existing utilities may need to be relocated in order to accommodate commercial/retail users at locations within the RPA.

In addition to the factors described above, the factors of dilapidation of structures and illegal uses are also present in a number of the structures within the area.

STATE OF ILLINOIS)

) SS

Attachment B

COUNTY OF COOK)

CERTIFICATION

TO:

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

Barbara Byrd-Bennett
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

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

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

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

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

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

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

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

Attachment B

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

2. During the preceding fiscal year of the City, being January 1 through December 31, 2013, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

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

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

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2014.

Handwritten signature of Rahm Emanuel in black ink, written in a cursive style. The signature is positioned above a horizontal line.

Rahm Emanuel, Mayor
City of Chicago, Illinois



DEPARTMENT OF LAW

CITY OF CHICAGO

June 30, 2014

Attachment C

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

Barbara Byrd-Bennett
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

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69 W. Washington Street, Suite 2060
Chicago, IL 60602

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

Re: Englewood Mall
Redevelopment Project Area (the "Redevelopment Project
Area")

Dear Addressees:

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


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

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

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

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

Very truly yours,


Stephen R. Patton
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

CITY OF CHICAGO
JOINT REVIEW BOARD

ORIGINAL

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on August 2, 2013, at 10:06 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Ms. Beth Meier Tomlins.

PRESENT:

MS. BETH MEIER TOMLINS, CHAIRPERSON
MS. SUSAN MAREK
MR. DARRYL HOLMES
MS. COLLEEN STONE
MS. CHARLOTTE JENKINS
MS. LOLETIA RANGE

1 ~~MS. JENKINS: Thank you.~~

2 ~~(Whereupon the above matter was~~
3 ~~concluded.)~~

4 CHAIRPERSON TOMLINS: This is the beginning of
5 the Englewood Mall Amendment Number 2 JRB Meeting. For
6 the record, my name is Elizabeth Tomlins. I'm the
7 representative of the Chicago Park District which under
8 Section 11-74.4-5 of the Tax Increment Allocation
9 Redevelopment Act is one of the statutorily designated
10 members of the Joint Review Board. Until election of a
11 chairperson, I will moderate this Joint Review Board
12 meeting.

13 For the record, this will be a meeting to
14 review the proposed Amendment Number 2 to the Englewood
15 Mall Tax Increment Financing District. The date of this
16 meeting was announced at and set by the Community
17 Development Commission of the City of Chicago at its
18 meeting of July 9th, 2013. Notice of this meeting of
19 the Joint Review Board was also provided by certified
20 mail to each taxing district represented on the Board,
21 which includes the Chicago Board of Education, the
22 Chicago Community Colleges District 508, the Chicago
23 Park District, Cook County and the City of Chicago.

1 Public notice of this meeting was also posted as of
2 Wednesday, July 31st, 2013 in various locations
3 throughout City Hall.

4 When a proposed redevelopment plan would
5 result in displacement of residents from 10 or more
6 inhabited residential units, or would include 75 or more
7 inhabited residential units, the TIF Act requires that
8 the public member of the Joint Review Board must reside
9 in the proposed redevelopment project area.

10 In addition, if a municipality's housing
11 impact study determines that the majority of residential
12 units in the proposed redevelopment project area are
13 occupied by very low, low or moderate income households
14 as define in Section 3 of the Illinois Affordable
15 Housing Act, the public member must be a person who
16 resides in a very low, low or moderate income housing
17 within the proposed redevelopment project area.

18 With us today is Loletia Range. Are you
19 familiar with the boundaries of the Englewood Mall Tax
20 Increment Financing District?

21 MS. RANGE: Yes.

22 CHAIRPERSON TOMLINS: What is the address of
23 your primary residence?

1 MS. RANGE: 901 West 63rd Street.

2 CHAIRPERSON TOMLINS: Is such address within
3 the boundaries of the Englewood Mall Tax Increment
4 Financing District?

5 MS. RANGE: Yes.

6 CHAIRPERSON TOMLINS: Have you provided
7 representatives of the City of Chicago's Department of
8 Housing and Economic Development with accurate
9 information concerning your income and the income of any
10 other members of the household residing at such address?

11 MS. RANGE: Yes.

12 CHAIRPERSON TOMLINS: Ms. Range, are you
13 willing to serve as the public member of the Joint
14 Review Board for the Englewood Mall Tax Increment
15 Financing District?

16 MS. RANGE: Yes.

17 CHAIRPERSON TOMLINS: I will entertain a
18 motion that Loletia Range be selected as the public
19 member. Is there a motion?

20 MR. HOLMES: So moved.

21 CHAIRPERSON TOMLINS: Is there a second?

22 MS. MAREK: Second.

23 CHAIRPERSON TOMLINS: All in favor please vote

1 by saying aye.

2 (Chorus of ayes.)

3 CHAIRPERSON TOMLINS: All opposed please vote
4 by saying no.

5 Let the record reflect that Loletia Range
6 has been selected as the public member for the Englewood
7 Mall Tax Increment Financing District.

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

11 MS. STONE: I nominate Beth Tomlins.

12 CHAIRPERSON TOMLINS: Is there a second?

13 MR. HOLMES: Second.

14 CHAIRPERSON TOMLINS: Great. Are there any
15 other nominations? Let the record reflect there are no
16 other nominations. All in favor of the nomination
17 please vote by saying aye.

18 (Chorus of ayes.)

19 CHAIRPERSON TOMLINS: All opposed please vote
20 by saying no. Let the record reflect that Beth Tomlins
21 has been elected as chairperson and will now serve as
22 the chairperson for the remainder of the meeting.

23 Okay, we are now going to have a

1 presentation on the second tax increment by S.B.
2 Friedman.

3 MS. WALTON: Good morning everyone. I'm
4 Jewell Walton, I'm with S.B. Friedman and Company. Our
5 firm was hired to conduct Amendment Number 2 to the
6 Englewood Mall TIF. Just to give you a little bit of
7 orientation and background, the Englewood Mall TIF was
8 established in, originally in November of 1989. There
9 was one amendment that was done in December, 2008, which
10 changed the future land use in certain locations. The
11 TIF district was set to expire originally this year, by
12 the end of this year, including the 24th year of tax
13 collections, but the state legislature in August, 2009
14 approved for the extension of this TIF district for
15 another 12 years.

16 Therefore, our work included extending
17 the Englewood Mall TIF District to 2024, per legislative
18 action; we also updated the TIF plans budget to reflect
19 the time extension. In certain areas we changed the
20 future land use to accommodate the expected new
21 development, and at this time there were no parcels
22 identified for acquisition.

23 The Englewood Mall TIF boundaries remain

1 the same as originally established in 1989, it's the
2 63rd and Parkway to the north, to the south is 63rd
3 Street, to the east is Wallace Street and to the west is
4 Morgan Street.

5 Our specific work steps included
6 preparing the amendment document, refreshing dates,
7 timelines and EAV, Equalized Assessed Value
8 expectations. We prepared projections, just briefly to
9 estimate new budget for the TIF district to extend the
10 additional 12 years. We confirmed the TIF boundaries
11 since this is adjacent to the Englewood neighborhood TIF
12 to the north. We did a future land use map to
13 accommodate anticipated new development activity, and we
14 also compiled residential and taxpayer mailing lists to
15 notify the public of the amendment process.

16 The two major items that were of focus
17 with this particular amendment document were the budget
18 and the land use changes. The original budget was \$20
19 million set forth in 1989. Based on the general
20 projections that were prepared as well as a five percent
21 increase that's allowed by the TIF Act, we increased the
22 budget to 37.3 million.

23 That includes allocations primarily along

1 the lines of public works, and was 10.6 million,
2 demolition and site prep, 5.1 million, recently was
3 increased to 4.8 million and eligible costs,
4 construction costs including affordable housing was 4.7
5 million. There are other allocations for job training
6 and professional services costs.

7 In terms of the future land use
8 designation, which is also indicated here with the
9 boundary of the area that's kind of dotted here to the
10 west, was changed to accommodate residential development
11 as I understand that there are proposals to potentially
12 include senior housing, I'm not aware of the actual site
13 plan, but just to cover our bases, we just adjusted the
14 land use to the west here to accommodate that as an
15 additional land use. The previous plan already included
16 commercial, retail and institutional uses as acceptable
17 uses.

18 So beyond that we compared the amendment
19 document and its gone through review with HED and the
20 Law Department, it has been submitted to the clerk. And
21 with that I'm open to answering any questions that the
22 Joint Review Board may have.

23 MR. HOLMES: Madame Chair, what kind of

1 infrastructure operations do you anticipate in there,
2 and how many jobs might be associated, or training might
3 be associated within the TIF district?

4 MS. WALTON: At this time it's not clear the,
5 I understand that there have been some proposals that
6 have come before HED, but I actually do not have the
7 details or the site plans or jobs associated with that
8 at this time.

9 MS. MAREK: In your EAV calculations, was
10 there a downturn in the EAV with the economic crisis, or
11 did it stay pretty, was there any loss and now it's
12 coming back up or?

13 MS. WALTON: It's at, I'll look back at some
14 of my detailed notes on that, but I believe as with most
15 places that it was a little bit of that, but it is
16 beginning to come back up. So when you get --
17 projections, a very moderate increase in EAV increases,
18 just to be conservative.

19 MR. HOLMES: I know that suggestion to
20 Kennedy-King or within that institutional area, what's
21 the proper primary zoning in that area, I didn't see
22 that identified.

23 MS. WALTON: Oh, I believe that the, most of

1 the frontage is commercial, but I'm not sure of the
2 exact zoning for some of the broader areas. I believe
3 that's something, again, that I have, and I can make
4 available. But at the present time off the top of my
5 head I believe most of the frontage is zoned commercial
6 with allowance for institutional uses.

7 MR. HOLMES: Okay. Any anticipated
8 displacement?

9 MS. WALTON: No.

10 MR. HOLMES: Or demolition?

11 MS. WALTON: No.

12 MR. HOLMES: Thank you. No public, no
13 elementary schools, TPS has no presence there?

14 MS. WALTON: No.

15 MR. HOLMES: Okay. Thank you, Madame Chair.

16 CHAIRPERSON TOMLINS: Okay. Are there any
17 other questions? Thank you.

18 MS. WALTON: Thank you.

19 CHAIRPERSON TOMLINS: So we just listened to a
20 presentation by S.B. Friedman. I have to go back and
21 read a couple paragraphs I missed, so we reviewed the
22 plan, Englewood Mall TIF District Amendment 2 proposed
23 by the City of Chicago. Staff of the City's Department

1 of Housing and Economic Development and Law and other
2 departments have reviewed this plan amendment which was
3 entered into the City's Community Development Commission
4 by the City of Chicago at its meeting July 9th, 2013.
5 We listened to the presentation by the consultant on the
6 amendment.

7 Following the presentation we addressed
8 questions that the members might have. An amendment to
9 the TIF Act requires us to base our recommendation to
10 approve or disapprove the proposed Englewood Mall TIF
11 District Amendment Number 2 on the basis of the area and
12 the plan satisfying the plan requirements, the
13 eligibility criteria defined in the TIF Act and the
14 objectives of the TIF Act.

15 If the Board approves the plan amendment,
16 the Board will then issue an advisory, non-binding
17 recommendation by the vote of the majority of those
18 members present and voting. Such recommendations shall
19 be submitted to the City within 30 days after the Board
20 meeting. Failure to submit such recommendations shall
21 be deemed to constitute approval by the Board.

22 If the Board disapproves the plan
23 amendment, the Board must issue a written report

1 describing why the plan and area failed to meet one or
2 more of the objectives of the TIF Act, and both the plan
3 requirements and eligibility criteria of the TIF Act.

4 The City will then have 30 days to
5 resubmit a revised plan. The Board and City must also
6 confer during this time to try and resolve the issues
7 that led to the Board's disapproval. If such issues
8 cannot be resolved, or if the revised plan disapproved,
9 the City may proceed with the plan, but the plan can be
10 approved only with a three-fifths vote of the City
11 Council, excluding positions of members that are vacant,
12 and those members that are ineligible to vote because of
13 conflicts of interest.

14 All right, if there are no further
15 questions, I will entertain a motion that this Joint
16 Review Board finds that the proposed Amendment Number 2
17 to Englewood Mall Tax Increment Financing District
18 satisfies the redevelopment plan requirements under the
19 TIF Act, the eligibility criteria defined in Section 11-
20 74.4-J of the TIF Act, and the objectives of the TIF
21 Act, and that based on such findings approve such a
22 proposed plan under the TIF Act.

23 MR. HOLMES: I'm sorry, I had another question

1 for the developer.

2 CHAIRPERSON TOMLINS: Oh, sure.

3 MR. HOLMES: I think in there one of the
4 proposed developments would be a high rise of
5 residential units. Where is that?

6 MS. WALTON: Well, the proposal for one?

7 MR. HOLMES: Yeah.

8 MS. WALTON: Okay, I know, because there isn't
9 any existing residential building that is here, which is
10 the darker red, which was part of the amendment in 2008.

11 But I believe that high rise is actually taking place
12 where, exactly where, I don't, I'm not going '--

13 MR. HOLMES: Okay, but that's still, that's --

14 MS. WALTON: That's part of the reason that we
15 changed the land use, to accommodate that.

16 MR. HOLMES: Okay. Are those the only
17 residences that are, new residences that are
18 anticipated?

19 MS. WALTON: That I'm aware of, yes.

20 MR. HOLMES: Are you aware of any more, ma'am?

21 MS. RANGE: Yes.

22 MR. HOLMES: You are aware of some more
23 residences, or are you aware of just this one?

1 MS. RANGE: No, I'm aware it's just this one.

2 MR. HOLMES: Okay, very good. Thank you,
3 Madame Chair. Thank you.

4 CHAIRPERSON TOMLINS: Any other questions?
5 All right, is there a motion?

6 MR. HOLMES: So moved.

7 CHAIRPERSON TOMLINS: Have we got a second?

8 MS. MAREK: Second.

9 CHAIRPERSON TOMLINS: Is there any further
10 discussion? If not, all in favor please vote by saying
11 aye.

12 (Chorus of ayes.)

13 CHAIRPERSON TOMLINS: All opposed please vote
14 by saying no. Let the record reflect that the Joint
15 Review Board 's approval of the proposed Amendment
16 Number 2 to the Englewood Mall Tax Increment Financing
17 District under the TIF Act. And this meeting is now
18 adjourned.

19 (Whereupon the meeting adjourned at 11:00
20 a.m.)

21

22

23

1 STATE OF ILLINOIS)
2) SS.
3 COUNTY OF C O O K)
4
5

6 I, CAROL ROBERTSON, depose and
7 say that I am an electronic reporter doing
8 business in the State of Illinois; that I
9 reported verbatim the foregoing proceedings
10 and that the foregoing is a true and correct
11 transcript to the best of my knowledge and
12 ability.

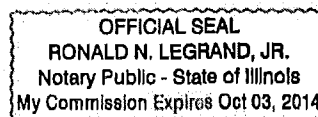
13
14 
15

16 CAROL ROBERTSON

17
18 SUBSCRIBED AND SWORN TO
19 BEFORE ME THIS 15th DAY OF
20 August, A.D. 2013.

21 
22

23 NOTARY PUBLIC



CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2013

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

C O N T E N T S

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Englewood Mall Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Project's basic financial statements as listed in the table of contents.

The financial statements present only the Englewood Mall Redevelopment Project and do not purport to, and do not present fairly the financial position of the City of Chicago, Illinois, as of December 31, 2013, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Englewood Mall Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

June 30, 2014

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the Englewood Mall Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2013. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

Governmental Fund Financial Statements

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

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

Notes to the Financial Statements

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

Other Supplementary Information

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

Condensed Comparative Financial Statements

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

Analysis of Overall Financial Position and Results of Operations

Property tax revenue for the Project was \$190,528 for the year. This was a decrease of 25 percent over the prior year. The change in net position produced a decrease in net position of \$143,329. The Project's net position decreased by 3 percent from the prior year making available \$4,973,280 of funding to be provided for purposes of future redevelopment in the Project's designated area. Expenses increased this year due to the Project's formulation of a redevelopment plan or necessary funding was substantially complete and available.

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Concluded)

Government-Wide

	<u>2013</u>	<u>2012</u>	<u>Change</u>	<u>% Change</u>
Total assets	\$ 5,314,661	\$ 5,169,390	\$ 145,271	3%
Total liabilities	<u>341,381</u>	<u>52,781</u>	<u>288,600</u>	547%
Total net position	<u>\$ 4,973,280</u>	<u>\$ 5,116,609</u>	<u>\$ (143,329)</u>	-3%
Total revenues	\$ 210,852	\$ 292,780	\$ (81,928)	-28%
Total expenses	<u>354,181</u>	<u>125,033</u>	<u>229,148</u>	183%
Other financing uses	<u>-</u>	<u>503,000</u>	<u>(503,000)</u>	-100%
Changes in net position	<u>(143,329)</u>	<u>(335,253)</u>	<u>191,924</u>	57%
Ending net position	<u>\$ 4,973,280</u>	<u>\$ 5,116,609</u>	<u>\$ (143,329)</u>	-3%

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2013

<u>ASSETS</u>	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Cash and investments	\$ 5,045,679	\$ -	\$ 5,045,679
Property taxes receivable	259,000	-	259,000
Accrued interest receivable	9,982	-	9,982
Total assets	<u>\$ 5,314,661</u>	<u>\$ -</u>	<u>\$ 5,314,661</u>
<u>LIABILITIES AND DEFERRED INFLOWS</u>			
Vouchers payable	\$ 228,649	\$ -	\$ 228,649
Due to other City funds	109,571	-	109,571
Other accrued liability	3,161	-	3,161
Total liabilities	<u>341,381</u>	<u>-</u>	<u>341,381</u>
Deferred inflows	<u>250,502</u>	<u>(250,502)</u>	<u>-</u>
<u>FUND BALANCE/NET POSITION</u>			
Fund balance:			
Restricted for future redevelopment project costs	<u>4,722,778</u>	<u>(4,722,778)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 5,314,661</u>		
Net position:			
Restricted for future redevelopment project costs		<u>4,973,280</u>	<u>4,973,280</u>
Total net position		<u>\$ 4,973,280</u>	<u>\$ 4,973,280</u>

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

Total fund balance - governmental fund	\$ 4,722,778
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<u>250,502</u>
Total net position - governmental activities	<u>\$ 4,973,280</u>

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

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 239,594	\$ (49,066)	\$ 190,528
Interest	20,324	-	20,324
	<hr/>	<hr/>	<hr/>
Total revenues	259,918	(49,066)	210,852
Expenditures/expenses:			
Economic development projects	354,181	-	354,181
	<hr/>	<hr/>	<hr/>
Excess of expenditures over revenues	(94,263)	94,263	-
Change in net position	-	(143,329)	(143,329)
Fund balance/net position:			
Beginning of year	4,817,041	299,568	5,116,609
	<hr/>	<hr/>	<hr/>
End of year	<u>\$ 4,722,778</u>	<u>\$ 250,502</u>	<u>\$ 4,973,280</u>

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

Net change in fund balance - governmental fund	\$ (94,263)
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<hr/> (49,066)
Change in net position - governmental activities	<hr/> <u>\$ (143,329)</u>

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

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In November 1989, the City of Chicago (City) established the Englewood Mall Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the special revenue funds of the City.

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

The accompanying financial statements of the Project have been prepared in conformity with generally accepted accounting principles as prescribed by the Government Accounting Standards Board (GASB). Effective January 2013, GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, standardized the presentation of deferred outflows and inflows of resources and their effect on the Project's net position. The financial impact resulting from the implementation of GASB Statement No. 63 is primarily the change in terminology from Net Assets to Net Position. In addition, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, was implemented to establish accounting and financial reporting standards that reclassify as deferred inflows of resources, certain items that were previously reported as liabilities and recognizes, as inflows of resources, certain items that were previously reported as liabilities.

Previously, GASB Statement No. 34 (as amended) was implemented and included the following presentation:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Project's overall financial position and results of operations.
- Government-wide financial statements prepared using the economic resources measurement focus and the *accrual basis of accounting* for all the Project's activities.
- Fund financial statements, which focus on the Project's governmental funds *current financial resources measurement focus*.

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

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

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

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

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

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

(d) *Assets, Liabilities and Net Position*

Cash and Investments

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

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

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

Deferred Inflows

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

Capital Assets

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

(e) *Stewardship, Compliance and Accountability*

Illinois Tax Increment Redevelopment Allocation Act Compliance

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

Reimbursements

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

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Concluded)

Note 2 – Commitments

The City has pledged certain amounts solely from available excess incremental taxes to provide financial assistance to a developer under the terms of a redevelopment agreement for the purpose of paying costs of certain eligible redevelopment project costs.

As of December 31, 2013, the Project has entered into contracts for approximately \$116,000 for services and construction projects.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
ENGLEWOOD MALL REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ 27,393
Costs of the construction of public works or improvements	<u>326,788</u>
	<u>\$ 354,181</u>



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INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Englewood Mall Redevelopment Project of the City of Chicago, Illinois, which comprise the statement of net position and governmental fund balance sheet as of December 31, 2013, and the related statement of activities and governmental fund revenues, expenditures and changes in fund balance for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated June 30, 2014.

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

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

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

Bansley and Kiener, L.L.P.

Certified Public Accountants

June 30, 2014