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MEETING OF THE JOINT  
REVIEW BOARD

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Re: Diversey/Chicago River Tax  
Increment Financing District  
Redevelopment Project Area

5

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

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Friday, June 3, 2016  
10:12 a.m.

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PRESENT:

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Elizabeth Tomlins, Chairperson, Park District

12

Susan Marek, Board of Education

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Constance Kravitz, City Colleges of Chicago

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Jose Elizondo, Public Member

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Raquel Torres, Spanish Interpreter

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Ann T. Moroney, Johnson Research Group

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Aarti Kotak, Department of Planning & Development

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Kevin Bargnes, Department of Planning & Development

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Chip Hastings, Department of Planning & Development

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JoAnn Worthy, Department of Planning & Development

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Terrence Johnson, Department of Planning &  
Development

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Reported by: Leanna Z. Michas  
CSR No. 084-004748

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1           CHAIRPERSON TOMLINS: Okay. We're going  
2 to go ahead and get started.

3                   Thank you, everyone, for attending  
4 the meeting. We usually do not get such a  
5 wonderful crowd. I am a government junkie,  
6 so appreciate the public participation.

7                   I wanted to outline one thing very  
8 quickly. This is the Joint Review Board Meeting.  
9 It is always open to the public to be here, and to  
10 experience, and to hear and learn; however, there  
11 is no public comment period during this meeting.  
12 I do recommend, if you have public comments, to  
13 bring them to the City Council meeting on July 12th.

14                   And what time is that meeting?

15           MS. WORTHY: It's at 1:00 o'clock in the City  
16 Council chambers. It's the Community Development  
17 Commission public hearing. Many of you will  
18 receive a public hearing notice about it.

19           CHAIRPERSON TOMLINS: So, in general, I right  
20 now am going to say a lot of standard language that  
21 we have to just have on the record. I usually go  
22 very quickly. I will speak more slowly this time  
23 because we have people actually here to hear. And  
24 then we'll see -- have a presentation by the

1 consultants on the proposed plan.

2 All right. So I'm just going to go  
3 ahead and get started.

4 For the record, my name is Elizabeth  
5 Tomlins. I am the representative of the Chicago  
6 Park District, which, under Section 11-74.4-5 of  
7 the Tax Increment Allocation Redevelopment Act,  
8 is one of the statutorily designated members of  
9 the Joint Review Board. Until election of a  
10 chairperson, I will moderate the Joint Review  
11 Board meeting.

12 For the record, there will be a  
13 meeting of the Joint Review Board. This meeting is  
14 to review the proposed Diversey/Chicago River Tax  
15 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  
18 its meeting of May 10th, 2016.

19 Notice of this meeting of the Joint  
20 Review Board was also provided by certified mail  
21 to each taxing district represented on the Board,  
22 which includes the Chicago Board of Education, the  
23 Chicago Community Colleges District 508, the  
24 Chicago Park District, Cook County, and the City

1 of Chicago.

2 Public notice of this meeting was  
3 also posted as of Wednesday, June 1st, 2016, in  
4 various locations throughout City Hall.

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

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

21 With us today is Jose "Elizodo."

22 "Zoe-doe"?

23 MS. TORRES: Zondo.

24 CHAIRPERSON TOMLINS: "Zon-doe"?

1 MR. ELIZONDO: Elizondo.

2 CHAIRPERSON TOMLINS: Elizondo.

3 Mr. Elizondo, are you familiar with  
4 the boundaries of the proposed Diversey/Chicago  
5 River Tax Increment Financing Redevelopment Project  
6 Area?

7 MR. ELIZONDO: Yes.

8 CHAIRPERSON TOMLINS: And what is the address  
9 of your primary residence?

10 MR. ELIZONDO: 2723 North Hoyne.

11 CHAIRPERSON TOMLINS: Is such address within  
12 the boundaries of the proposed Diversey/Chicago  
13 River Tax Increment Financing Redevelopment Project  
14 Area?

15 MR. ELIZONDO: Yes.

16 CHAIRPERSON TOMLINS: Have you provided  
17 representatives of the City of Chicago's  
18 Department of Planning and Development with  
19 accurate information concerning your income and  
20 the income of any other members of the household  
21 residing at such address?

22 MR. ELIZONDO: Um-hmm.

23 CHAIRPERSON TOMLINS: Mr. Elizondo, are you  
24 willing to serve as the public member for the Joint

1 Review Board for the proposed Diversey/Chicago  
2 River Tax Increment Financing Redevelopment Project  
3 Area?

4 MR. ELIZONDO: Yes.

5 CHAIRPERSON TOMLINS: I will entertain a  
6 motion that Jose Elizondo be selected as the public  
7 member.

8 Is there a motion?

9 MS. KRAVITZ: Motion.

10 CHAIRPERSON TOMLINS: Is there a second?

11 MS. MAREK: Second.

12 CHAIRPERSON TOMLINS: All in favor, please  
13 vote by saying aye.

14 (Chorus of ayes.)

15 CHAIRPERSON TOMLINS: All opposed, please  
16 vote by saying no.

17 (No response.)

18 CHAIRPERSON TOMLINS: Let the record reflect  
19 that Jose Elizondo has been selected as the public  
20 member for the proposed Diversey/Chicago River Tax  
21 Increment Financing Redevelopment Project Area.

22 Our next order of business -- and  
23 thank you for your time, Mr. Elizondo.

24 MR. ELIZONDO: Yes.

1 CHAIRPERSON TOMLINS: Is there a second  
2 nomination -- oh. The next order of business is to  
3 select a chairperson for this Joint Review Board.

4 Are there any nominations?

5 MS. MAREK: I'll nominate Beth Tomlins.

6 CHAIRPERSON TOMLINS: Is there a second  
7 nomination?

8 MS. KRAVITZ: I will second that.

9 CHAIRPERSON TOMLINS: Are there any other  
10 nominations?

11 (No response.)

12 CHAIRPERSON TOMLINS: Let the record reflect  
13 that there were no other nominations.

14 All in favor, please vote by saying  
15 aye.

16 (Chorus of ayes.)

17 CHAIRPERSON TOMLINS: All opposed, please  
18 vote by saying no.

19 (No response.)

20 CHAIRPERSON TOMLINS: Let the record reflect  
21 that Beth Tomlins -- that's me -- has been selected  
22 as chairperson and will now serve as chairperson  
23 for the remainder of the meeting.

24 Thank you for the honor.

1                   Okay. So, as I mentioned, at  
2 this meeting, we will be reviewing a plan for  
3 the proposed Diversey/Chicago River Tax Increment  
4 Financing District proposed by the City of Chicago.

5                   Staff of the City's Departments of  
6 Planning and Development and Law and other  
7 departments have reviewed this plan, which was  
8 introduced at the City's Community Development  
9 Commission on May 10th, 2016.

10                  We will listen to a presentation  
11 by the consultant on the plan. Following the  
12 presentation, we can address any questions the  
13 members might have for the consultant or City  
14 staff.

15                  An amendment to the TIF Act  
16 requires us to base our recommendation to approve  
17 or disapprove the proposed Diversey/Chicago River  
18 Tax Increment Financing District on the basis  
19 of the area and the plan satisfying the plan  
20 requirements, the eligibility criteria defined  
21 in the TIF Act, and objectives of the TIF Act.

22                  If the Board approves the plan,  
23 the Board will then issue an advisory, nonbinding  
24 recommendation by the vote of the majority of those



1 members present and voting. Such recommendations  
2 shall be permitted to the City within 30 days  
3 after the Board meeting. Failure to submit such  
4 recommendation shall be deemed to constitute  
5 approval by the Board.

6                   If the Board disapproves the plan,  
7 the Board must issue a written report describing  
8 why the plan and area fail to meet one or more  
9 of the objectives of the TIF Act and both the plan  
10 requirements and the eligibility criteria of the  
11 TIF Act.

12                   The City will then have 30 days to  
13 resubmit a revised plan.

14                   The Board and the City must also  
15 confer during this time to try and resolve the  
16 issues that led to the Board's disapproval. If  
17 such issues cannot be resolved or if the revised  
18 plan is disapproved, the City may proceed with the  
19 plan, but the plan can be approved only with a  
20 three-fifths vote of the City Council, excluding  
21 positions of members that are vacant and those  
22 members that are ineligible to vote because of  
23 conflicts of interest.

24                   Okay. We will now hear a

1 presentation by the consultants on the project,  
2 Johnson Research Group, Incorporated.

3 Thank you.

4 MS. MORONEY: Good morning. My name is Ann  
5 Moroney with Johnson Research Group. Pleased to  
6 be here today and talk to you about the Diversey  
7 Avenue/Chicago River TIF District.

8 Today we're going to talk a little  
9 bit about the project area; where it is, summary of  
10 the TIF eligibility, conditions that we looked at  
11 and criteria that we reviewed, the housing impact  
12 study that was required by law, a summary of some  
13 highlights from the redevelopment plan, including  
14 the budget.

15 The Diversey/Chicago River TIF is  
16 at the corner of Clybourn, Damen, and Diversey.  
17 It's right along the river. It's 21 acres in size.  
18 There are 18 Lathrop Home buildings included. You  
19 can see the green project area around it.

20 The -- on the north, the boundary  
21 is Wellington Avenue. On the west, the boundary is  
22 Leavitt Avenue and the Chicago River. On the east  
23 is Clybourn Avenue and Damen Avenue. And on the  
24 south is an irregular line that follows the

1 frontage buildings on South Diversey.

2 As I said, there are 18 homes --  
3 or 18 buildings in the project area. There are  
4 a total of 570 residential units within those  
5 18 buildings, and there are two non-residential  
6 buildings, including -- oh.

7 Oh, there we go. Sorry, pressed the  
8 wrong button.

9 There's a community center right  
10 here (indicating), and there is an administration  
11 building at the corner of Clybourn, Damen, and  
12 Diversey.

13 The area is located at the nexus  
14 of two community areas. North Center lies from  
15 Diversey north, and Lincoln Park lies from Diversey  
16 south.

17 The Lathrop Homes development, which  
18 includes all of these buildings you see here, is  
19 part of a historic district listed on the National  
20 Register of Historic Places as of 2012.

21 We reviewed a number of documents,  
22 we did a physical assessment of the buildings, and  
23 we identified -- we reviewed the criteria in the  
24 TIF Act. In order to qualify as a conservation

1 area, 50 percent of the buildings must be 35 years  
2 of age or older. All of the buildings are 35 years  
3 of age or older. They -- 17 of the 18 buildings  
4 were built in 1937, and the one building, community  
5 center, was built in the 1960s.

6 There are six out of 13 possible  
7 factors present in the project area. Three are  
8 required for qualification as a conservation area.  
9 Factors found present include obsolescence,  
10 deterioration, structures below code, excessive  
11 vacancies, inadequate utilities, excessive land  
12 coverage, and overcrowding of structures.

13 And on the next couple pages, we  
14 have a couple examples of what you'll find there.  
15 This (indicating) is an example of obsolescence,  
16 obsolete mechanical utilities. Deterioration both  
17 in the minor and major portions of the building,  
18 and deterioration on the site as well.

19 This (indicating) is an example  
20 of structures below code. The -- none of the  
21 buildings are ADA-compliant, although efforts have  
22 been made over the year to -- over the years to try  
23 to adapt. But none of these adaptations meet code  
24 for American -- or Americans with Disabilities Act

1 requirements.

2                   As part of the TIF statute, if  
3 a project area has 75 or more units -- 75 or more  
4 residential units in the area or if ten or more  
5 occupied units may be displaced, a housing impact  
6 study is required.

7                   For purposes of this study, we defined  
8 relocation, including on-the-site relocation, as  
9 displacement. We found that there are 67 occupied  
10 units. They are all located here in these  
11 (indicating) southern buildings, and those will  
12 be -- those will experience displacement in the  
13 form of relocation. 18 of those units located over  
14 here (indicating) will be temporarily displaced  
15 during construction, and then upon completion of  
16 the project, all the residents, all 67 occupied  
17 units, will be offered a home in the renovated  
18 project area. So they will never be asked to  
19 leave the project area, as you see described here.

20               MS. MAREK: Ann, can I ask a question?

21                   What are those two buildings that  
22 look like they're kind of outside of the boundary?

23               MS. MORONEY: Up here (indicating)?

24               CHAIRPERSON TOMLINS: To the left of --

1 MS. MORONEY: In here?

2 CHAIRPERSON TOMLINS: Yeah. Yeah.

3 MS. MORONEY: Those are part of the larger  
4 Lathrop Homes, but not part of the TIF.

5 And if you look to the south,  
6 there are additional previous -- there are  
7 additional Lathrop Home sites. This is a phased  
8 development, and what you see here and -- is  
9 largely the area that's going to be developed --

10 MS. MAREK: Okay.

11 MS. MORONEY: -- as part of this redevelopment  
12 phase.

13 As part of the redevelopment  
14 plan, we identify objectives to direct redevelopment  
15 activities. Those focus largely on these four  
16 items: Affordable housing, open space and parks,  
17 historic preservation, and public infrastructure.

18 We've prepared a very generalized  
19 land-use plan. It's not beautiful pictures and  
20 renderings, but it gives you an idea of the land  
21 uses that will exist and remain on the project.

22 We have residential in the light  
23 gray that'll be rehabbed residential. We have new  
24 construction over here (indicating) that will be

1 mixed use; commercial first floor, residential  
2 above. We have public/institutional, which will  
3 be the community center/day care facility that is  
4 at the north end of the project area. And, lastly,  
5 we have open space right here (indicating).

6 As part of the analysis, we also  
7 identified, based on projected redevelopment  
8 activities, including 170 -- 197 CHA units,  
9 110 affordable residential units, and 228 market  
10 rate residential units, that the area will generate  
11 \$17.5 million in projected TIF revenue over the  
12 life of the 23 years. So, by 2039, as much as  
13 17,000 -- 17,500,000 will be generated in TIF  
14 revenue.

15 So, with that, we provide a -- we  
16 identify a budget to go along with that. This  
17 project budget has been limited only to four  
18 categories of spending, TIF-eligible spending.  
19 Those include City administration costs, site prep  
20 and demolition costs, affordable housing and rehab  
21 costs, and public works and improvement costs, for  
22 a total of 17.5 million in maximum spending 2016  
23 dollars.

24 So, we come to the end of this

1 JRB, but -- our presentation, but the next step  
2 in the process, as Beth mentioned earlier, is the  
3 July 12th public hearing. Then, there -- the next  
4 time for public hearing -- or public forum will be  
5 the City Council introduction, and then the finance  
6 and City Council review and pending approval.

7 I'm -- that concludes the  
8 presentation, but I'm happy to answer any questions  
9 you have.

10 CHAIRPERSON TOMLINS: Do you have a general  
11 idea of the schedule for the project overall? The  
12 redevelopment project.

13 MS. MORONEY: The bulk of the project is  
14 anticipated to be completed over the next two to  
15 three years, starting -- well, it'll be completed  
16 in approximately three years, starting in 2017.

17 CHAIRPERSON TOMLINS: Starting construction  
18 in 2017.

19 MS. MAREK: So the fact that it's a historic  
20 district, how does that affect what they do with  
21 the actual buildings that are there now? Are they  
22 going to demolish them or ...

23 MS. MORONEY: No. The buildings will largely  
24 be rehabbed. They will be preserved. And because



1 it's a historic district, they have to rehab them  
2 in accordance with the preservation guidelines.

3 MS. MAREK: So, I know a lot of them are  
4 vacant now, so is this going to increase the  
5 overall -- the number of people that are living in  
6 that area, based on if it was like at full  
7 capacity? Or ...

8 MS. MORONEY: Yes. Yes, it will.

9 So, there's currently, as we said,  
10 67 occupied units, and we have about 490 or so  
11 expected after the completion of this new  
12 development project.

13 MS. MAREK: But that would have been the same  
14 number if all of the units would have -- were fully  
15 occupied now. That -- so it's not like you're  
16 adding a lot of extra units?

17 MS. MORONEY: No.

18 And we've done -- as part of the  
19 plan, we've done an assessment of how it will  
20 impact the taxing districts, particularly the  
21 schools, and, currently, Alcott Elementary,  
22 which is about a block north of the site, and  
23 Jahn Elementary, which is about two and a half,  
24 three blocks north and east of the site, are both

1 under capacity and are looking forward to taking  
2 on the students. So they have the capacity to  
3 accommodate students that will be generated by  
4 the families -- or families living in the renovated  
5 area.

6 MS. MAREK: Okay. Thank you.

7 CHAIRPERSON TOMLINS: From a park perspective,  
8 I have to say I appreciate the inclusion of open  
9 space. Obviously, communities need open space to  
10 thrive and survive, and I know that the -- in the  
11 additional phases, there is quite a bit more open  
12 space proposed for the project, so I appreciate  
13 the -- I guess, on the City side, everyone keeping  
14 that as a key component of the project plan.

15 Are there any other questions?

16 (No response.)

17 CHAIRPERSON TOMLINS: Jose?

18 MR. ELIZONDO: No.

19 CHAIRPERSON TOMLINS: Okay. If there are no  
20 further questions, I will entertain a motion that  
21 this Joint Review Board finds that the proposed  
22 Diversey/Chicago River Tax Increment Financing  
23 Redevelopment Project Area satisfies the  
24 redevelopment plan requirements under the

1 TIF Act, the eligibility criteria defined  
2 in Section 11-74.4-3 of the TIF Act, and the  
3 objectives of the TIF Act, and that, by such  
4 findings, approves such proposed plan under the  
5 TIF Act.

6 Is there a motion?

7 MS. MAREK: So moved.

8 CHAIRPERSON TOMLINS: Is there a second?

9 MS. KRAVITZ: Second.

10 CHAIRPERSON TOMLINS: Is there any further  
11 discussion?

12 (No response.)

13 CHAIRPERSON TOMLINS: If not, all in favor,  
14 please vote by saying aye.

15 (Chorus of ayes.)

16 CHAIRPERSON TOMLINS: All -- aye.

17 All opposed, please vote by saying  
18 no.

19 (No response.)

20 CHAIRPERSON TOMLINS: Let the record reflect  
21 that -- the Joint Review Board's approval of the  
22 proposed Diversey/Chicago River Tax Increment  
23 Financing Redevelopment Project Area under the TIF  
24 Act.

1 MS. WORTHY: Before we adjourn, can we  
2 please, for the record, identify the members of the  
3 Joint Review Board?

4 MS. MAREK: Susan Marek, Chicago Board of  
5 Education.

6 CHAIRPERSON TOMLINS: Beth Tomlins, Chicago  
7 Park District.

8 MS. KRAVITZ: Connie Kravitz, City Colleges.

9 MR. ELIZONDO: I am Jose Elizondo.  
10 I represent Lathrop Homes.

11 CHAIRPERSON TOMLINS: Okay. Gracias, and  
12 thank you guys all for attending.

13 (The proceedings adjourned at  
14 10:30 a.m.)

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REPORTER'S CERTIFICATE

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4 I, Leanna Z. Michas, do hereby certify that

5 I reported in shorthand the proceedings of said

6 hearing as appears from my stenographic notes so

7 taken and transcribed under my direction.

8

9 IN WITNESS WHEREOF, I have hereunto set my

10 hand and affixed my seal of office at Chicago,

11 Illinois, this 8th day of June 2016.

12

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*Leanna Michas*  
Illinois CSR No. 084-004748

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