

**LINCOLN/ BELMONT/ ASHLAND
REDEVELOPMENT PROJECT AREA
TAX INCREMENT ALLOCATION FINANCE PROGRAM**

REDEVELOPMENT PLAN AND PROJECT

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CITY OF CHICAGO

**Richard M. Daley
Mayor**

REDEVELOPMENT PLAN AND PROJECT FOR
LINCOLN/BELMONT/ASHLAND REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCING PROGRAM

TABLE OF CONTENTS

INTRODUCTION	1
REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION	5
REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES	7
BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA	9
LINCOLN/BELMONT/ ASHLAND REDEVELOPMENT PLAN AND PROJECT	13
REDEVELOPMENT PROJECT AREA GOAL AND OBJECTIVES	13
REDEVELOPMENT PLAN	14
GENERAL LAND-USE PLAN	16
ESTIMATED REDEVELOPMENT PROJECT COSTS	17
SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS	20
LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE	22
FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT	23
DEMAND ON TAXING DISTRICT SERVICES	24
PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS	25
PROVISION FOR AMENDING ACTION PLAN	26
AFFIRMATIVE ACTION PLAN	27
LEGAL DESCRIPTION	28
ESTIMATED REDEVELOPMENT PROJECT COSTS	29
1992 EQUALIZED ASSESSED VALUATION	30
MAPS	31

INTRODUCTION

The Lincoln//Belmont/Ashland Redevelopment Project Area is located in the City of Chicago, Illinois. The Redevelopment Project Area contains approximately 8.96 acres. The Redevelopment Project Area is generally located between Lincoln and Marshfield Avenues and Paulina Street on the west, Henderson and Melrose Streets on the north, Belmont Avenue on the south, and the first alley east of Ashland Avenue on the east. The Redevelopment Project Area is located in the North side of the City in an area of the City of Chicago that has excellent transportation access especially to surrounding city communities. The major access to the Redevelopment Project Area is provided by Ashland, Lincoln, and Belmont Avenues. Public transportation is available via CTA surface buses along major arterial streets, Lincoln, Ashland, and Belmont Avenues. The Kennedy expressway (I-90/94) is available via the Belmont Avenue interchange which is located approximately a mile west of the Project Area. The location and boundaries of the Redevelopment Project Area are shown on Map 1, Project Boundary.

The Lincoln/Belmont/Ashland Redevelopment Project Area is located within an area which contains: service, retail and residential uses. The Redevelopment Project Area contains major areas which are under-utilized and vacant. The Redevelopment Project Area is located in the Lake View neighborhood. According to the 1990 census figures the Lake View area has a population of 91,031, which is a decrease of 7% over the 1980 census. The residential community is primarily comprised of single-family and two-flat residences which were constructed from the turn of the Century to the present day with the majority of the housing stock predating 1940. Some new housing is being constructed in the nearby area which includes single-family, townhouses, and condominiums. The Redevelopment Project Area is immediately surrounded by commercial/retail uses along the three major arterial streets, Lincoln, Belmont, and Ashland Avenues.

The Lincoln/Belmont/Ashland shopping district had a long established history of being Lake View's main retail/commercial center. In 1987, the focal point of the Lincoln/Belmont/Ashland retail/commercial area, the Wieboldt's Department Store which utilized the "Tower" building and "Annex" buildings closed its operations. The closure of one of Chicago's oldest retail establishments created a negative impact upon the surrounding retail businesses which continues to today. As a result of the Wieboldt's closing, various other related

commercial operations have also closed and the surrounding residential areas are showing signs of neglect and disrepair due at least in part to the economic decline of the area.

In order to redevelop this Redevelopment Project Area numerous and costly improvements will be necessary: including environmental remediation, site improvements, infrastructure, demolition, etc.

The purpose of the Redevelopment Plan is to create a mechanism to allow for the redevelopment of existing buildings and for the development of new commercial and residential facilities on existing vacant and/or under-utilized land. The redevelopment of these buildings is expected to encourage economic revitalization within the community and surrounding area.

Tax Increment Allocation Redevelopment Act.

An analysis of conditions within this area indicates that it is appropriate for designation of this Redevelopment Project Area as a redevelopment project, utilizing the State of Illinois tax increment financing legislation. The Redevelopment Project Area is characterized by conditions which warrant the designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (hereafter referred to as the "Act"). The Act is found in 65 ILCS 5/11-74-1 et seq., as amended.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project" to redevelop blighted areas by pledging the increase in tax revenues generated by public and private redevelopment in order to pay for the up front public costs which are required to stimulate such private investment in new redevelopment and rehabilitation. Municipalities may issue obligations to be repaid from the stream of real property tax increments that occur within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (the Certified EAV Base) for all real estate located within the district and the current year EAV. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

The Lincoln/Belmont/Ashland Redevelopment Area Tax Increment Allocation Financing Project Redevelopment Plan and Project (hereafter referred to as the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the "Redevelopment Project".

This Redevelopment Plan also specifically describes the Lincoln/Belmont/ Ashland Tax Increment Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area"). This area meets the eligibility requirements of the Act. The Redevelopment Project Area boundaries are described in Section II of the Redevelopment Plan and shown in Map 1, Boundary Map.

After its approval of the Redevelopment Plan, the City Council then formally designates the Redevelopment Project Area.

The purpose of this Redevelopment Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land-use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards.
2. On a reasonable, comprehensive and integrated basis to ensure that blighting factors are eliminated.
3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government. The adoption of the Redevelopment Plan makes possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area, an area which cannot reasonably be anticipated to be developed without the adoption of this Redevelopment Plan. Public investments will create the appropriate environment to attract the investment required for the rebuilding of the area. But for the

investment of seed funds by the City, the proposed developments would not be financially feasible and would not go forward.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take full advantage of the real estate tax increments attributed to the Redevelopment Project as provided in accordance with the Act. The Redevelopment Project Area would not be reasonably developed without the use of such incremental revenues.

REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Lincoln/Belmont/Ashland Redevelopment Project Area is located approximately 4.5 miles northwest of Chicago's Central Business District. The Redevelopment Project Area contains approximately 8.96 acres. The Redevelopment Project Area is generally located between Lincoln and Marshfield Avenues and Paulina Street on the west, Henderson and Melrose Streets on the north, Belmont on the south, and the first alley east of Ashland Avenue on the east.

The legal description of the Lincoln/Belmont/Ashland Redevelopment Project Area is as follows:

That part of the Southeast Quarter of Section 19 and the Southwest Quarter of Section 20, both in Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

Beginning at the intersection of the centerline of North Lincoln Avenue with the centerline of North Ashland Avenue, being also the East line of said Southeast Quarter of Section 19 and the West line of said Southwest Quarter of Section 20; thence northwesterly along said centerline of North Lincoln Avenue, a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet to the centerline of North Marshfield Avenue; thence northerly along said centerline of North Marshfield Avenue, 242.31 feet to the Westerly extension of the North line of the South 10.00 feet of Lot 33 in Block 8 in G.H.A. Thomas' Subdivision of Blocks 8 and 9 of L. Turner's Subdivision of the Northeast Half of the East Half of the Southeast Quarter of Section 19, aforesaid; thence easterly along said North line and the westerly extension thereof, 157.88 feet to the East line of said Lot 33; thence southerly along said East line, 10.00 feet to the Southeast corner thereof; thence easterly along the North line and the westerly extension thereof, of Lot 17 in said Block 8, a distance of 123.90 feet to the Northeast corner thereof; thence easterly at right angles to the East line of said Lot 17, a distance of 50.00 feet to the centerline of North Ashland Avenue, aforesaid;

thence northerly along said centerline, 66.99 feet to the westerly extension of the North line of Lot 19 in Block 1 of Sickel and Hufmeyer's Subdivision of the South Half of the North Half of the Southwest Quarter of the Southwest Quarter of Section 20, aforesaid; thence easterly along the North line of said Lot 19 and said westerly extension and the easterly extension of said North line, and the North line of Lots 9 through 18, inclusive, being also the South line of West Henderson Street, 426.00 feet to the Northeast corner of said of Lot 9; thence southerly along the East line of said Lot 9, a distance of 125.20 feet to the southeast corner thereof; thence westerly along the South line of said Lot 9, a distance of 16.00 feet to the Northerly extension of the East line of the West 9.00 feet of Lot 38 in said Block 1; thence Southerly along the East line of said 9.00 feet, and said northerly extension thereof, and the southerly extension thereof, 174.21 feet to the centerline of West School Street; thence westerly along said centerline, 410.14 feet to the centerline of North Ashland Avenue, aforesaid; thence southerly along said centerline of North Ashland Avenue, 670.32 feet to the centerline of North Lincoln Avenue, aforesaid, being the place of beginning, in Cook county, Illinois.

Gross Land Area 8.9631 Acres
Net Usable Area 5.4263 Acres

REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

General Goals:

- * Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.
- * Provide sound economic development in the Redevelopment Project Area.
- * Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the area.
- * Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the area.
- * Create suitable locations for commerce.
- * Create job opportunities.
- * Create quality housing.
- * Create new retail centers and the accompanying job opportunities.

Redevelopment Objectives:

- * Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Blighted Area Conditions Existing in the Redevelopment Project Area, describes the blighting conditions.
- * Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in new commercial and residential development.
- * Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.
- * Encourage the assembly of land into parcels that are functionally adaptable with respect to shape and size for redevelopment needs and standards.
- * Provide needed incentives to encourage improvements for new development efforts.

- * Provide needed incentives to encourage a broad range of improvements in both new commercial and residential development and rehabilitation efforts.
- * Encourage the participation of minorities and women in the development of the Redevelopment Project Area.

Development and Design Objectives

- * Establish a pattern of land use activities arranged in compact, compatible groupings to increase efficiency of operation and economic relationships.
- * Encourage coordinated development of parcels and structures in order to achieve efficient building design.
- * Achieve development which is integrated both functionally and aesthetically with nearby existing development.
- * Ensure a safe and adequate circulation pattern, adequate ingress and egress and capacity in the project area.
- * Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.

BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Based upon surveys, inspections, research and analysis of the area by Louik/Schneider & Associates, Inc. the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. A separate report entitled Eligibility Study Of A Proposed Redevelopment Project Area For Tax Increment Financing In The Lincoln/Belmont/ Ashland Study Area Chicago Illinois, dated June, 1994 describes in detail the surveys and analysis undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. Summarized below are the findings of the Eligibility Report: The Redevelopment Project Area is characterized by the presence of eight of the blighting factors as listed in the Act, impairing the sound growth of the taxing districts in this area of the City. Specifically:

- * Of the fourteen factors set forth in the law, eight are present in the Redevelopment Project Area.
- * The blighting factors which are present are reasonably distributed throughout the Redevelopment Project Area.
- * All areas within the Redevelopment Project Area show the presence of blighting factors.

The following factors are present within the improved area:

1. **Age**
Age as a factor is present to a major extent in 2 of the 4 blocks. Of the 10 total buildings in the Study Area, 8 (80 percent) are 35 years of age or older.
2. **Dilapidation**
Dilapidation is present in one block containing one building.
3. **Obsolescence**
Obsolescence as a factor is present in 4 of the 4 blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting. One building and one block is characterized by obsolescence as the result of an irregularly shaped parcel.

4. **Deterioration**

Deterioration as a factor is present in 4 of the 4 blocks of the Study Area. Conditions contributing to this factor include deteriorating structures, deteriorating off-street parking, site surface areas, and deteriorating street pavement, curbs, gutters and sidewalks. A total of 9 of the 10 buildings (90%) are characterized by deterioration, and 18 of the 25 parcels (72%) of the Study Area exhibit signs of deterioration.
5. **Presence Of Structures Below Minimum Code Standards**

One structure within the Study Area, contains evidence of being below minimum code based upon the exterior survey. Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property.
6. **Excessive Vacancies**

Excessive vacancies as a factor is present to a major extent in 4 of the 4 blocks. Nine buildings are significantly or totally vacant representing 90% of the buildings and 3.14 acres land are vacant.
7. **Deleterious Land-Use or Layout**

Deleterious land-use or layout is present in all blocks of the Study Area. Conditions contributing to this factor include parcels of irregular shape and limited size. Two large tracts of vacant and under-utilized land exists, and nine vacant including one dilapidated structure exists within the area along with one parcel of property which is triangularly shaped.
8. **Depreciation of Physical Maintenance**

Depreciation of physical maintenance is present in all 4 blocks. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, parking areas, and site improvements including streets, alleys, walks, curbs gutters and utilities.

9. **Lack of Community Planning**

The Study Area contains four blocks of which 2 1/2 blocks are located within the Commercial District Development Commission's 1990 Redevelopment Plan for the Lincoln / Belmont / Ashland Commercial Area. The 1 1/2 blocks not located within the above referenced Plan lack an overall plan for coordinated development on a block by block and parcel by parcel basis. However, based on our review lack of community planning is not exhibited throughout the Study Area

The conclusion of the consultant team engaged to conduct the study is that the number, degree and distribution of blighting factors as documented in this report warrant the designation of all of the Study Area as a "blighted area" as set forth in the "Act." Specifically:

The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. The surveys, research and analysis conducted include:

1. Exterior surveys of the condition and use of the Redevelopment Project Area;
2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing and previous uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning maps;
5. Historical analysis of site uses and users;
6. Analysis of original and current platting and building size layout;
7. Analysis of tax delinquency; and
8. Review of previously prepared plans, studies and data.

Based upon the findings of the Eligibility Study for the LINCOLN/BELMONT/ASHLAND Study Area, the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be

anticipated to be developed without the adoption of this Redevelopment Plan. But for the investment of seed funds by the City, the proposed developments would not be financially feasible and would not go forward.

LINCOLN/BELMONT/ ASHLAND REDEVELOPMENT PLAN AND PROJECT

A. REDEVELOPMENT PROJECT AREA GOAL AND OBJECTIVES

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking some or all of the following actions:

1. Assemblage of Sites. To achieve the renewal of the Redevelopment Project Area, property identified in Map 3 Redevelopment Plan, attached hereto and made a part hereof, may be acquired by the City of Chicago and cleared of all improvements if any and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements or facilities. The City may determine that to meet the renewal objectives of this Redevelopment Plan, other properties in the Redevelopment Project Area not scheduled for acquisition should be acquired or certain property currently listed for acquisition should not be acquired. Acquisition of land for public rights-of-way will also be necessary for the portions of said rights-of-way that the City does not own.

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary uses until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the City may deem appropriate.

2. Provision of Public Improvements and Facilities. Adequate public improvements and facilities will be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
 - a. Reconstruction of interior streets
 - b. Provision of utilities necessary to serve the redevelopment.
3. Provision for Soil and Site Improvements. Funds may be made available for improvements to properties for the purpose of making land suitable for development.

- a. Entering into a redevelopment agreement for necessary site improvements in the Redevelopment Project Area.
 - b. Environmental remediation necessary for redevelopment of the Redevelopment Project Area.
4. Redevelopment Agreements. Land assemblage shall be conducted for (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in the Redevelopment Plan. Requirements for site improvement and public improvements may also be included in the Redevelopment Agreements.

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

B. REDEVELOPMENT PLAN

The Redevelopment Plan proposes the redevelopment of the Lincoln/Belmont/Ashland Area, to stimulate or stabilize not only the Redevelopment Project Area but also the properties within the surrounding area. This plan proposes the following redevelopment improvements which are located within the Lincoln/Belmont/Ashland Area, (see Map 3):

1. Property east of Ashland Avenue consists of an approximately 64,000 square foot parcel of vacant land located east of Ashland Avenue between School and Henderson Streets. The property, which was formally used as the Wieboldt's customer parking area is bounded on the south by School Street, on the north by Henderson Street, on the west by the La Salle Bank drive-through facility, and on the east by single and multi-family residences.

Approximately 48 townhomes will be developed on this parcel with a total of approximately 95,000 square feet of new construction. The townhomes will range in size from 1,000 square feet to 2,500 square feet. All of the homes will have classic

brick facades, attached garage parking, and private outdoor spaces with either balconies, patios, or roof decks.

2. Property west of Ashland and south of School Street, known as "The Tower", was formally operated as the Wieboldt's retail store and is located on the south side of School Street between Ashland and Lincoln Avenues. This property consists of a part two-story and part seven-story brick building of approximately 170,000 square feet. The building will be redeveloped with retail on the first floor (37,105 square feet) and a portion of the second floor (20,000 square feet), and loft residential units on floors 2 through 7. The loft units will range in size from 800-1,500 square feet. Common area features will include a secure indoor parking garage in the basement, an exercise room, and a common area roof deck on the top of the seven story building.

3. Property west of Ashland Avenue, east of Marshfield Avenue, and north of School Street, known as the "Annex" property is improved with several buildings. The eastern building, known as the Wieboldt's Annex, was formally used by Wieboldt's to merchandise furniture and for loading purposes. The Annex building, which is a two-story structure of 42,000 square feet will be demolished and the land will be improved for retail surface parking. The basement of the "Annex" will be developed for additional residential parking for the "Tower" condominiums. An existing passage under School Street will be renovated so that occupants of the Tower condominiums can go from the underground parking garage to the "Tower" property. An alley to the west of the Annex separates the Wieboldt's Annex from five (5) one and two-story buildings which front onto Marshfield Avenue and total approximately 20,000 square feet. These buildings, which were not part of the former Wieboldt's operation will also be razed and a 30,000 square foot retail store with a multi-level parking structure above will be built in their place. The parking facility will be used to service both the retail tenants in the "Annex" and "Tower" properties and will accommodate approximately 321 cars.

4. Property on the north corner of Lincoln/Belmont/Ashland, known as the "Price" property, is an improved parcel with a two-story building which contains approximately 12,000 square feet per floor. The Price property will be renovated if

feasible or will be demolished and improved with a building of similar size for commercial use.

5. The property along Melrose and Paulina, the City-owned parking lot, will not be redeveloped at this time. The lot may be resurfaced or redeveloped at a later date.

The proposed Lincoln/Belmont/Ashland Redevelopment Project Area will require planning and programming of improvements. The redevelopment agreement will generally provide for the City to provide funding for activities permitted by the Illinois Compiled Statutes. The funds for said improvements will come directly from the incremental increase in tax revenues generated from the entire Redevelopment Project Area or the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. A developer or user will undertake the responsibility for the required site improvements, a portion of which may be paid for from the issuance of bonds, and will further be required to build any agreed to improvements and necessary ancillary improvements required for the project.

C. GENERAL LAND-USE PLAN

The Redevelopment Plan and the proposed projects described herein conform to the land uses and development policies for the City as a whole as currently provided by the City of Chicago Zoning Ordinances.

The proposed land use institutes changes within the area bounded on the west by Lincoln and Marshfield Avenues and Paulina Street, on the north by Henderson and Melrose Streets, on the east by the first alley east of Ashland Avenue, and on the south by Belmont Avenue. It was determined that the proposed residential and commercial development is in conformity with existing zoning and if any zoning changes are required they will need to be undertaken.

D. ESTIMATED REDEVELOPMENT PROJECT COSTS

Redevelopment project costs mean 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 Redevelopment Project pursuant to the State of Illinois Tax Increment Allocation Redevelopment Act. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan, including but not limited to staff and professional service costs for architectural, engineering, 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 rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
8. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;

9. Payment in lieu of taxes;
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;
11. 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 this Act;
 - b. 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;
 - c. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amount so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - d. the total of such interest payments paid pursuant to this Act may not exceed 30 percent of the total of (i) costs paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.
12. Unless explicitly stated in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations have been issued to pay for such redevelopment project costs incurred prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan.

TABLE 1

ESTIMATED REDEVELOPMENT PROJECT COSTS

Program Action/Improvements

Land Acquisition	\$ 6,000,000
Demolition	\$ 535,000
Environmental Remediation	\$ 300,000
Renovation of Existing Structures	\$ 3,135,000
Site Preparation	\$ 270,000
Public Improvements	\$ 32,000
Planning, legal, studies	\$ 470,000
TOTAL PROJECT COST*	\$ 10,742,000

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

E. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for redevelopment project costs and/or municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and eligible redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each

such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued or incurred, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate such as municipal sales taxes, municipal amusement taxes, generated from the district. Without the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be developed. All incremental revenues utilized by the City of Chicago will be utilized exclusively for the development of the Redevelopment Project Area.

Issuance of Obligations

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

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (2017) years from the adoption of the ordinance approving the Redevelopment Project Area. Also, the final maturity date of any such obligations which are issued may not be later than twenty years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds (including ad valorem taxes) as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real

property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

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

The total 1992 equalized assessed valuation for the entire Redevelopment Project Area is \$2,210,398. This equalized assessed valuation is subject to final verification by Cook County. After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation".

Anticipated Equalized Assessed Valuation

By the year 1998 when it is estimated that initial commercial and residential development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$10,000,000 and \$12,000,000. These estimates are based on several key assumptions, including: 1) all commercial re-development will be completed in 1996; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan; 3) the most recent State Multiplier of 2.0897 as applied to 1992 assessed values will remain unchanged and 4) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1992 level.

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

As described in the Blighted Area Conditions Section of this Redevelopment Project and Plan Report, the Redevelopment Project Area as a whole is adversely impacted by the presence of numerous blighting factors, and these factors are reasonably distributed throughout the area. Although some rehabilitation has occurred on a limited and scattered basis, the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. No large scale projects have been

initiated in over 20 years. The lack of private investment is evidenced by continued existence of blight, large tracts of vacant land and the limited number of new development projects undertaken on a planned basis.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the blighting conditions that currently exist. The Redevelopment Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Project and Plan.

G. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT

Without the adoption of this Redevelopment Project and Plan, and tax increment financing, the Redevelopment Project Area is not reasonably expected to be redeveloped by private enterprise. There is a real prospect that the blighted conditions will continue to exist and spread, and the whole area will become less attractive for the maintenance and improvement of existing buildings and sites. The possibility of the erosion of the assessed value of property which would result from the lack of a concerted effort by the City to stimulate revitalization and redevelopment could lead to a reduction of real estate tax revenue to all taxing districts.

Section A, B, & C of this Redevelopment Project and Plan describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The redevelopment program will be staged with various developments taking place over a period of years. If the redevelopment project is successful, various new private projects will be undertaken that will assist in alleviating blighted conditions, creating new jobs and promoting development in the area.

The Redevelopment Project is expected to have short and long term financial impacts on the taxing districts affected by the Redevelopment Plan. During the period when tax increment financing is utilized, real estate tax increment revenues (from the increases in Equal Assessed Valuation [EAV] over and above the certified initial EAV established at the time of adoption of this Project and Plan) will be used to pay eligible redevelopment project costs for the Tax Increment Financing District. At the end of the TIF time period, the real estate tax

revenues will be distributed to all taxing districts levying taxes against property located in the Redevelopment Project Area.

H. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes on properties located within the Redevelopment Project Area: City of Chicago; Chicago Board of Education; Chicago School Finance Authority; Chicago Park District; Chicago Community College District; Metropolitan Water Reclamation District of Greater Chicago; County of Cook; and Cook County Forest Preserve District.

The proposed Redevelopment Plan involves the acquisition of vacant and under-utilized buildings, new construction of commercial and residential buildings, and the improvement of existing commercial buildings. Therefore, the financial burden of the redevelopment project on taxing districts is expected to be negligible.

Non-residential development, such as retail, commercial, office, hotel, public and institutional uses, should not cause increased demand for services or capital improvements on any of the taxing districts named above except for the Metropolitan Water Reclamation District. Replacement of vacant and under-utilized buildings and sites with active and more intensive uses will result in additional demands on services and facilities provided by the Metropolitan Water Reclamation District. However, it is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District.

Residential development may cause increased demand for services or capital improvements to be provided by the Board of Education, Community College District 508, Chicago Park District, Metropolitan Water Reclamation District, and City. New private investment in residential and non-residential development, and public investment in infrastructure improvements may increase the demand for public services or capital improvements provided by the City of Chicago and the Chicago Park District within and adjacent to the Redevelopment Project Area. These public services or capital improvements may include but are not necessarily limited to, the provision of additional open spaces and recreational

facilities by the Chicago Park District. However, it is not possible at this time to predict, with any degree of reliability, (i) the number or timing of new or rehabilitated residential buildings that may be added within the Redevelopment Project Area, or (ii) the increased level of demand for services or capital improvements to be provided by any taxing district as a result therefrom.

If successful, the implementation of the Redevelopment Project may enhance the values of properties within and adjacent to the Redevelopment Project Area.

I. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS

As described in detail in prior sections of this report, the complete scale and amount of development in the Redevelopment Area cannot be predicted with complete certainty at this time and the demand for services provided by those taxing cannot be quantified at this time.

As indicated in Section D, Estimated Redevelopment Project Costs of the Redevelopment Project and Plan, the City plans to provide public improvements and facilities to service the Redevelopment Project Area. Such improvements may mitigate some of the additional service and capital demands placed on taxing districts as a result of the implementation of this Redevelopment Project and Plan.

PROVISION FOR AMENDING ACTION PLAN

The LINCOLN/BELMONT/ASHLAND Redevelopment Project Area Tax Increment
Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

AFFIRMATIVE ACTION PLAN

The City is committed to and will affirmatively implement the following principles with respect to the LINCOLN/BELMONT/ASHLAND Redevelopment Project Area.

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Plan and Project, including but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.

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

LEGAL DESCRIPTION

That part of the Southeast Quarter of Section 19 and the Southwest Quarter of Section 20, both in Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

Beginning at the intersection of the centerline of North Lincoln Avenue with the centerline of North Ashland Avenue, being also the East line of said Southeast Quarter of Section 19 and the West line of said Southwest Quarter of Section 20; thence northwesterly along said centerline of North Lincoln Avenue, a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet to the centerline of North Marshfield Avenue; thence northerly along said centerline of North Marshfield Avenue, 242.31 feet to the Westerly extension of the North line of the South 10.00 feet of Lot 33 in Block 8 in G.H.A. Thomas' Subdivision of Blocks 8 and 9 of L. Turner's Subdivision of the Northeast Half of the East Half of the Southeast Quarter of Section 19, aforesaid; thence easterly along said North line and the westerly extension thereof, 157.88 feet to the East line of said Lot 33; thence southerly along said East line, 10.00 feet to the Southeast corner thereof; thence easterly along the North line and the westerly extension thereof, of Lot 17 in said Block 8, a distance of 123.90 feet to the Northeast corner thereof; thence easterly at right angles to the East line of said Lot 17, a distance of 50.00 feet to the centerline of North Ashland Avenue, aforesaid; thence northerly along said centerline, 66.99 feet to the westerly extension of the North line of Lot 19 in Block 1 of Sickel and Hufmeyer's Subdivision of the South Half of the North Half of the Southwest Quarter of the Southwest Quarter of Section 20, aforesaid; thence easterly along the North line of said Lot 19 and said westerly extension and the easterly extension of said North line, and the North line of Lots 9 through 18, inclusive, being also the South line of West Henderson Street, 426.00 feet to the Northeast corner of said of Lot 9; thence southerly along the East line of said Lot 9, a distance of 125.20 feet to the southeast corner thereof; thence westerly along the South line of said Lot 9, a distance of 16.00 feet to the Northerly extension of the East line of the West 9.00 feet of Lot 38 in said Block 1; thence Southerly along the East line of said 9.00 feet, and said northerly extension thereof, and the southerly extension thereof, 174.21 feet to the centerline of West School Street; thence westerly along said centerline, 410.14 feet to the centerline of North Ashland Avenue, aforesaid; thence southerly along said centerline of North Ashland Avenue, 670.32 feet to the centerline of North Lincoln Avenue, aforesaid, being the place of beginning, in Cook County, Illinois.

Gross Land Area 8.9631 Acres/ Net Usable Area 5.4263 Acres

TABLE 1

ESTIMATED REDEVELOPMENT PROJECT COSTS

Program Action/Improvements

Land Acquisition	\$ 6,000,000
Demolition	\$ 535,000
Environmental Remediation	\$ 300,000
Renovation of Existing Structures	\$ 3,135,000
Site Preparation	\$ 270,000
Public Improvements	\$ 32,000
Planning, legal, studies	\$ 470,000

TOTAL PROJECT COST* \$ 10,742,000

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

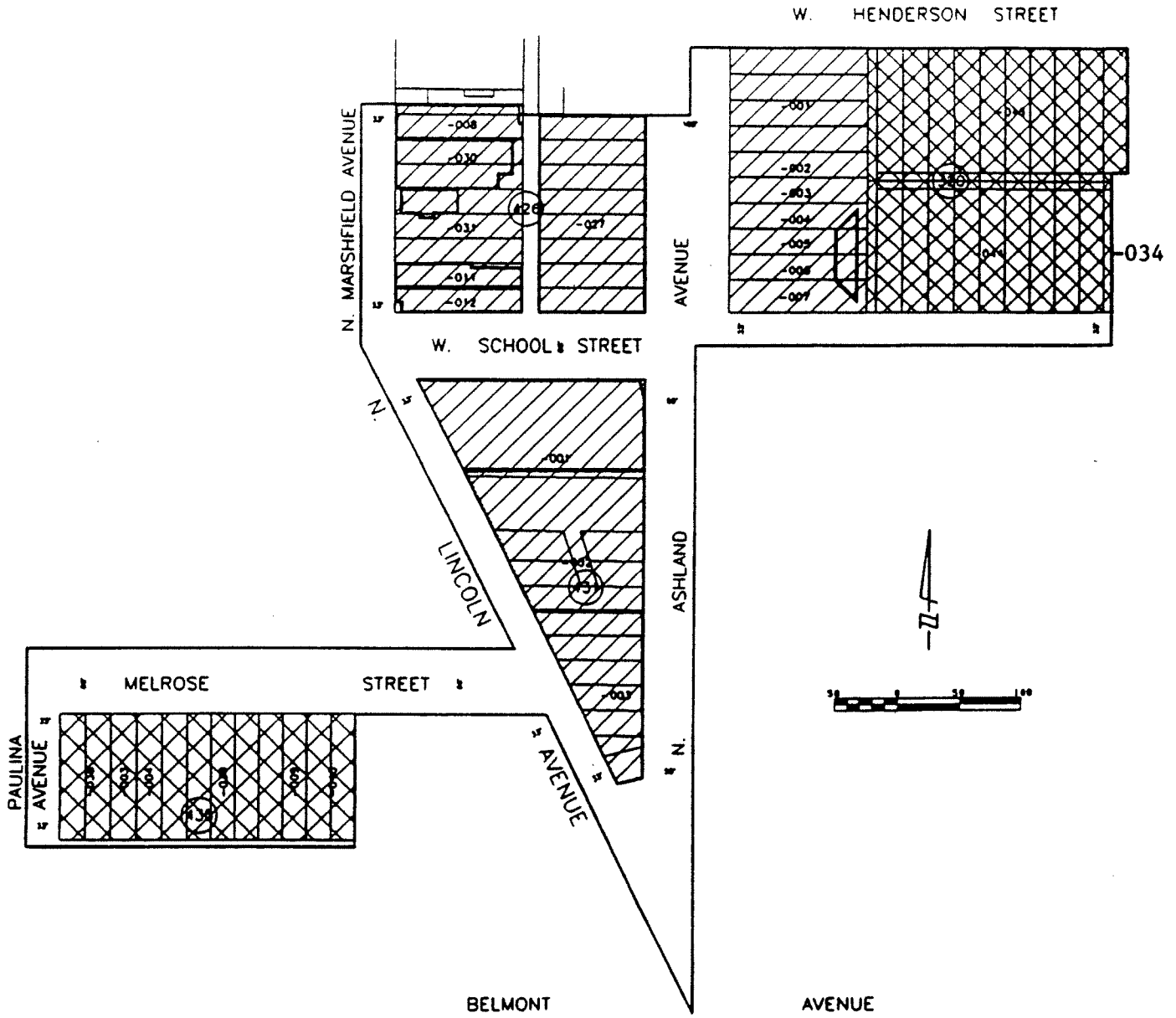
TABLE 2
1992 EQUALIZED ASSESSED VALUATION



Perm Index #	1992 EAV
14-19-426-008	\$44,544
-011	\$29,082
-012	\$24,824
-027	\$179,424
-030	\$51,806
-031	\$93,713
14-19-431-001	\$262,569
-002	\$99,186
-003	\$544,145
14-19-435-003	EXEMPT
-004	EXEMPT
-009	EXEMPT
-038	EXEMPT
-039	EXEMPT
-040	EXEMPT
14-20-320-001	\$148,680
-002	\$37,134
-003	\$90,787
-004	\$90,787
-005	\$90,787
-006	\$90,787
007	\$100,061
-034	\$2,104
-043	\$120,875
-044	\$109,103
TOTALS	\$2,210,398

MAPS

- Map 1 **Redevelopment Project Boundaries**
- Map 2 **Existing Land-Use**
- Map 3 **Redevelopment Plan / Proposed Land-Use**

LINCOLN BELMONT ASHLAND AREA T.I.F.



-  Retail / Commercial
-  Parking / Vacant

Lincoln / Belmont / Ashland
Eligibility Study
City of Chicago
June, 1994
Prepared By: Louik / Schneider & Associates, Inc.

EXHIBIT A

PLAN AMENDMENT NO. 1

July 8, 1998

Lincoln-Belmont Ashland Redevelopment Area Redevelopment Plan and Project

The Lincoln-Belmont-Ashland Redevelopment Plan and Project (the "Plan") of the City of Chicago approved by Ordinance of the City Council of Chicago on November 2, 1994, is amended by the following deletions and insertions:

On the Cover: Added text: "Amended July, 1998"

On Page 1 - Introduction:

In the first paragraph, the following text is deleted:

 "...and Paulina Street... and Melrose Streets"

On Page 5 - Redevelopment Project Area and Legal Description

In the first paragraph, the following text is deleted:

 "...and Paulina Street... and Melrose Streets"

In the legal description, the following text is deleted:

a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet"

And the following text is inserted:

"A distance of 744.00 feet more or less"

On Page 6 the following text is deleted: "Gross land Area 8.9631 Acres
Net usable Area 5.4263 Acres"

On Pages 9-11. Blighted Area Conditions Existing in the Redevelopment Project Area:

In Sections 1 through 9 inclusive, references to "4 blocks" are replaced by "3 blocks"

On Page 13. Section 1. - Assemblage of Sites:

The following text is deleted:

"identified in Map 3 Redevelopment Plan, attached hereto and made a part hereof."

On page 16, the following text is deleted:

"Section 5. The property along Melrose and Paulina, the City-owned parking lot, will not be redeveloped at this time. The lot may be resurfaced or redeveloped at a later date."

"...and Paulina Street... and Melrose Streets"

On page 28. Legal Description:

the following text is deleted:

"a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet"

and the following text is inserted:

"a distance of 744.00 feet more or less"

and the following text is deleted: "Gross land Area 8.9631 Acres
Net usable Area 5.4263 Acres"

On Page 30. Table 2:

the following text is deleted:

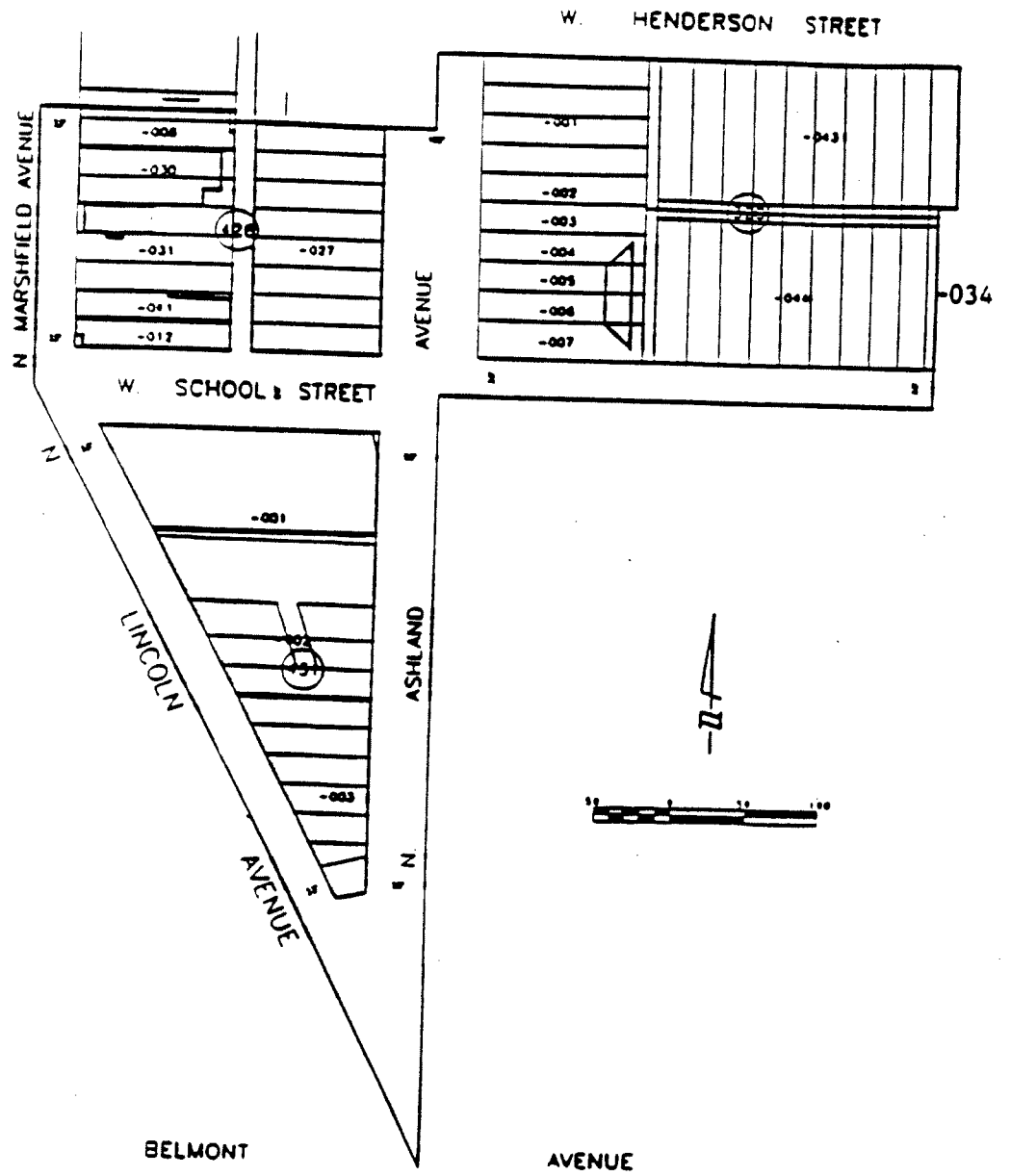
14-19-435-003	EXEMPT
14-19-435-004	EXEMPT
14-19-435-009	EXEMPT
14-19-435-038	EXEMPT
14-19-435-039	EXEMPT
14-19-435-040	EXEMPT

Map 1. Redevelopment Project Boundaries. is replaced by "Map 1. Project Boundaries, July, 1998"

Map 2. Existing Land Use. is replaced by "Map 2. Existing Land Use. July, 1988"

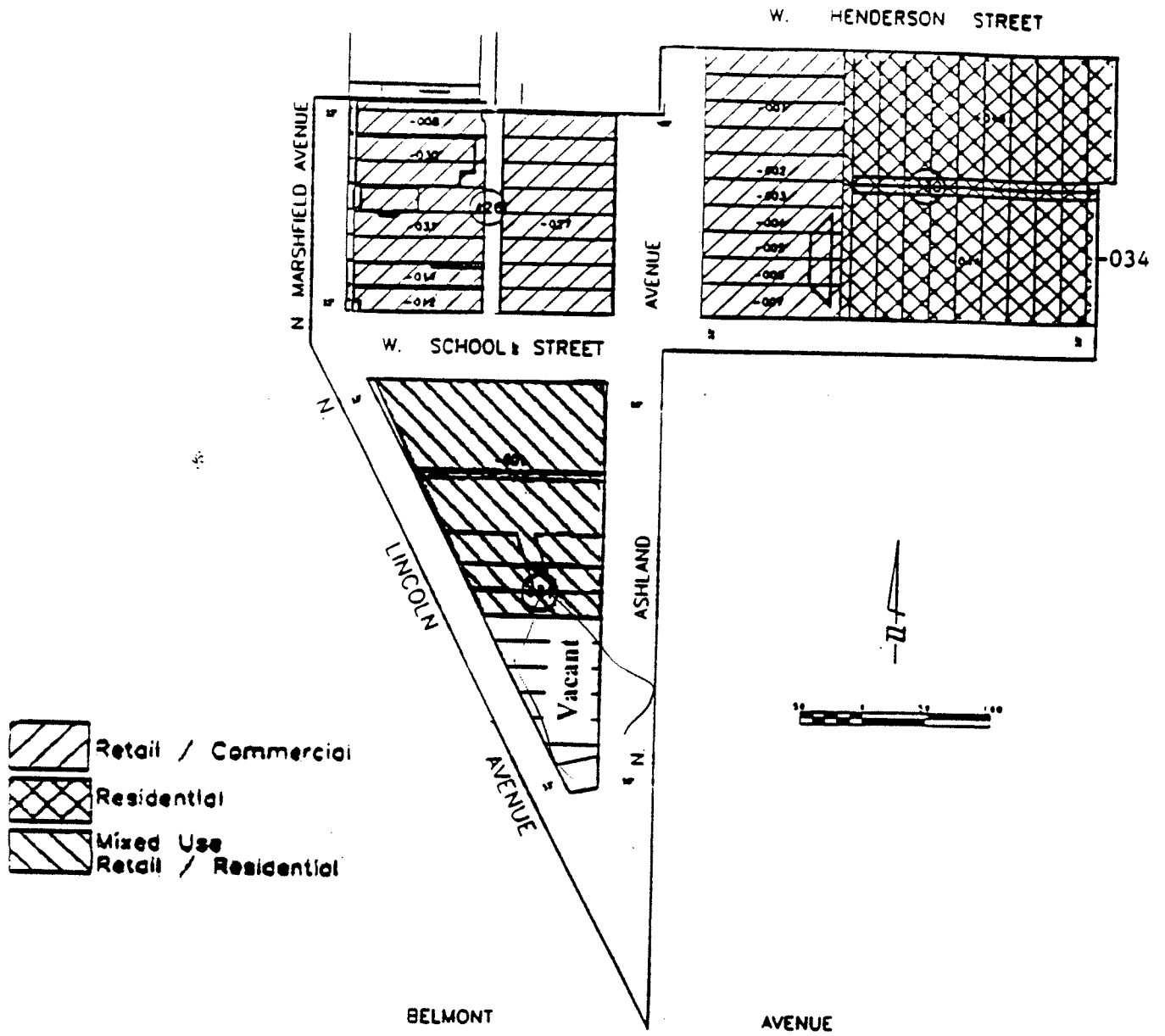
Map 3. Redevelopment Plan / Proposed Land Use. is replaced by "Map 3. Proposed Land Use. July, 1998"




BELMONT ASHLAND AREA T.I.F.



PROJECT BOUNDARY

Lincoln / Belmont / Ashland
July, 1998

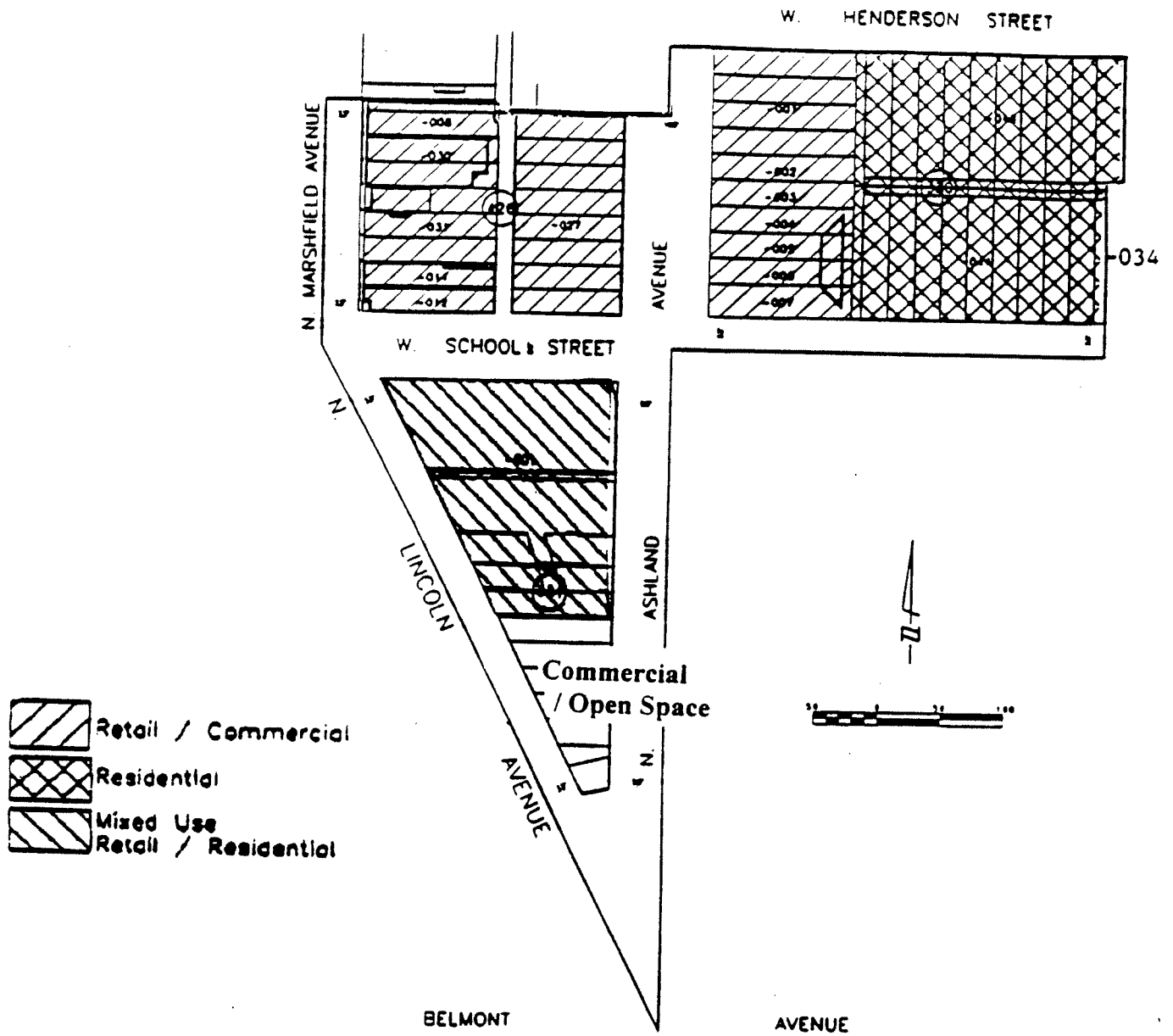


-  Retail / Commercial
-  Residential
-  Mixed Use Retail / Residential

————— PROJECT BOUNDARY

Lincoln / Belmont / Ashland
July, 1998

BELMONT ASHLAND AREA T.I.F.



PROJECT BOUNDARY

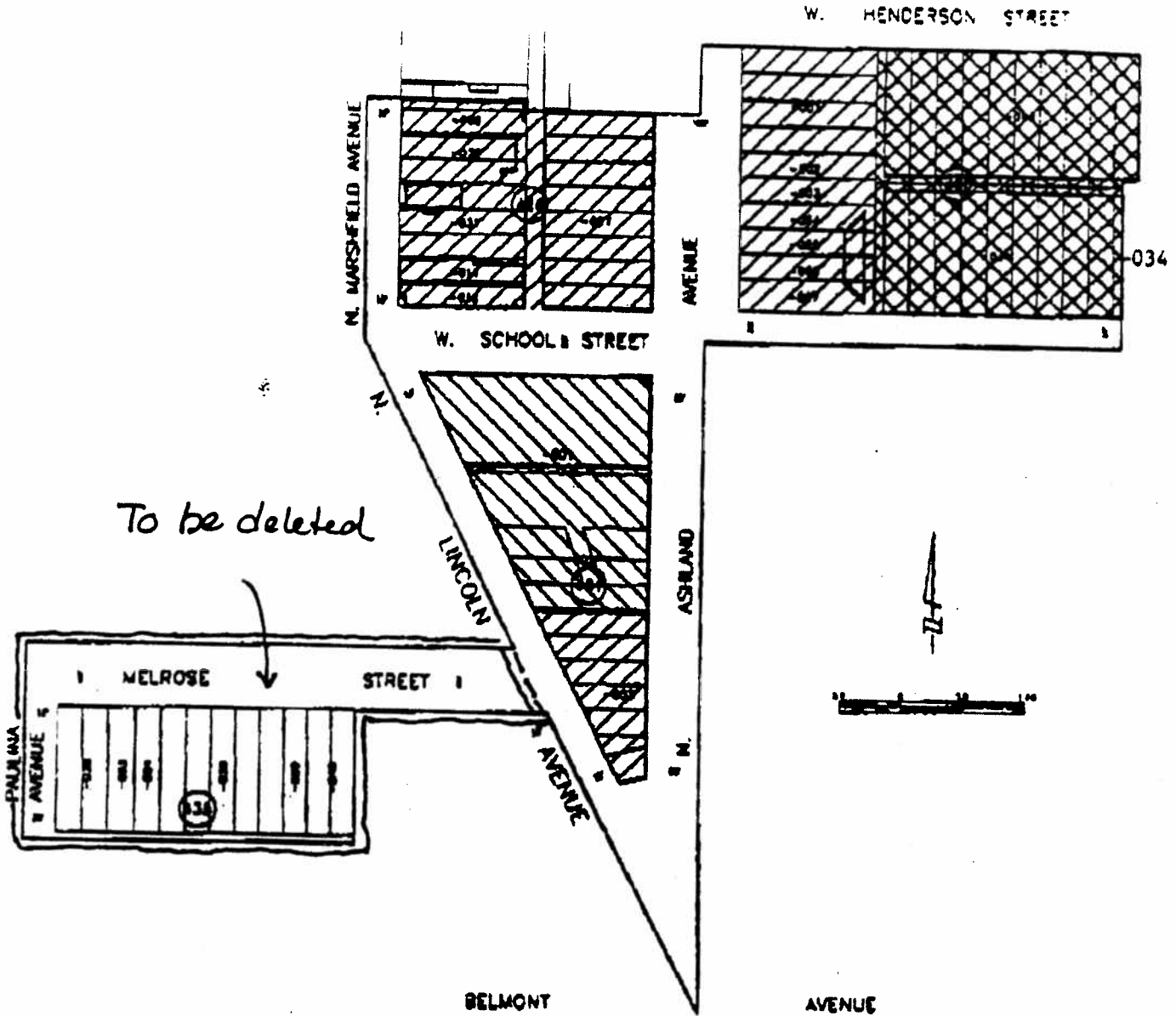
Lincoln / Belmont / Ashland
July, 1998




Exhibit B

Street Boundary Description
Lincoln-Belmont-Ashland
Tax Increment Financing District

The Area is generally bounded by Belmont Avenue and School Street on the south, Paulina and Marshfield Avenues on the west, Melrose and Henderson Streets on the north, and Ashland Avenue and the alley east of Ashland on the east

LINCOLN BELMONT ASHLAND AREA T.I.F.



-  Retail / Commercial
-  Residential
-  Mixed Use
Retail / Residential

Lincoln / Belmont / Ashland
Redevelopment Plan
City of Chicago
June, 1994
Prepared By: Louik / Schneider & Associates, Inc.

Lincoln/Belmont/Ashland

Consultant/Firm: Louik/Schneider & Associates

Ward(s)/Alderman: 44th, Bernard Hanson

Community area(s): 6, Lake View

Location: Redevelopment area includes land located between Lincoln and Marshfield Avenues and Paulina Street on the west, Henderson and Melrose Streets on the north, Belmont Avenue on the south, and the first alley east of Ashland Avenue on the east.

Proposed Land Uses: Development of new retail and commercial space as well as parking

Acreage and/or Number of Pins: 9 acres, 73 PIN's

EAV at time of plan(1994): \$25,004,028

Anticipated EAV of TIF District: \$61,000,000

Estimated Budget:

Planning, Legal, Surveys & related	
Development Costs	\$ 900,000
Property Assembly	\$15,500,000
Rehabilitation	\$ 9,250,000
Public Improvements	\$18,000,000
Job Training & Retraining	\$ 1,000,000
Relocation Costs	\$ 750,000
Interest Costs	\$ 1,850,000
Total Cost	\$48,000,000

TIF Legislative Dates

TIF expiration date: 7/8/2021

City Council Approval: 11/2/94

CDPC Hearing: 9/13/94