

4. The transactions contemplated by the C.H.O.P. III Agreement are governed by the laws of the State of Illinois.
5. The execution and delivery of the C.H.O.P. III Agreement and the consummation of the transactions contemplated thereby will not constitute:
  - A. a violation or breach of (i) the Articles of Incorporation of either N.H.S. or N.L.S., (ii) the By-Laws of either N.H.S. or N.L.S., (iii) any provision of any contract or other instrument to which either N.H.S. or N.L.S. is bound, or (iv) any order, writ, injunction, decree, statute, rule or regulation binding on either N.H.S. or N.L.S., or
  - B. a breach of any of the provisions of, or constitute a default under, or result in the creation or imposition of any lien or encumbrance upon any of the property of either N.H.S. or N.L.S. pursuant to, any agreement or other instrument to which either N.H.S. or N.L.S. is a party or by which either N.H.S. or N.L.S. is bound.
6. No action of, or filing with, any governmental or public body is required to authorize, or is otherwise required for the validity of, the execution, delivery and performance of any of the C.H.O.P. III Agreement.

This opinion is furnished for your benefit and may be relied upon by you and any such other party in connection with the C.H.O.P. III Agreement, but may not be delivered to or relied upon by any other person or entity without consent from the undersigned.

Very truly yours,

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APPROVAL AND ADOPTION OF TAX INCREMENT  
REDEVELOPMENT PLAN FOR NORTH/CICERO  
REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, July 30, 1997.

*To the President and Members of the City Council:*

Your Committee on Finance, having had under consideration an ordinance concerning the authority to approve and adopt a Tax Increment Redevelopment Plan for the North/Cicero Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,  
*Chairman.*

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

*Yeas* -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Coleman, Peterson, Murphy, Rugai, Troutman, Evans, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Burrell, Wojcik, Suarez, Gabinski, Mell, Banks, Giles, Allen, Laurino, Doherty, Natarus, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 45.

*Nays* -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation Financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq. (1993), as amended (the "Act"), for a proposed redevelopment project area to be known as the North/Cicero Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant to a proposed redevelopment plan and project attached hereto as Exhibit A (the "Plan"); and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Community Development Commission (the "Commission") of the City, by authority of the Mayor and the City Council of the City (the "City Council", referred to herein collectively with the Mayor as the "Corporate Authorities") called a public hearing (the "Hearing") concerning approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area pursuant to the Act on May 13, 1997; and

WHEREAS, The Plan (including the related eligibility report attached thereto as an exhibit) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act beginning March 11, 1997, at a time prior to the adoption by the Commission of Resolution 97-CDC-33 on March 11, 1997, fixing the time and place for the Hearing, at the offices of the City Clerk and the City's Department of Planning and Development; and

WHEREAS, Due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having property within the Area and to the Department of Commerce and Community Affairs of the State of Illinois by certified mail on March 17, 1997, by publication in the *Chicago Sun-Times* or *Chicago Tribune* on April 20, 1997 and April 27, 1997, and by certified mail to taxpayers within the Area on May 2, 1997; and

WHEREAS, A meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due notice on March 28, 1997 at 10:00 A.M., concerning the approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 97-CDC-56 attached hereto as Exhibit B, adopted on May 28, 1997, recommending to the City Council approval of the Plan, among other related matters; and

WHEREAS, The Corporate Authorities have reviewed the Plan (including the related eligibility study attached thereto as an exhibit), testimony from the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Area. The Area is legally described in Exhibit C attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit D attached hereto and incorporated herein. The map of the Area is depicted on Exhibit E attached hereto and incorporated herein.

SECTION 3. Findings. The Corporate Authorities hereby make the following findings as required pursuant to Section 5/11-74.4-3(n) of the Act:

a. the Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;

b. the Plan:

(i) conforms to the comprehensive plan for the development of the City as a whole; or

(ii) the Plan either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land-uses that have been approved by the Chicago Plan Commission; and

c. the Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not more than twenty-three (23) years from the date of the adoption of the ordinance approving the designation of the Area as a redevelopment project area, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years.

SECTION 4. Approval Of The Plan. The City hereby approves the Plan pursuant to Section 5/11-74.4-4 of the Act.

SECTION 5. Powers Of Eminent Domain. In compliance with Section 5/11-74.4-4(c) of the Act and with the Plan, the Corporation Counsel is authorized to negotiate for the acquisition by the City of parcels contained within the Area. In the event the Corporation Counsel is unable to acquire any of said parcels through negotiation, the Corporation Counsel is authorized to institute eminent domain proceedings to acquire such parcels. Nothing herein shall be in derogation of any proper authority.

SECTION 6. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 8. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "E" referred to in this ordinance printed  
on page 49078 of this Journal.]

Exhibits "A", "B", "C" and "D" referred to in this ordinance read as follows:

*Exhibit "A".*

*City Of Chicago*

*North/Cicero*

*Tax Increment Finance Program*

*Redevelopment Plan And Project.*

*City Of Chicago*

*Richard M. Daley,*

*Mayor*

*March 10, 1997.*

*I.*

*Introduction.*

The North/Cicero Redevelopment Project Area (hereafter referred to as

the "Redevelopment Project Area") is located on the west/northwest side of the City of Chicago, Illinois (the "City") approximately five (5) miles west/northwest of the City's Central Business District. The Redevelopment Project Area contains forty-six and eighty-one one-hundredths (46.81) acres and consists of nine (9) (full and partial) city blocks. The Redevelopment Project Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south and Lavergne Avenue on the west. The boundaries of the Redevelopment Project Area are shown on Map 1, Project Boundary Map, and the existing land-uses are shown on Map 2.

The Redevelopment Project Area is located in a community that is primarily comprised of various commercial uses interspersed with industrial uses along major thoroughfares. Residential uses are generally present along non-arterial streets surrounding the commercial/industrial uses. Vacant parcels, including industrial, commercial and institutional uses, are also present in the Redevelopment Project Area. The largest vacant parcel in the Redevelopment Project Area (approximately fifteen (15) acres) contained a C.T.A. garage that was originally constructed in 1910 and was demolished prior to 1991.

The Redevelopment Project Area is located in the northeast corner of the Austin Community of the City of Chicago. Access to the Redevelopment Project Area is primarily provided by Cicero Avenue and North Avenue. The Eisenhower Expressway, located directly to the south of the Redevelopment Project Area, may be accessed at Cicero Avenue. Additionally, the Redevelopment Project Area is well served by public transportation making the site easily accessible to the local work force.

Much of the Redevelopment Project Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

- incompatible land-uses (i.e., commercial and industrial uses adjacent to residential uses);
- vacant land;
- underutilized and vacant buildings;
- current and past obsolescence;
- inadequate infrastructure; and
- other blighting characteristics.

Redevelopment of the largest three (3) parcels within the Redevelopment Project Area, vacant industrial/institutional property on a block of sixteen

and nine-tenths (16.9) acres, would require extraordinary expenditures for demolition, environmental remediation and site preparation; these development costs would result in a higher development cost per square foot and decrease the potential return required to encourage a developer to move ahead with a proposed redevelopment project.

#### A. Area History And Profile.

The Redevelopment Project Area is located in the northeast corner of the Austin community which is located on the western edge of the city limits. The Austin community is bordered by the suburbs of Oak Park on the west and Cicero on the south.

The land comprising the Austin community was purchased by various individuals from the federal government in the 1830s. It was developed as a community in the 1860s by Henry W. Austin who donated part of his land holdings to entice a New England clock factory to relocate there, bringing its employees. During these early years, Austin, along with Oak Park, was originally part of the town of Cicero. In 1889, however, Austin and Oak Park split over the extension of the Chicago and North Western's Lake Street line to Austin Avenue, which Austin favored. The residents of Oak Park and Cicero, with their numerical advantage, united against the Austin residents and voted for an election proposal which detached Austin from Cicero and led to its annexation to Chicago in 1889.

Today, the Austin community is bounded by the Chicago, Milwaukee and St. Paul Railroad right-of-way on the north, Roosevelt Road on the south, the Chicago and North Western Railroad right-of-way on the east, and Austin and Harlem Avenues on the west. The total population of Austin is estimated at one hundred fourteen thousand seventy-nine (114,079) people based on the 1990 Census, a net loss of twenty-four thousand (24,000) inhabitants and a seventeen and three-tenths percent (17.3%) decrease from 1980. Additionally, within the four (4) census tracts represented in the Redevelopment Project Area, the percentage of families with income below the poverty level ranges from eighteen percent (18%) to forty-six percent (46%). According to the *Local Community Fact Book, Chicago Metropolitan Area -- 1990*, "... much of Austin is still plagued by problems of high crime rates, unemployment, poverty and decayed or abandoned buildings. The commercial corridors ... are scenes of urban blight with even fewer retailers willing to invest money in the area".

#### Land-Use And Zoning Characteristics.

The permitted uses with the Redevelopment Project Area include M1-1, C2-1, R4 and B5-1. The majority of the Redevelopment Project Area is zoned M1-1, Restricted Manufacturing District. The parcels north of North Avenue are zoned C2-1, Restricted Commercial uses, along with a small

section south of Le Moyne Street and west of Cicero Avenue. A small area along the western boundary is zoned R4, general residential use and is currently occupied by a vacant school building. There is no block between Le Moyne Street, Cicero and Lamon Avenues that is zoned B5-1, general service districts.

Currently, the largest block within the Redevelopment Project Area, containing three (3) parcels with total acreage of sixteen and nine-tenths (16.9), is vacant. Two (2) of the three (3) parcels are currently zoned M1-1 and the third is zoned R4. Additional uses in the Redevelopment Project Area include scattered industrial and commercial activities with second-floor residential, vacant institutional uses and other vacant and/or underutilized parcels (see Map 2, Existing Land-Uses).

The purpose of the North/Cicero Tax Increment Finance Program Redevelopment Plan and Project (the "Redevelopment Plan") is to create a mechanism to encourage the development of new commercial facilities on vacant and underutilized land, the redevelopment, rehabilitation and/or expansion of existing businesses, and the improvement of the physical environment and infrastructure. The redevelopment of the Redevelopment Project Area is expected to encourage economic revitalization within the community and surrounding area.

This Redevelopment Plan summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc.. The City of Chicago is entitled to rely on the findings and conclusions of the Redevelopment Plan (including the related eligibility study) in designating the Redevelopment Project Area as a redevelopment project area under the Act (defined below). Louik/Schneider and Associates, Inc. has prepared this Redevelopment Plan and the related eligibility study with the understanding that the City would rely (i) on the findings and conclusions of the Redevelopment Plan and the related eligibility study in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Redevelopment Plan, and (ii) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information so that the Redevelopment Plan and the related eligibility study will comply with the Act.

#### B. Tax Increment Allocation Redevelopment Act.

An analysis of conditions within this area indicates that it is appropriate for designation as a Redevelopment Project Area under the State of Illinois Tax Increment Financing legislation. The Redevelopment Project Area is characterized by conditions which warrant its designation as a vacant "Blighted Area" and a "Conservation 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 5/11-74.4-1, et seq., as amended.



The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project", to redevelop blighted and conservation areas by pledging the increase in tax revenues generated by public and private redevelopment. This increase in tax revenues is used to pay for up-front costs which are required to stimulate private investment in new redevelopment and rehabilitation, or to reimburse private developers for eligible costs incurred in connection with the redevelopment. Municipalities may issue obligations to be repaid from the stream of real property tax increments that are generated within the tax increment financing district.

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

The North/Cicero 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 Plan and Project.

This Redevelopment Plan also specifically describes the Redevelopment Project Area. This area meets the eligibility requirements of the Act (see North/Cicero Tax Increment Finance Program -- Eligibility Study attached as (Sub)Exhibit 3). The Redevelopment Project Area boundaries are described in Introduction of the Redevelopment Plan and shown in Map 1, Boundary Map.

After approval of the Redevelopment Plan, the City Council of the City may then formally designate 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 area and conservation area factors are eliminated; and
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 larger extent on the cooperation between the private sector and agencies of local government.

Regardless of when the Redevelopment Plan and Project was adopted, the Redevelopment Plan and Project includes land-uses that have been approved by the planning commission of the municipality.

There has been no major investment in the Redevelopment Project Area for at least the last five (5) years. The adoption of the Redevelopment Plan will make 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.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take advantage of the real estate tax increment attributed to the Redevelopment Project Area as provided in accordance with the Act.

## II.

### *Redevelopment Project Area And Legal Description.*

The Redevelopment Project Area is located on the west/northwest side of the City of Chicago, Illinois located approximately five (5) miles west/northwest of the City's Central Business District. The Redevelopment Project Area contains forty-six and eighty-one one-hundredths (46.81) acres and consists of nine (9) (full and partial) large city blocks. The Redevelopment Project Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west. The boundaries of the Redevelopment Project Area are shown on Map 1, Boundary Map, and existing land-uses are shown on Map 2. The Redevelopment Project Area includes only those contiguous parcels of real property that are expected to be substantially benefited by the Redevelopment Plan.

The legal description of the Redevelopment Project Area is attached to this Plan as (Sub)Exhibit 1.

*III.**Redevelopment Project Area Goals And Objectives.**Overall Goals And Objectives.*

Comprehensive goals and objectives are included in this Redevelopment Plan to guide the decisions and activities that will be undertaken to facilitate the redevelopment of the Redevelopment Project Area. Many of them can be achieved through the effective use of local, state and federal mechanisms.

*General Goals.*

In order to redevelop the Redevelopment Project Area in an expeditious and planned manner, the establishment of goals is necessary. The following goals are meant to guide the development and/or the review of all future projects that will be undertaken in the Redevelopment Project Area.

- Improve the quality of life in Chicago by enhancing the local tax base through the improvement of the Redevelopment Project Area's economic vitality.
- Encourage sound economic development in the Redevelopment Project Area.
- Revitalize the Redevelopment Project Area to enhance its importance as a commercial center contributing to the improved vitality of the City.
- Create an environment within the Redevelopment Project Area that will contribute to the health, safety and general welfare of the City, and preserve or enhance the value of properties in the area.
- Create a suitable location and environment for modern commercial activities.
- Achieve desirable changes of land-use through a coordinated public/private effort.
- Promote harmonious and compatible land-uses that are primarily commercial in nature.

- Consider compatible mixed uses in limited instances such as where the existing adjacent land-uses are already residential or industrial.
- Promote large-scale development opportunities where feasible and applicable.
- Develop vacant and underutilized land.
- Create and preserve job opportunities.
- Encourage a diversified economy which provides an array of employment opportunities.
- Encourage the participation of minorities and women in the redevelopment of the Redevelopment Project Area.
- Create a secure, functional and attractive environment for businesses and employees.
- Enhance the commercial marketability of the Redevelopment Project Area.
- Provide an accessible and attractive environment that is conducive to modern commercial development in an urban setting.

#### Redevelopment Objectives.

To achieve the general goals of this Redevelopment Plan, the following redevelopment objectives have been established.

- Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area and as a Conservation Area.
- Encourage private investment in new commercial development.
- Facilitate the development of vacant land and the redevelopment of underutilized properties for commercial uses.
- Eliminate unnecessary streets and alleys to increase the amount of land available for private investment and redevelopment for commercial activities.
- Strengthen the economic well-being of the Redevelopment Project Area by encouraging increased commercial activity resulting in enhanced taxable values and job opportunities.

- Provide public and private infrastructure improvements and other relevant and available assistance necessary to the successful operation of modern commercial development in order to promote commercial and related activity in the Redevelopment Project Area.
- Provide needed incentives to encourage a broad range of improvements for both new development and the rehabilitation of existing buildings.
- Minimize conflicts between commercial and other land-uses within and adjacent to the Redevelopment Project Area.
- Use City and other public programs to enhance the marketability of the Redevelopment Project Area.
- Assist in the elimination of existing environmental contamination through the remediation of affected sites in order to promote new commercial development.
- Enhance the skills of the labor force to meet the job opportunities available within the Redevelopment Project Area.

#### Design Objectives.

Although overall goals and redevelopment objectives are important in the process of redeveloping an important commercial area, the inclusion of design guidelines is necessary to ensure that redevelopment activities result in the development of an attractive and functional environment. The following design objectives give a generalized and directive approach to the development of specific redevelopment projects.

- Establish a pattern of land-use activities arranged according to modern standards which can include groupings by use to increase efficiency of operation and economic relationships of commercial in a compact area.
- Encourage coordinated development of parcels and structures in order to achieve attractive and efficient building design, unified off-street parking, adequate truck and service facilities, and appropriate access to nearby arterial streets.
- Achieve development which is integrated both functionally and aesthetically with adjacent and nearby existing development.

- Ensure a safe and functional circulation pattern, adequate ingress and egress, and capacity in the Redevelopment Project Area.
- Encourage high standards of building and streetscape design to ensure the high quality appearance of buildings, rights-of-way and open spaces.
- Ensure that necessary security, screening, and buffering devices are attractively designed and are compatible with the overall design of the Redevelopment Project Area.
- Use signage and other devices to create a unified commercial identity for the Redevelopment Project Area to facilitate the marketability of property.

#### IV.

##### *Blighted Area And Conservation Area Conditions Existing In The Redevelopment Project Area.*

The Act states that 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 vacant, the sound growth of the taxing districts is impaired by (1) a combination of two (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 or 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 rail yards, 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 (1) or more improvements in or in proximity to the area which improvements have been in existence for at least five (5) years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which was removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision (1) above, 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 Act also states that a "Conservation Area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which fifty percent (50%) or more of the structures are thirty-five (35) years of age or older and the area exhibits the presence of three (3) or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; 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; or lack of community planning. A Conservation Area is not yet blighted, but, because of its age and the combination of three (3) or more of the above-stated factors, is detrimental to public safety, health, morals or welfare and may become a Blighted Area. All factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City.

Based upon surveys, site inspections, research and analysis by Louik/Schneider & Associates, Inc., the Redevelopment Project Area qualifies as a vacant Blighted Area and a Conservation Area as defined by the Act. A separate report entitled "City of Chicago North/Cicero Tax Increment Finance Program Eligibility Study" and, dated March 10, 1997, is attached as (Sub)Exhibit 3 to this Redevelopment Plan and describes in detail the surveys and analyses undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a vacant Blighted Area and a Conservation Area as defined by the Act.

The improved portion of the Redevelopment Project Area is characterized by the presence of structures more than thirty-five (35) years of age and the presence of seven (7) eligibility factors as listed in the Act for a Conservation Area. The vacant portion of the Redevelopment Project Area was found to contain sufficient eligibility factors to qualify as an improved Blighted Area immediately prior to becoming vacant. Summarized below are the findings of the Eligibility Report.

#### Summary Of Eligibility Factors.

The Redevelopment Project Area consists of nine (9) blocks with sixty-seven (67) parcels of property. Of the sixty-seven (67) parcels, forty-three (43) contain buildings, twenty (20) contain improved lots with no buildings (parking, outside storage and school yard), two (2) are streets and two (2) are vacant, grassy lots. There are twenty-seven (27) buildings in the Redevelopment Project Area: one (1) is a vacant institution (school), eight (8)

are industrial buildings, three (3) are residential buildings, four (4) are commercial with upper-floor residential and eleven (11) are strictly commercial. The largest parcel in the Redevelopment Project Area is a vacant, grassy parcel of approximately fifteen (15) acres that formerly contained a C.T.A. facility.

It was determined that the Redevelopment Project Area would be qualified in two (2) ways. The largest vacant parcel, 16-04-212-005, is referred to as the vacant portion of the Redevelopment Project Area and will be qualified as a vacant Blighted Area. The remaining sixty-six (66) parcels in the Redevelopment Project Area will be referred to as the improved portion of the Redevelopment Project Area and will be qualified as a Conservation Area.

The vacant portion of the Redevelopment Project Area exhibits one (1) of the criteria which would allow for a finding of a vacant Blighted Area as defined in the Act. Specifically, the area, immediately prior to becoming vacant, qualified as a blighted improved area by exhibition six (6) eligibility factors for an improved Blighted Area when only five (5) are required for a determination of blight. Immediately prior to becoming vacant, the vacant portion of the Redevelopment Project Area was found to exhibit the following eligibility factors:

- Age.
- Obsolescence.
- Deterioration.
- Lack of Light, Ventilation and Sanitary Facilities.
- Deleterious Land-Use or Layout.
- Depreciation of Physical Maintenance.

Throughout the improved portion of the Redevelopment Project Area, seven (7) conservation area eligibility criteria are present in varying degrees in addition to the age requirement. Four (4) factors are present to a major extent and three (3) are present to a minor extent. The seven (7) factors that have been identified in the Redevelopment Project Area are as follows:

- Major extent
  - deterioration.
  - excessive land coverage.
  - deleterious land-use or layout.
  - depreciation of physical maintenance.



- Minor extent -- dilapidation.  
-- obsolescence.  
-- excessive vacancies.

The conclusions of each of the factors that are present within the Redevelopment Project Area are summarized below.

#### Age.

Age is a factor for a Conservation Area and presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. In the Redevelopment Project Area, twenty-five (25) of the twenty-seven (27) buildings (ninety-three percent (93%)) are at least thirty-five (35) years or older.

#### 1. Dilapidation.

Dilapidation refers to an advanced state of disrepair of buildings and improvements. In the Redevelopment Project Area, dilapidation is present to a minor extent and was found in three (3) of the nine (9) blocks and in three (3) of the twenty-seven (27) (eleven percent (11%)) buildings which are severely damaged and/or neglected, are structurally substandard and may require removal.

#### 2. Obsolescence.

Obsolescence, both functional and economic, is present to a minor extent in seven (7) of the twenty-seven (27) (twenty-six percent (26%)) buildings, four (4) of the nine (9) blocks and fifteen (15) of the sixty-six (66) (twenty-three percent (23%)) parcels in the Redevelopment Project Area including vacant and dilapidated structures and industrial buildings difficult to reuse by today's standards.

#### 3. Deterioration.

Deterioration is present in structures with physical deficiencies or site improvements requiring major treatment or repair. Deterioration is present to a major extent in nine (9) of the nine (9) blocks, twenty-one (21) of the twenty-seven (27) (seventy-eight percent (78%)) buildings and fifty-four (54) of the sixty-six (66) (eighty-two percent (82%)) parcels.

#### 4. Excessive Vacancies.

Excessive vacancies are present to a minor extent in the Redevelopment Project Area. Excessive vacancies can be found in eight (8) of the twenty-seven (27) (thirty percent (30%)) buildings, twenty-three (23) of the sixty-three (63) (thirty-five percent (35%)) parcels and in six (6) of the nine (9) blocks.

#### 5. Excessive Land Coverage.

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Excessive land coverage is present to a major extent in the Redevelopment Project Area. Excessive land coverage is present in twenty-two (22) of the forty-three (43) (fifty-one percent (51%)) parcels with structures in the Redevelopment Project Area.

#### 6. Deleterious Land-Use Or Layout.

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed uses, or uses which may be considered noxious, offensive or environmentally unsuitable. Deleterious land-uses and layout is present to a major extent in the Redevelopment Project Area. This factor is present in thirty-nine (39) of the sixty-six (66) (fifty-nine percent (59%)) total parcels, eighteen (18) of the twenty-seven (27) (sixty-seven percent (67%)) buildings and five (5) of the nine (9) blocks.

#### 7. Depreciation Of Physical Maintenance.

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures. Depreciation of physical maintenance is present to a major extent in fifty-eight (58) of the sixty-six (66) (eighty-eight percent (88%)) parcels, twenty-three (23) of the twenty-seven (27) (eighty-five percent (85%)) buildings and in all of the nine (9) blocks of the Redevelopment Project Area.

#### Conclusion.

The conclusion of the consultant team engaged to conduct the study is that the number, degree and distribution of factors as documented in this report warrant the designation of the Redevelopment Project Area as a vacant Blighted Area and a Conservation Area as set forth in the Act.

The vacant portion of the Redevelopment Project Area is found to be eligible to be designated as a Blighted Area within the definition set forth in the legislation. Specifically:

- Of the seven (7) blighting factors set forth in the law for vacant land of which one (1) is required for a finding of blight, one (1) is present in the vacant portion of the Redevelopment Project Area.
- The blighting eligibility factors which are present are reasonably distributed throughout the vacant portion of the Redevelopment Project Area.
- All areas within the vacant portion of Redevelopment Project Area show the presence of blighting eligibility factors.

The improved portion of the Redevelopment Project Area is found to be eligible to be designated as a Conservation Area within the definition set forth in the legislation. Specifically:

- The buildings in the improved portion of the Redevelopment Project Area meet the statutory criteria that requires fifty percent (50%) or more of the structures to be thirty-five (35) years of age or older.
- Of the fourteen (14) eligibility factors for a Conservation Area set forth in the law, four (4) are present to a major extent and three (3) are present to a minor extent in the improved portion of the Redevelopment Project Area and only three (3) are necessary for designation as a Conservation Area.
- The Conservation Area eligibility factors which are present are reasonably distributed throughout the improved portion of the Redevelopment Project Area.
- All areas within the improved portion of the Redevelopment Project Area show the presence of Conservation Area eligibility factors.
- The Redevelopment Project Area is not yet blighted, but because of the factors described in this report, the Redevelopment Project Area may become a blighted area.

All blocks in the improved portion of the Redevelopment Project Area evidence the presence of some conservation area eligibility factors. The eligibility findings indicate that the improved portion of the Redevelopment Project Area contains factors which qualify it as a Conservation Area in

need of revitalization and that designation as a Redevelopment Project Area will contribute to the long-term well being of the City.

Additional research indicates the the Redevelopment Project Area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City. Specifically:

A summary of the building permit requests for new construction and renovation from the City of Chicago is fund in (Sub)Exhibit 2 -- Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from 1992 -- 1996 totaled Five Hundred Sixty-seven Thousand Six Hundred Dollars (\$567,600). On an annual basis (approximately One Hundred Thirteen Thousand Five Hundred Forty Dollars (\$113,540), this represents only four and one-tenths percent (4.1%) of assessed value in the Redevelopment Project Area.

- The Redevelopment Project Area is primarily comprised of commercial and industrial uses with some residential and vacant land. The Equalized Assessed Value (E.A.V.) for all property in the City of Chicago increased from Sixteen Million Three Hundred Fifty-six Thousand Four Hundred Eighty-one Dollars (\$16,356,481) in 1985 to Thirty Two Million One Hundred Twenty-six Thousand Six Hundred Fifty-two Dollars (\$32,126,652) in 1995, a total of ninety-six and forty-two one-hundredths percent (96.42%) or nine and sixty-four one-hundredths percent (9.64%) per year. Over the same period, the Redevelopment Project Area has only experienced an overall E.V.A. increase of forty and seventy-one one-hundredths percent (40.71%), from Four Million One Hundred Forty-seven Thousand Two Hundred Sixty-seven Dollars (\$4,147,267) in 1985 to Five Million Eight Hundred Thirty-five Thousand Four Hundred Nine Dollars (\$5,835,409) in 1995, an average of four and seven one-hundredths percent (4.07%) per year. Additionally, for the period from 1994 to 1995, the E.V.A. of fifty-nine (59) of the sixty-seven (67) parcels either decreased (three (3) parcels) or increased less than one percent (1%) (fifty-six (56) parcels).

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. comparison of current land-use to current zoning ordinance and the current zoning maps;
4. historical analysis of site uses and users;
5. analysis of original and current platting and building size layout;
6. review of previous prepared plans, studies and data;
7. analysis of building permits requested from the Department of Buildings for all structures in the Redevelopment Project Area from 1992 to 1996; and
8. evaluation of the equalized assessed values in the Redevelopment Project Area from 1985 to 1995.

Based upon the findings of the Eligibility Study for the North/Cicero Redevelopment Project 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.

## V.

### *North/Cicero Redevelopment Plan And Project.*

#### A. General Land-Use Plan.

The Proposed Land-Use Plan, Map 3, identifies the proposed land-uses that will be in effect upon adoption of this Redevelopment Plan. The major land-use categories for the Redevelopment Project Area are commercial with surrounding mixed-use. The location of all major thoroughfares and major street rights-of-way are subject to change and modification as specific redevelopment projects are undertaken.

This Redevelopment Plan and the proposed land-uses described herein will be approved by the Chicago Plan Commission prior to its adoption by the City Council. The proposed land-uses are as follows:

### Commercial.

The Redevelopment Plan proposes that the major vacant block within the Redevelopment Project Area is appropriate for commercial/retail use. The block, containing three (3) parcels with total combined land area of sixteen and nine-tenths (16.9) acres, is largely vacant with one (1) unoccupied institutional structure. The site is well-situated on the southwest corner of the intersection of North and Cicero Avenues and would be appropriate for commercial/retail use. Additionally, the block immediately to the south of the major vacant block and west of Lamon Avenue is also appropriate for commercial/retail use. That block contains two (2) industrial structures, the largest of which is mostly vacant, adjacent to residential uses. Finally, the northern parcel of the block south of the major vacant block and east of Lamon Avenue contains an existing commercial use which is appropriate to maintain.

### Mixed Use.

In addition to commercial land-use, the Redevelopment Plan supports a mixture of commercial, industrial and residential land-uses within the Redevelopment Project Area in the blocks across North and Cicero Avenues to the north and east respectively from the proposed commercial area. Additionally, the parcel on the southern half ( $\frac{1}{2}$ ) of the block to the south of the major vacant block and east of Lamon Avenue is appropriate for mixed use activities.

### B. Redevelopment Plan And Project.

The purpose of this Redevelopment Plan is to create a planning and programming mechanism that also provides the financial vehicle to allow for the redevelopment of properties within the Redevelopment Project Area. The Redevelopment Plan contains specific redevelopment objectives addressing private actions and public improvements which are to assist in the overall redevelopment of the Redevelopment Project Area. Implementation of the Redevelopment Plan will be undertaken on a phased basis and will help to eliminate those existing conditions which make the Redevelopment Project Area susceptible to blight.

The North/Cicero Redevelopment Project Area is well-suited to commercial development on the vacant and largely vacant parcels to the southwest of the intersection of North and Cicero Avenues. This property, which contains a vacant school, a mostly-vacant industrial building and a very large, publicly-owned vacant lot, totals approximately twenty-two (22) acres in size. The surrounding land-use patterns, the area's proximity to surface transportation, and the availability of vacant and underutilized property make this property appropriate for the development of new commercial/retail activities.

The Redevelopment Plan proposes the redevelopment of this vacant and underutilized property into modern commercial/retail establishments. With its proximity to other retail destinations (Goldblatts) directly to the south and east, and particularly to the surrounding suburban communities of Oak Park and Cicero with access on major arterials, this location is very appropriate for this type of use. An appropriate proposed development for the Redevelopment Project Area might allow for the development of approximately two hundred thousand (200,000) square feet of retail/commercial facilities with the potential to create up to two hundred (200) permanent, full-time equivalent jobs and in excess of five hundred (500) temporary construction jobs. Additionally, the size of the site might allow for approximately one thousand two hundred fifty (1,250) parking spaces to accommodate patrons from the community and surrounding neighborhoods and municipalities. In general, any proposed commercial/retail development with appropriate site coverage ratios, sufficient parking, and residential buffering would be appropriate for this site.

Some mixed use development is also proposed as part of this Redevelopment Plan in limited locations across North and Cicero Avenues. This portion of the Redevelopment Project Area is currently mixed-use and contains commercial/retail and industrial facilities as well as residential uses and several vacant and underutilized parcels. It is anticipated that the proposed adjacent commercial/retail development will spur future private investment in and redevelopment of new and existing properties in this area.

The Redevelopment Plan for the North/Cicero Redevelopment Project Area incorporates the use of tax increment funds to stimulate or stabilize not only the Redevelopment Project Area but also the properties within the surrounding area through the planning and programming of public and private improvements. The City may enter into redevelopment agreements with developers which will generally provide for the City to provide funding for activities permitted by the Act. The funds for these improvements will come directly from the incremental increase in tax revenues generated from the 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 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 ancillary improvements required for the project. Under a redevelopment agreement, the developer may also be reimbursed (to the extent permitted by the Act) for all or a portion of the costs of required site improvements or ancillary improvements from incremental tax revenues.

### C. Estimated Redevelopment Project Activities And Costs.

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking certain activities and incurring certain costs. Such activities may include some or all of the following:

1. **Assemblage Of Sites.** To achieve the renewal of the Redevelopment Project Area, the City of Chicago is authorized to acquire property, clear the property of any and all improvements, if any, engage in other site preparation activities and either (a) sell, lease or convey such property for private redevelopment, or (b) sell, lease or dedicate such property for construction of public improvements or facilities. Land assemblage by the City may be by purchase, exchange, donation, lease or eminent domain. The City may pay for a private developer's cost of acquisition land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land. The City may determine that to meet the renewal objectives of this Redevelopment Plan, properties in the Redevelopment Project Area not scheduled for acquisition should be acquired. Acquisition of land for public rights-of-way may 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 use 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 may be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
  - a. Provision for streets, public rights-of-ways and public transit facilities.
  - b. Provision of utilities necessary to serve the redevelopment.
  - c. Public landscaping.
  - d. Public landscape/buffer improvements, street lighting and general beautification improvements in connection with public improvements.



- e. Public open space.
3. Provision For Soil And Site Improvements. Funds may be used by the City or made available for improvements to properties for the purpose of making land suitable for development. These improvements may include, but are not limited to:
    - a. Environmental remediation necessary for redevelopment of the Redevelopment Project Area.
    - b. Site Preparation -- Utilities.
    - c. Demolition.
    - d. Investigations of site and soil conditions prior to remediation, demolition and site preparation.
  4. Job Training And Related Educational Programs. Funds may be used by the City or made available for programs to be created for individuals so that they may take advantage of the employment opportunities in the Redevelopment Project Area.
  5. Analysis, Administration, Studies, Legal, Et Al. Funds may be used by the City or provided for activities including the long-term management of the Redevelopment Plan and Project as well as the costs of establishing the program and designing its components. Funds may be used by the City or provided for 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, environmental or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.
  6. Interest Subsidies. Funds may be provided to redevelopers for a portion of interest costs incurred in the construction of a redevelopment project. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project may be funded provided that:
    - a. such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
    - b. such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs

- incurred by the redeveloper 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 (6) 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 the Act may not exceed thirty percent (30%) 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 by a municipality pursuant to the Act.
7. **Rehabilitation Costs.** The costs for rehabilitation, reconstruction or repair or remodeling of existing public or private buildings or fixtures including, but not limited to, provision of facade improvements for the purpose of improving the facades of privately held properties may be funded.
  8. **Provision For Relocation Costs.** Funds may be used by the City or made available for the relocation expenses of public facilities and for private property owners and tenants of properties relocated or acquired by the City (or a developer) for redevelopment purposes.
  9. **Financing Costs.** 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 under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding thirty-six (36) months thereafter and including reasonable reserves related thereto, may be funded.
  10. **Capital Costs.** 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 may be funded.

11. Payment In Lieu Of Taxes.
12. Costs Of Job Training. Funds may be provided for 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 (1) 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 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 (as defined in the Act) and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.
13. Redevelopment Agreements. The City may enter into redevelopment agreements with private developers which may include, but not be limited to, terms of sale, lease or conveyance of land, requirements for site improvements, public improvements, job training and interest subsidies. 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.

To undertake these activities, redevelopment project costs will be incurred. "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 pursuant to the Act.

The estimated Redevelopment Project Costs are shown in Table 1. 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. The costs represent estimated amounts and do not represent actual City commitments or expenditures. Additional funding in the form of state and federal grants, and private

developer contributions may be pursued by the City as a means of financing improvements and facilities which are of a general community benefit.

Table 1 (Estimated Redevelopment Project Costs) represents those eligible project costs in the Act. These upper limit expenditures are potential costs to be expended over the maximum twenty-three (23) year life of the Redevelopment Project Area. These funds are subject to the amount of projects and incremental taxes generated and the City's willingness to fund proposed projects on a project by project basis.

#### D. Sources Of Funds To Pay Redevelopment Project Costs.

Funds necessary to pay for Redevelopment Project Costs are to be derived principally from tax increment revenues, proceeds of municipal obligations which are secured principally by tax increment revenues and/or possible tax increment revenues from the adjacent redevelopment project areas created under the Act. There may be other sources of funds which the City may elect to use to pay for Redevelopment Project Costs or obligations issued, the proceeds of which will be used to pay for such costs, including but not limited to state and federal grants and land disposition proceeds generated from the Redevelopment Project Area.

The tax increment revenue which may be used to secure municipal obligations or pay for eligible Redevelopment Project Costs shall be the incremental real property tax revenue. 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. Without the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be anticipated to be developed.

The North/Cicero Redevelopment Project Area and other potential redevelopment project areas created under the Act may be or may become contiguous to one another, and, if the City finds that the goals, objectives and financial success of such redevelopment project areas are interdependent, the City may determine that it is in the best interest of the City and in furtherance of the purposes of the Act that net revenues from each such redevelopment project area be made available to support the other. The City therefore proposes to utilize net incremental revenues received from the Redevelopment Project Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in another contiguous redevelopment project area, and vice versa. The amount of revenue from the North/Cicero Redevelopment Project Area made available to support such contiguous redevelopment project areas, when added to all amounts used to pay eligible Redevelopment Project Costs within the North/Cicero Redevelopment Project Area, shall not at any time exceed the total

Redevelopment Project Costs described in Table 1 of this Redevelopment Plan.

#### Issuance Of Obligations.

To finance Redevelopment Project Costs the City may issue general obligation bonds or obligations secured by the anticipated tax increment revenue generated within the Redevelopment Project Area or the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers to secure such obligations. In addition, a municipality may pledge toward 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 Area; 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 (23) years (by the year 2020) 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 (20) years from their respective dates of issue. One (1) or more series of obligations may be sold at one (1) 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 lean natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

Tax increment 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.

#### E. Most Recent Equalized Assessed Valuation Of Properties In The Redevelopment Project Area.

The total 1995 equalized assessed valuation for the entire Redevelopment Project Area is Five Million Eight Hundred Thirty-five Thousand Four Hundred Nine Dollars (\$5,835,409). After verification by the County Clerk of Cook County, this amount will serve as the "Initial Equalized Assessed

Valuation" from which all incremental property taxes in the Redevelopment Project Area will be calculated by the County. The 1995 E.A.V. of the Redevelopment Project Area is summarized by permanent index number in Table 2 of this Redevelopment Plan.

#### F. Anticipated Equalized Assessed Valuation.

By the year 2000, when it is estimated that the commercial development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between Eight Million Five Hundred Thousand Dollars (\$8,500,000) and Eleven Million Dollars (\$11,000,000). These estimates are based on several key assumptions, including: 1) all commercial redevelopment will be completed in 2000; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Plan and Project; 3) the most recent State Multiplier of 2.1243 as applied to 1995 assessed values will remain unchanged; 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 1995 level; and 5) growth from reassessments of existing properties will be at a rate of two percent (2%) per year with a reassessment every three (3) years.

#### G. Lack Of Growth And Development Through Investment By Private Enterprise.

As described in the Blighted Area and Conservation Area Conditions section of this Redevelopment Plan, the Redevelopment Project Area as a whole is adversely impacted by the presence of numerous factors, and these factors are reasonably distributed throughout the Redevelopment Project Area. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. The lack of private investment is evidenced by continued existence of the factors referenced above and the lack of any new development projects initiated or completed within the Redevelopment Project Area. There have been no new buildings constructed in the Redevelopment Project Area for many years except for one (1) fast-food outlet on the northwest corner of the intersection of North and Cicero Avenues.

The lack of growth and investment by the private sector is supported by the trend in the Equalized Assessed Valuation (E.A.V.) of all of the property in the Redevelopment Project Area. The equalized assessed value for all property in the City of Chicago increased from Sixteen Million Three Hundred Fifty-six Thousand Four Hundred Eighty-one Dollars (\$16,356,481) in 1985 to Thirty-two Million One Hundred Twenty-six Thousand Six Hundred Fifty-two Dollars (\$32,126,652) in 1995, a total of

ninety-six and forty-two one-hundredths percent (96.42%) or nine and sixty-four one-hundredths (9.64%) per year. Over the same period, the Redevelopment Project Area has experienced an overall E.A.V. increase of forty and seventy-one one-hundredths percent (40.71%), from Four Million One Hundred Forty-seven Thousand Two Hundred Sixty-seven Dollars (\$4,147,267) in 1985 to Five Million Eight Hundred Thirty-five Thousand Four Hundred Nine Dollars (\$5,835,409) in 1995, an average of four and seven one-hundredths percent (4.07%) per year. Additionally, for the period from 1994 to 1995, the E.A.V. of fifty-nine (59) of the sixty-seven (67) parcels either decreased (three (3) parcels) or increased less than one percent (1%) (fifty-six (56) parcels).

A summary of the building permit requests for new construction and major renovation from the City of Chicago is found in (Sub)Exhibit 2 -- Building Permit Requests. Building permit requests for new construction and major renovation from the City of Chicago is found in (Sub)Exhibit 2 -- Building Permit Requests. Building permit requests for new construction and renovation for the Redevelopment Project Area from 1992 -- 1996 totaled Five Hundred Sixty-seven Thousand Six Hundred Dollars (\$567,600). On an annual basis (approximately One Hundred Thirteen Thousand Five Hundred Forty Dollars (\$113,540)), this represents only four and one-tenths percent (4.1%) of assessed value in the Redevelopment Project Area.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the Blighted Area and Conservation Area 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 Plan.

#### H. Financial Impact Of The Redevelopment Project.

Without the adoption of this Redevelopment 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 Area and Conservation Area conditions will continue and are likely to spread, and the surrounding area will become less attractive for the maintenance and improvement of existing buildings and sites. The possible 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. If successful, the implementation of the Redevelopment Plan may enhance the values of properties within and adjacent to the Redevelopment Project Area.

Sections A, B and C of this Redevelopment Plan describe the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The

Redevelopment Project 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 the Conservation Area conditions, which caused the Redevelopment Project Area to qualify as a Conservation Area under the Act, creating new jobs and promoting development in the Redevelopment Project 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 Equalized Assessed Valuation (E.A.V.) over and above the certified initial E.A.V. established at the time of adoption of this Plan and Project) will be used to pay eligible Redevelopment Project Costs for the Tax Increment Financing District. Incremental revenues will not be available to these taxing districts during this period. When the Redevelopment Project Area is no longer in place, the real estate tax revenues will be distributed to all taxing districts levying taxes against property located in the Redevelopment Project Area.

#### I. 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 District 299; Chicago School Finance Authority; Chicago Park District; Chicago Community College District 508; Metropolitan Water Reclamation District of Greater Chicago; County of Cook; and Cook County Forest Preserve District.

The proposed Redevelopment Project involves the acquisition of vacant and underutilized land, and new construction and rehabilitation of industrial and commercial buildings. Therefore, as discussed below, the financial burden of the Redevelopment Project on taxing districts is expected to be negligible.

Non-residential development, such as the proposed commercial uses and any expanded industrial development in the proposed mixed use area, 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 and the City of Chicago. Replacement of vacant and underutilized land 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. Additionally, any additional cost to the City of Chicago for police, fire protection and sanitation services will be minimal



since commercial and other mixed-use developments will privately pay for the majority of the costs of these services (i.e., sanitation services).

#### J. 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 Project Area cannot be predicted with complete certainty at this time and the demand for services provided by those taxing districts cannot be quantified at this time. As a result, the City has not developed, at present, a specific plan to address the impact of the Redevelopment Project on taxing districts.

As indicated in Section C and Table 1, Estimated Redevelopment Project Costs of the Plan and Project, the City may provide public improvements and facilities to service the Redevelopment Project Area. Potential public improvements and facilities provided by the City may mitigate some of the additional service and capital demands placed on taxing districts as a result of the implementation of this Redevelopment Plan and Project.

#### K. Provision For Amending Action Plan.

The North/Cicero Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

#### L. Affirmative Action Plan.

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

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment 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. Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprise and Woman Business Enterprises 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.

M. Phasing And Scheduling Of Redevelopment.

A phased implementation strategy will be utilized to achieve a timely and orderly redevelopment of the Redevelopment Project Area. It is expected that over the twenty-three (23) years that this Plan for the Redevelopment Project Area is in effect, numerous public/private improvements and developments can be expected to take place. The specific time frame and financial investment will be staged in a timely manner. Development within the Redevelopment Project Area intended to be used for commercial purposes will be staged consistently with the funding and construction of infrastructure improvements, and private sector interest in new commercial facilities. City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with expenditures in redevelopment by private developers. The estimated date for completion of this Redevelopment Project shall be no later than twenty-three (23) years from the adoption of the ordinance of the City Council of the City approving the Redevelopment Project Area.

[Map 1 referred to in this North/Cicero Redevelopment Plan constitutes Exhibit "E" to the ordinance and is printed on page 49078 of this Journal.]

[(Sub)Exhibit 1 referred to in this North/Cicero Redevelopment Plan constitutes Exhibit "C" to the ordinance and is printed on pages 49076 through 49077 of this Journal.]

[Maps 2 and 3 referred to in this North/Cicero Redevelopment Plan printed on pages 49029 through 49030 of this Journal.]

Tables 1 and 2 and (Sub)Exhibits 2 and 3 referred to in this North/Cicero Redevelopment Plan read as follows:

*Table 1.*  
(To North/Cicero Redevelopment Plan)

*Estimated Redevelopment Project Costs.*

Program Action/Improvements	Costs
Site Assemblage	\$4,000,000
Site Preparation/Environmental Remediation/Demolition	2,000,000
Rehabilitation	200,000
Public Improvements	1,000,000
Job Training	200,000
Interest Subsidy	100,000
Relocation Costs	250,000
Planning, Legal, Professional, Administration	250,000
<b>TOTAL REDEVELOPMENT PROJECT COSTS:*</b>	<b>\$8,000,000 (1) (2)</b>

---

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

- (1) All costs are 1997 dollars. In addition to stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. 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 item costs as a result of changed redevelopment costs and needs. All capitalized interest estimates are in 1997 dollars and include current market rates.
- (2) Total Redevelopment Project Costs are inclusive of redevelopment project costs in contiguous redevelopment project areas that are permitted under the Act to be paid from incremental property taxes generated in the Redevelopment Project Area.

*Table 2.*  
(To North /Cicero Redevelopment Plan)

*1995 Equalized Assessed Valuation.*

Permanent Index Number	Equalized Assessed Valuation
16-04-204-007	\$ 355,427
16-04-212-005	Exempt
16-04-212-006	39,004
16-04-210-010	744,841
16-04-210-011	412,284
16-04-210-012	116,051
16-04-226-002	1,557,936
16-04-227-013	642,388
13-33-423-030	15,255
13-33-423-031	13,938
13-33-423-032	13,938
13-33-423-033	18,301
13-33-423-034	9,612
13-33-423-035	9,612
13-33-423-036	9,587
13-33-423-037	9,612
13-33-423-038	9,612
13-33-423-039	10,163
13-33-423-040	132,121
13-33-423-041	132,121

Permanent Index Number	Equalized Assessed Valuation
13-33-423-042	\$ 67,143
13-33-423-043	51,725
13-33-423-044	8,359
13-33-423-045	8,359
13-33-423-046	8,359
13-33-423-047	8,359
13-33-423-048	8,359
13-33-423-049	30,770
13-33-423-050	132,253
13-33-423-055	132,282
13-33-423-053	Exempt
13-33-423-054	Exempt
13-34-315-029	69,749
13-34-315-030	69,951
13-34-315-031	88,783
13-34-315-032	4,673
13-34-315-033	19,008
13-34-315-034	8,952
13-34-315-035	137,786
16-03-100-001	103,462
16-03-100-002	44,523
16-03-100-003	69,300
16-03-100-004	22,441

Permanent Index Number	Equalized Assessed Valuation
16-03-100-005	\$46,820
16-03-100-006	48,689
16-03-100-007	48,689
16-03-100-008	41,335
16-03-100-009	26,137
16-03-100-010	26,197
16-03-100-011	3,365
16-03-100-012	18,418
16-03-100-013	24,720
16-03-100-014	51,852
16-03-100-015	2,912
16-03-100-016	2,853
16-03-100-017	8,652
16-03-100-018	10,005
16-03-100-019	11,059
16-03-100-020	18,617
16-03-102-001	8,308
16-03-102-002	7,471
16-03-102-003	7,471
16-03-102-004	15,469
16-03-102-005	27,316
16-03-102-006	14,556
16-03-102-007	8,720

Permanent Index Number	Equalized Assessed Valuation
16-03-102-008	\$ 9,379
TOTAL:	\$5,835,409

(Sub)Exhibit 2.  
(To North/Cicero Redevelopment Plan)

*Building Permit Requests.*

New Construction/Investment Permits.

Permit Number	Address	Date	Investment
751612	4737 West North Avenue	03/30/92	\$ 15,000
752495	1535 North Cicero Avenue	04/22/92	82,000
757192	1535 North Cicero Avenue	07/28/92	9,000
758818	1450 North Cicero Avenue	08/28/92	325,000
763433	1450 North Cicero Avenue	12/08/92	75,000
772674	4737 West North Avenue	07/26/93	600
787466	4923 West Le Moyne Street	06/13/94	10,000
803344	4732 West North Avenue	05/08/95	2,500

Permit Number	Address	Date	Investment
814256	1601 North Cicero Avenue	11/06/95	\$ 2,500
96000651	1420 North Lamon Avenue	02/16/96	46,000
		TOTAL:	\$567,600

*(Sub)Exhibit 3.*  
(To North/Cicero Redevelopment Plan)

*City Of Chicago*

*North/Cicero*

*Tax Increment Finance Program*

*Eligibility Study.*

*City Of Chicago*

*Richard M. Daley,*

*Mayor*

*March 10, 1997.*

*I.*

*Introduction.*

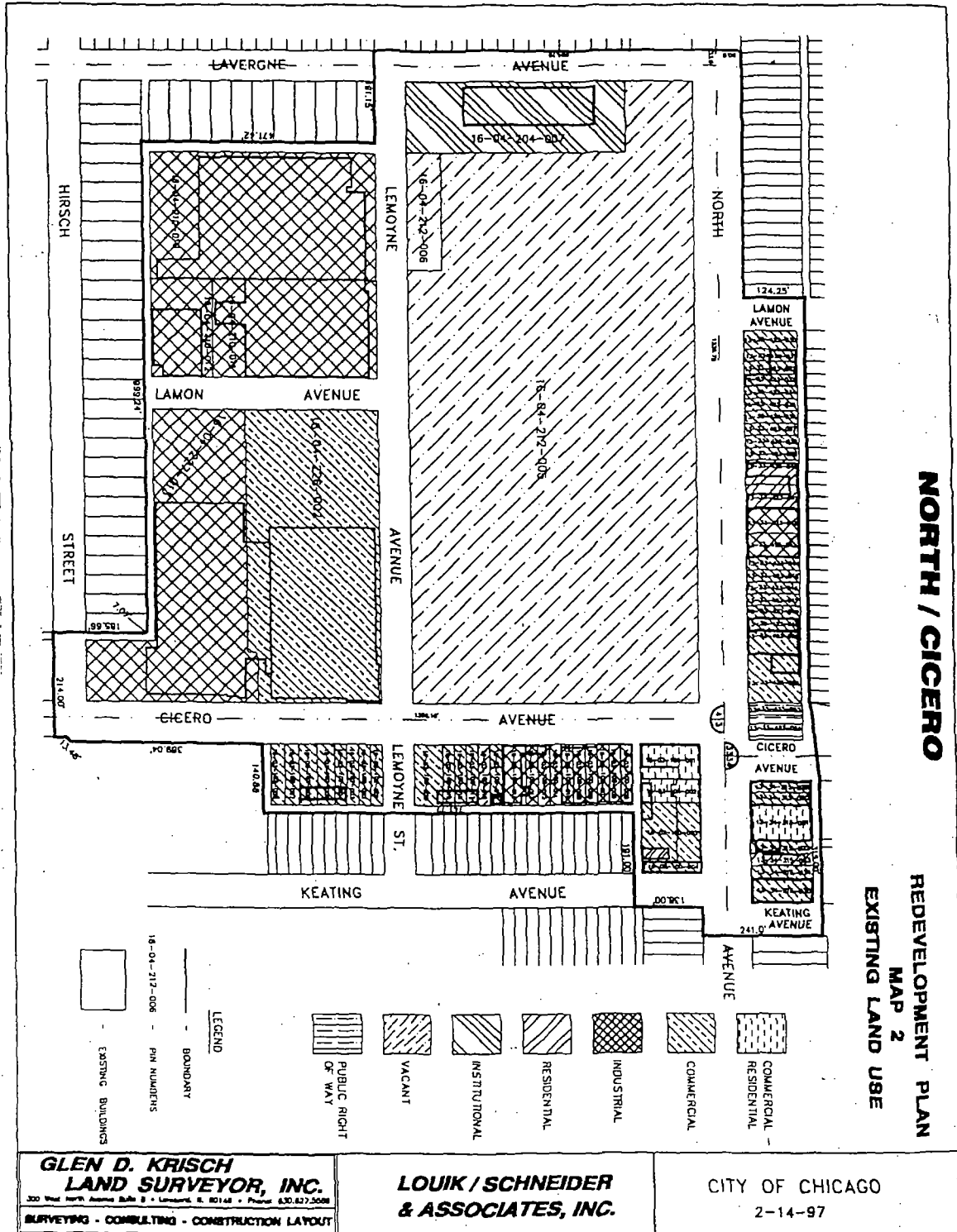
Louik/Schneider and Associates, Inc. has been retained by the Harlem Irving Companies to conduct an independent initial study and survey of the

(Continued on page 49031)



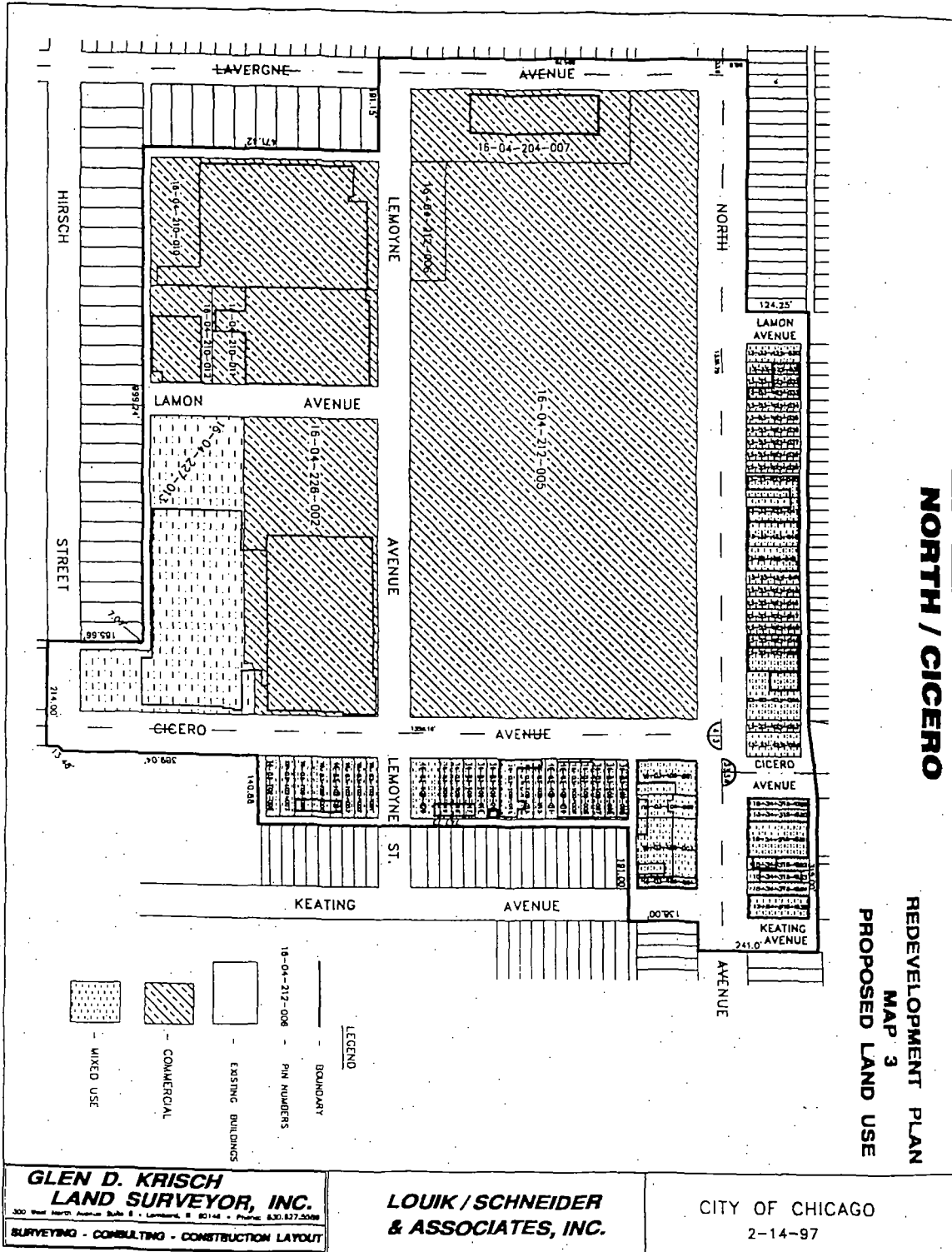
Map 2.  
(To North/Cicero Redevelopment Plan)

Existing Land-Use.



Map 3.  
(To North/Cicero Redevelopment Plan)

Proposed Land-Use.



**NORTH / CICERO**

**REDEVELOPMENT PLAN  
MAP 3  
PROPOSED LAND USE**

**GLEN D. KRISCH  
LAND SURVEYOR, INC.**  
300 West North Avenue, Suite 8 • Lombard, IL 60148 • Phone: 630.627.5088  
SURVEYING - CONSULTING - CONSTRUCTION LAYOUT

**LOUIK / SCHNEIDER  
& ASSOCIATES, INC.**

CITY OF CHICAGO  
2-14-97

(Continued from page 49028)

proposed redevelopment area known as the North/Cicero Area, Chicago, Illinois (see (Sub)Exhibit 1 -- Legal Description). The purpose of the study is to determine whether the North/Cicero Area (the "Study Area") qualifies for designation as a vacant "Blighted Area" and a "Conservation Area" for the purpose of establishing a tax increment financing district, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, as amended (the "Act"). This report summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc.. The City of Chicago is entitled to rely on the findings and conclusions of this report in designating the Study Area as a redevelopment project area under the Act. Louik/Schneider and Associates, Inc. has prepared this report with the understanding that the City would rely (i) on the findings and conclusions of this report in proceeding with the designation of the Study Area as a redevelopment project area under the Act, and (ii) on the fact that Louik/Schneider and Associates, Inc. has obtained the necessary information to conclude that the Study Area can be designated as a redevelopment project area in compliance with the Act.

Following this introduction, Section II presents background information of the Study Area including the area location, description of current conditions and site history. Section III explains the Building Condition Assessment and documents the qualifications of the Study Area as a vacant Blighted Area and a Conservation Area under the Act. Section IV, Summary and Conclusions, presents the findings related to the designation of the Study Area as a vacant Blighted Area and a Conservation Area.

This report was jointly prepared by Myron D. Louik, John P. Schneider, Lori T. Healey and Tricia Marino Ruffolo of Louik/Schneider and Associates, Inc.

## II.

### *Background Information.*

#### A. Location.

The North/Cicero Study Area is located on the west/northwest side of the City of Chicago, Illinois approximately five (5) miles west/northwest of the City's Central Business District. The Study Area contains forty-six and eighty-one one-hundredths (46.81) acres and consists of nine (9) (full and partial) city blocks. The Study Area is generally bounded by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of

Hirsch Street on the south, and Lavergne Avenue on the west. The boundaries of the Study Area are shown on Map 1, Project Boundary Map, and the existing land-uses are identified on Map 2.

The Study Area is located in the northeast corner of the Austin community of the City of Chicago. Access to the Study Area is primarily provided by Cicero Avenue and North Avenue. The Eisenhower Expressway, located directly to the south of the Study Area, may be accessed at Cicero Avenue. Additionally, the Study Area is well served by public transportation making the site easily accessible to the local work force.

The Study Area is located in a community that is primarily comprised of various commercial uses interspersed with industrial uses along major thoroughfares. Residential uses are generally present along non-arterial streets surrounding the commercial/industrial uses. Vacant parcels, including industrial, commercial and institutional uses, are also present in the Study Area. The largest vacant parcel in the Study Area (approximately fifteen (15) acres) contained a C.T.A. garage that was originally constructed in 1910 and was demolished prior to 1991.

#### B. Description Of Current Conditions.

The Study Area consists of nine (9) blocks with sixty-seven (67) parcels of property. Of the sixty-seven (67) parcels, forty-three (43) contain buildings, twenty (20) contain improved lots with no buildings (parking, outside storage and school yard), two (2) are streets and two (2) vacant, grassy lots. There are twenty-seven (27) buildings in the Study Area; one (1) is a vacant institution (school), eight (8) are industrial buildings, three (3) are residential buildings, four (4) are commercial with upper-floor residential and eleven (11) are strictly commercial. The largest parcel in the Study Area is a vacant, grassy parcel of approximately fifteen (15) acres that formerly contained a C.T.A. facility.

Much of the Study Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

- incompatible land-uses (i.e., commercial and industrial uses adjacent to residential uses);
- vacant land;
- underutilized and vacant buildings;
- current and past obsolescence;
- inadequate infrastructure; and
- other blighting characteristics.

Additionally, a lack of growth and investment by the private sector is evidenced by 1) the trend in the number/value of building permit requests for the Study Area, and 2) the growth of equalized assessed valuation ("E.A.V.") of all the property in the Study Area during the period from 1985 to 1995. Specifically:

- A summary of the building permit requests for new construction and major renovation from the City of Chicago is found (Sub)Exhibit 2 -- Building Permit Requests. Building permit requests for new construction and renovation for the Study Area from 1992 -- 1996 totaled Five Hundred Sixty-seven Thousand Six Hundred Dollars (\$567,600). On annual basis (approximately One Hundred Thirteen Thousand Five Hundred Forty Dollars (\$113,540)), this represents only four and one-tenth percent (4.1%) of assessed value in the Study Area.
  
- The Study Area is primarily of commercial and industrial uses with some residential and vacant land. The Equalized assessed Value (E.A.V.) for all property in the City of Chicago increased from Sixteen Million Three Hundred Fifty-six Thousand Four Hundred Eighty-one Dollars (\$16,356,481) in 1985 to Thirty-two Million One Hundred Twenty-six Thousand Six Hundred Fifty-two Dollars (\$32,126,652) in 1995, a total of ninety-six and forty-two one-hundredths percent (96.42%) or nine and sixty-four one-hundredths percent (9.64%) per year. Over the same period, from 1985 to 1995, the Study Area has experienced an overall E.A.V. increase of forty and seventy-one one-hundredths percent (40.71%), from Four Million One Hundred Forty-seven Thousand Two Hundred Sixty-seven Dollars (\$4,147,267) in 1985 to Five Million Eight Hundred Thirty-five Thousand Four Hundred Nine Dollars (\$5,835,409) in 1995, an average of four and seven one-hundredths percent (4.07%) per year. Additionally, for the period from 1994 to 1995, the E.A.V. of fifty-nine (59) of the sixty-five (65) parcels either decreased (three (3) parcels) or increased less than one percent (1%) ( fifty-six (56) parcels).

### C. Area History And Profile.

The Study Area is located in the northeast corner of the Austin Community which is located on the western edge of the city limits. The Austin Community is bordered by the suburbs of Oak Park on the west and Cicero on the south.

The land comprising the Austin community was purchased by various individuals from the federal government in the 1830s. It was developed as a

community in the 1860s by Henry W. Austin who donated part of his land holdings to entice a New England clock factory to relocate there, bringing its employees. During these early years, Austin, along with Oak Park, was originally part of the town of Cicero. In 1889, however, Austin and Oak Park split over the extension of the Chicago and North Western's Lake Street line to Austin Avenue, which Austin favored. The residents of Oak Park and Cicero, with their numerical advantage, united against the Austin residents and voted for an election proposal which detached Austin from Cicero and led to its annexation to Chicago in 1889.

Today, the Austin community is bounded by the Chicago, Milwaukee and St. Paul Railroad right-of-way on the north, Roosevelt Road on the south, the Chicago and North Western Railroad right-of-way on the east, and Austin and Harlem Avenues on the west. The total population of Austin is estimated at one hundred fourteen thousand seventy-nine (114,079) people based on the 1990 Census, a net loss of twenty-four thousand (24,000) inhabitants and a seventeen and three-tenths percent (17.3%) decrease from 1980. Additionally, within the four (4) census tracts represented in the Redevelopment Project Area, the percentage of families with income below the poverty level ranges from eighteen percent (18%) to forty-six percent (46%). According to the *Local Community Fact Book Chicago Metropolitan Area -- 1990*, "... much of Austin is still plagued by problems of high crime rates, unemployment, poverty and decayed or abandoned buildings. The commercial corridors ... are scenes of urban blight with ever fewer retailers willing to invest money in the area".

#### Land-Use And Zoning Characteristics.

The permitted uses within the Study Area include M1-1, C2-1, R4 and B5-1. The majority of the Study Area is zoned M1-1, restricted manufacturing district. The parcels north of North Avenue are zone C2-1, restricted commercial uses, along with a small section south of Le Moyne Street and west of Cicero Avenue. A small area along the western boundary is zoned R4, general residential use and is currently occupied by a vacant school building. There is one (1) block between Le Moyne Street, Cicero and Lamon Avenues that is zoned B5-1, general services districts.

Currently, the largest block within the Study Area, containing three (3) parcels with total acreage of sixteen and nine-tenths (16.9), is vacant. Two (2) of the three (3) parcels are currently zoned M1-1 and the third (3rd) is zoned R4. Additional uses in the Redevelopment Project Area include scattered industrial and commercial activities with second-floor residential, vacant institutional uses and other vacant and/or underutilized parcels (see Map 2, Existing Land-Uses).

*III.**Qualifications As A Blighted Area And Conservation Area.***A. Illinois Tax Increment Act.**

The Act authorizes Illinois municipalities to redevelop locally designated deteriorated areas through tax increment financing. In order for an area to qualify as a tax increment financing district, it must first be designated as a Blighted Area, a Conservation Area (or a combination of the two) or an Industrial Park.

The Act states that 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 vacant, the sound growth of the taxing districts is impaired by (1) a combination of two (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 or 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 rail yards, 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 (1) or more improvements in or in proximity to the area which improvements have been in existence for at least five (5) years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which was removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision (1) above, 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 Act also states that a Conservation Area means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which fifty percent (50%) or more of the structures are thirty-five (35) years of age or older and the area exhibits the presence of three (3) or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; 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; or lack of community planning. A Conservation Area is not yet blighted, but because of its age and the combination of three (3) or more of the above-stated factors, is detrimental to public safety, health, morals or welfare and may become a blighted area. All factors must indicate that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City.

#### B. Survey, Analysis And Distribution Of Eligibility Factors.

Exterior surveys were conducted of all of the sixty-seven (67) parcels located within the Study Area. An analysis was made of each of the blighted area and conservation area eligibility factors contained in the Act to determine their present in the Study Area. This exterior survey examined not only the condition and use of buildings but also included conditions of streets, sidewalks, curbs, gutters, lighting, vacant land, underutilized land, parking facilities, landscaping, fences and walls, and general maintenance. In addition, an analysis was conducted of existing site coverage and parking, land-uses, zoning and their relationship to the surrounding area.

It was determined that the Study Area would be qualified in two (2) ways. The largest vacant parcel, 16-04-212-005, which formerly contained a C.T.A. facility demolished prior to 1991, is referred to as the vacant portion of the Study Area and will be qualified as a vacant Blighted Area. The remaining sixty-six (66) parcels in the Study Area will be referred to as the improved portion of the Study Area and will be qualified as a Conservation Area.

A block-by-block analysis was conducted on the blighted area and conservation area eligibility factors (see (Sub)Exhibit 3, Criteria of Eligibility Factors Matrix). Each of the factors are present to a varying degree. The following three (3) levels are identified:

- Not Present -- indicates that either the condition did not exist or that no evidence could be found or documented during the survey or analyses.
- Present To A Minor Extent -- indicates that the condition did exist, but its distribution or impact was limited.
- Present To A Major Extent -- indicates that the condition did exist and was present throughout the area (block-by-block basis) and was at a level to influence the Study Area and adjacent and nearby parcels of property.



### C. Vacant Blighted Area Eligibility Factors.

The large, single tract of vacant land is located between North Avenue on the north, Le Moyne Street on the south, Cicero Avenue on the east and Lavergne Avenue on the west. This area is referred to as the vacant portion of the Study Area.

The vacant portion of the Study Area contains one (1) parcel, 16-04-212-005, of approximately fifteen and forty-five one-hundredths (15.45) acres of vacant land. This Chicago Transit Authority-owned site formerly contained three (3) buildings (totaling two hundred eighty-three thousand two hundred sixty-five (283,265) square feet) and two (2) covered areas utilized for bus maintenance, inspection and light repair. These buildings and all related structures were demolished for replacement at a new location at Chicago and Pulaski Avenues prior to 1991.

In order for this part of the Study Area to qualify as a vacant Blighted Area, it must be demonstrated that the south growth of the taxing districts is impaired by one (1) or more of the factors in the Act described above in paragraph (a), Illinois Tax Increment Act.

The following factor is present within this portion of the Study Area:

1. The area immediately prior to becoming vacant qualified as a blighted improved area. Specifically, a portion of a report by DeLeuw, Cather and Company, dated October 1977 and entitled "Bus Garage Standardization and Rehabilitation Study for the Chicago Transit Authority" (U.M.T.A. Project Numbers IT-09-0052 and IT-09-0072), and C.T.A. Job Order Number 0838, dated February 8, 1991 and entitled "Replace Garage -- North Avenue" (both of which are attached as (Sub)Exhibit 5 -- C.T.A. Reports) stated the following:
  - a) Age -- The original bus facility was constructed in 1910 as a streetcar barn. The other two (2) buildings were constructed shortly thereafter.
  - b) Obsolescence -- The 1977 DeLeuw, Cather and Company report states that "Present site and physical plant do not compare favorably with criteria contiguity aspects, space and site requirements. Servicing, inspection and repair are performed in several buildings scattered throughout the large site. Supervision of personnel is extremely difficult. Bus traffic flow is very circuitous, causing high on-site dead head mileage . . . This situation and the deteriorated condition of the physical plant make renovation economically and functionally unadvisable". C.T.A. Job Order Number 0838 also states that, "... bus storage was located in an open area divided by freestanding masonry walls which impeded bus

movement, resulted in the need to continuously run buses, and ultimately necessitated replacement of the facility". It is clear that the facility exhibited both functional and economic obsolescence which contributed to its disuse and demolition.

c) Deterioration -- C.T.A. Job Order Number 0838 states in its justification for expenditure of funds for a replacement facility that "The original bus facility . . . was demolished due to the extreme age of the building complex and general deterioration of the structural and mechanical systems". The 1977 report by DeLeuw, Cather and Company also states that "The present physical plant of the North Avenue Operating Bus Garage is in a generally deteriorated condition". Table II-7 of that report shows "poor" ratings for specific structural and systems components such as electrical systems, ventilation and fire protection, roof, walls, flashing and windows.

d) Lack of Light, Ventilation and Sanitary Facilities -- C.T.A. Job Order Number 0838 goes on to state that, "Specifically, the heating system was in poor condition; the ventilation system was inadequate concentrating fumes in the maintenance area; and light was poor throughout the facility, creating problems in the bus repair areas".

e) Deleterious Land-Use or Layout -- As noted above, both reports document the poor layout of structures on the site; buses were run inefficiently around three (3) freestanding buildings and supervision of personnel was difficult given the site configuration. Additionally, the site was adjacent to residential uses and a parochial school.

f) Depreciation of Physical Maintenance -- As described above, a structure that is deteriorated also exhibits depreciation of physical maintenance in its interior and exterior components.

#### Conclusion.

The vacant portion of the Study Area exhibits one (1) of the criteria which would allow for a finding of a vacant Blighted Area as defined in the Act. Specifically, the area, immediately prior to becoming vacant, qualified as a blighted improved area by exhibiting six (6) eligibility factors for an improved Blighted Area when only five (5) are required for a determination of blight. See Map 11, Blighted Area Prior to Vacancy.

The following two sections address the improved portion of the Study Area. The first section describes the evaluation procedure used for

classifying buildings. The second section examines the eligibility factors for the improved section of the Study Area.

#### D. Building Evaluation Procedure.

This section will identify how the buildings within the Study Area are evaluated.

#### How Building Components And Improvements Are Evaluated.

During the field survey, all components of and improvements to the subject buildings were examined to determine whether they were in sound condition or had minor, major or critical defects. These examinations were completed to determine whether conditions existed to evidence the presence of any of the following related factors: dilapidation, deterioration or depreciation of physical maintenance.

Building components and improvements examined were of two (2) types:

##### Primary Structural Components.

These include the basic elements of any building or improvement including foundation walls, load bearing walls and columns, roof and roof structure.

##### Secondary Components.

These are components generally added to the primary structural components and are necessary parts of the building and improvements, including porches and steps, windows and window units, doors and door units, facade, chimneys, and gutters and downspouts.

Each primary and secondary component and improvement was evaluated separately as a basis for determining the overall condition of the building and surrounding area. This evaluation considered the relative importance of specific components within the building and the effect that deficiencies in components and improvements have on the remainder of the building.

Once the buildings are evaluated, they are classified as identified in the following section.

### Building Component And Improvement Classifications.

The four (4) categories used in classifying building components and improvements and the criteria used in evaluating structural deficiencies are described as follows.

1. Sound.

Building components and improvements which contain no defects, are adequately maintained, and require no treatment outside of normal ongoing maintenance.

2. Requiring Minor Repair -- Depreciation Of Physical Maintenance.

Building components and improvements which contain defects (loose or missing material or holes and cracks over a limited area) which often may be corrected through the course of normal maintenance. Minor defects have no real effect on either primary or secondary components and improvements and the correction of such defects may be accomplished by the owner or occupants, such as pointing masonry joints over a limited area or replacement of less complicated components and improvements. Minor defects are not considered in rating a building as structurally substandard.

3. Requiring Major Repair -- Deterioration.

Building components and improvements which contain major defects over a widespread area and would be difficult to correct through normal maintenance. Buildings and improvements in this category would require replacement or rebuilding of components and improvements by people skilled in the building trades.

4. Critical-- Dilapidated.

Building components and improvements which contain major defects (bowing, sagging, or settling to any or all exterior components, for example) causing the structure to be out-of-plumb, or broken, loose or missing material and deterioration over a widespread area so extensive that the cost of repair would be excessive.

### E. Conservation Area Eligibility Factors.

A finding may be made that the improved portion of the Study Area is a Conservation Area based on the fact that fifty percent (50%) or more of the structures are thirty-five (35) years of age or more, and the area exhibits the presence of three (3) or more of the conservation area eligibility factors described above in paragraph A, and that the area may become a blighted area because of these factors. This section examines each of the conservation area eligibility factors.

#### Age.

Age is a factor for a Conservation Area and presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems are a function of time, temperature and moisture, structures which are thirty-five (35) years or older typically more problems than more recently constructed buildings.

There are twenty-five (25) of the twenty-seven (27) (ninety-three percent (93%)) buildings in the Study Area that are at least thirty-five (35) years or older. Age is present in eight (8) out of the nine (9) blocks in the Study Area.

#### Conclusion.

Age is present to a major extent in the Study Area. Twenty-five (25) of the twenty-seven (27) buildings (ninety-three percent (93%)) are at least thirty-five (35) years or older. The result of the analysis of age are shown in Map 3.

#### 1. Dilapidation.

Dilapidation refers to an advanced state of disrepair of buildings and improvements. In November of 1996, Louik/Schneider & Associates, Inc. conducted an exterior survey of all the structures and the condition of each of the buildings in the Study Area. The analysis of building dilapidation is based on the survey methodology and criteria described in the preceding section on "How Building Components and Improvements are Evaluated".

Based on exterior buildings surveys, it was determined that three (3) buildings were dilapidated and exhibited major structural problems making them structurally substandard. One (1) vacant, multi-story residential building had no windows, was boarded-up and had severely cracked and sagging foundations and walls. Two (2) commercial structures had walls and roofs caving in, as well as severe problems with secondary structures such as cracked or missing windows, broken doors, missing parapets and gutters, etc. These buildings were all in an advanced state of disrepair.

Dilapidation is present in three (3) of the twenty-seven (27) (eleven percent (11%)) buildings and in four (4) of the forty-three (43) (nine percent (9%)) parcels with buildings. Dilapidated buildings are found in three (3) of the nine (9) blocks.

#### Conclusion.

Dilapidation is present to a minor extent in the Study Area. Dilapidation is present in three (3) of the twenty-seven (27) (eleven percent (11%)) buildings and three (3) of the nine (9) blocks. The results of the dilapidation analysis are presented in Map 4.

#### 2. Obsolescence.

*Webster's New Collegiate Dictionary* defines "obsolescence" as "being out of use; obsolete". "Obsolete" is further defined as "no longer in use; disused" or "of a type or fashion no longer current". These definitions are helpful in describing the general obsolescence of buildings or site improvements in the proposed Study Area. In making findings with respect to buildings and improvements, it is important to distinguish between functional obsolescence which relates to the physical utility of a structure, and economic obsolescence which relates to a property's ability to compete in the marketplace.

##### -- Functional Obsolescence.

Structures historically have been built for specific uses or purposes. The design, location, height and space arrangement are intended for a specific occupancy at a given time. Buildings and improvements become obsolete when they contain characteristics or deficiencies which limit the use and marketability of such buildings and improvements for that use after the original use ceases. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, the improper orientation of the building on its site, et cetera, which detracts from the overall usefulness or desirability of a property.

##### -- Economic Obsolescence.

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings which contain vacant space are

characterized by problem conditions which may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, et cetera, may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities, outdated designs, et cetera.

Obsolescence, as a factor, should be based upon the documented presence and reasonable distribution of buildings and site improvements evidencing such obsolescence.

#### Obsolete Building Types.

Obsolete buildings contain characteristics or deficiencies which limit their long-term sound use or reuse for the purpose for which they were built. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

These structures are characterized by conditions indicating that they are incapable of efficient or economic use according to contemporary standards. These conditions include:

- an inefficient exterior configuration of the structures, including insufficient width, ceiling heights and small size;
- large floor plates and antiquated building systems;
- inadequate access for contemporary systems of delivery and service, including both exterior building access and interior vertical systems; or
- single-purpose industrial use.

Obsolete buildings in the Study Area include the vacant school building and the vacant, multi-story apartment building. These structures have been vacant for some time and exhibit severe deterioration and dilapidation, respectively. Additionally, the other two (2) dilapidated commercial structures have depreciated in market value and can be classified as economically obsolete. Two (2) of the industrial buildings in the Study Area

and an adjacent garage, located on the major thoroughfares and surrounded by commercial and residential uses, can be classified as functionally obsolete; not only are they surrounded by incompatible uses, but they are severely limited in their ceiling height, parking for employees and customers and their ability to accommodate trucks for loading/unloading. These facilities would be extremely difficult to reuse by most modern manufacturing firms. All of these conditions decrease the marketability of this area, resulting in its economic obsolescence.

#### Obsolete Platting.

Obsolete platting includes parcels of irregular shape, narrow or small size, and parcels improperly platted within the Study Area blocks.

#### Obsolete Site Improvements.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities, outdated designs, et cetera. Throughout the Study Area, there are obsolete site improvements. There are streets that are of an inadequate size with no curbs/gutters were not constructed to accommodate local traffic and the interstate trucks that serve the industrial and commercial businesses of the Study Area. Additionally, sidewalks are in extremely poor shape or are non-existent.

Obsolescence is present in seven (7) of the twenty-seven (27) (twenty-six percent (26%)) buildings, fifteen (15) of the sixty-six (66) (twenty-three percent (23%)) parcels and four (4) of the nine (9) blocks in the Study Area.

#### Conclusion.

Obsolescence is present to a minor extent in the Study Area. Obsolescence is present in seven (7) of the twenty-seven (27) (twenty-six percent (26%)) buildings, fifteen (15) of the sixty-six (66) (twenty-three percent (23%)) parcels and four (4) of the nine (9) blocks. The results of the obsolescence analysis are presented in Map 5.

#### 3. Deterioration.

Deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring major treatment or repair.



- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may be evident in buildings. Such buildings and improvements may be classified as requiring major or many minor repairs, depending upon the degree or extent of defects. This would include buildings with defects in the secondary building components (e.g., doors, windows, porches, gutters and downpours, fascia materials, et cetera), and defects in primary building components (e.g., foundations, frames, roofs, et cetera), respectively.
- All buildings and site improvements classified as dilapidated are also deteriorated.

#### Deterioration Of Buildings.

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "How Building Components and Improvements are Evaluated". There are twenty-one (21) of the twenty-seven (27) (seventy-eight percent (78%)) buildings in the Study Area that are deteriorated.

The deteriorated buildings in the Study Area exhibit defects in both their primary and secondary components. For example, the primary components exhibiting defects include walls, roofs and foundations with loose or missing materials (mortar, shingles), holes and/or cracks in these components. The defects of secondary components include damage to windows, doors, stairs and/or porches; missing or cracked tuckpointing and/or masonry on the facade, chimneys, et cetera; missing parapets, gutters and/or downspouts; foundation cracks or settling; and other missing structural components.

Deteriorated structures exist throughout the Study Area due to the combination of the age and advanced state of disrepair. The entire Study Area contains deteriorated buildings and most of the parcels with buildings are impacted by such deterioration.

#### Deterioration Of Parking And Surface Areas.

Field surveys were also conducted to identify the condition of the parcels without structures, of which twenty (20) contain improved lots with no buildings (parking, outside storage and school yard), two (2) are streets and one (1) is a vacant, grassy lot. Of these twenty-three (23) parcels, the twenty (20) (eighty-seven percent (87%)) parking/storage/school yard parcels are classified as deteriorated. These parcels are characterized by uneven surfaces with insufficient gravel, vegetation growing through the parking surface, depressions and standing water, absence of curbs or guardrails, falling or broken fences and extensive debris.

Deterioration can be found in fifty-four (54) of the sixty-six (66) (eighty-two percent (82%)) parcels and in nine (9) of the nine (9) blocks of the Study Area.

#### Conclusion.

Deterioration is present to a major extent in the Study Area. Deterioration is present in twenty-one (21) of the twenty-seven (27) (seventy-eight percent (78%)) buildings, fifty-four (54) of the sixty-six (66) (eighty-two percent (82%)) parcels and nine (9) of the nine (9) blocks. The results of the deterioration analysis are presented in Map 6.

#### 4. Illegal Use Of Individual Structures.

Illegal use of individual structures refers to the presence of uses or activities which are not permitted by law.

#### Conclusion.

A review of the Chicago Zoning Ordinance indicates that there are no illegal use of the structures or improvements in the Study Area.

#### 5. Presence Of Structures Below Minimum Code Standards.

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. The principal purposes of such codes are (i) to require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy, (ii) to be safe for occupancy against fire and similar hazards, (iii) and to establish minimum standards essential for safe and sanitary habitation.

#### Conclusion.

Structures below minimum code standards is not found to be present as a factor as part of the exterior surveys and analyses undertaken in the Study Area.

#### 6. Abandonment.

Abandoned buildings and improvements are usually dilapidated and show visible signs of long-term vacancy and non-use. Abandonment is

distinguished from vacancy, however, in that the owner/occupant usually relinquishes all right, title, claim and possession with the intention of not reclaiming the property or resuming its ownership or possession. Additional supporting evidence to document abandonment includes nonpayment of property taxes and unsuccessful attempts to locate owners of vacant properties.

#### Conclusion.

No evidence of abandonment of structures has been documented as part of the exterior surveys and analyses undertaken within the Study Area.

#### 7. Excessive Vacancies.

Excessive vacancy refers to buildings or sites, a large portion of which are unoccupied or underutilized and which exert an adverse influence on the area because of the frequency, duration or extent of vacancy. Excessive vacancies include properties which evidence no apparent effort directed toward their occupancy or underutilization.

Excessive vacancies occur in varying degrees throughout the Study Area. A building is considered to have excessive vacancies if at least fifty percent (50%) of the building is vacant or underutilized. There are vacancies in the following building types:

- Institutional (school).
- Commercial buildings.
- Heavy, single-purpose industrial buildings.
- Residential buildings.
- Commercial/Residential (mixed-use) buildings.

Excessive vacancies exist throughout the Study Area primarily in the industrial, residential and mixed-use parcels. There are eight (8) totally vacant or partially vacant (over fifty percent (50%)) buildings on nine (9) parcels. In addition to the vacant buildings, there is one very small, vacant (unimproved) parcel and thirteen (13) parcels with parking/outside storage that are underutilized.

Excessive vacancies can be found in eight (8) of the twenty-seven (27) (thirty percent (30%)) buildings, twenty-three (23) of the sixty-six (66) (thirty-five percent (35%)) parcels and in six (6) of the nine (9) blocks of the Study Area.

### Conclusion.

Excessive vacancies are present to a minor extent in the Study Area. Excessive vacancies can be found in eight (8) of the twenty-seven (27) (thirty percent (30%)) buildings, twenty-three (23) of the sixty-six (66) (thirty-five percent (35%)) parcels and in six (6) of the nine (9) blocks. The results of the excessive vacancy analysis are presented in Map 7.

### 8. Overcrowding Of Structures And Community Facilities.

Overcrowding of structures and community facilities refers to utilization of public or private buildings, facilities or properties beyond their reasonable or legally permitted capacity. Overcrowding is frequently found in buildings and improvements originally designed for a specific use and later converted to accommodate a more intensive use of activities without adequate provision for minimum floor area requirements, privacy, ingress and egress, loading and services, capacity of building system, et cetera.

### Conclusion.

Overcrowding of structures and community facilities is not found to be present as a factor as part of the exterior surveys and analyses undertaken in the Study Area.

### 9. Lack Of Ventilation, Light Or Sanitary Facilities.

Lack of ventilation, light or sanitary facilities refers to substandard conditions which adversely affect the health and welfare of building occupants, e.g., residents, employees or visitors. Typical requirements for ventilation, light and sanitary facilities include:

- adequate mechanical ventilation for air circulation in spaces/rooms without windows, i.e., bathrooms, and dust, odor or smoke producing activity areas;
- adequate natural light and ventilation by means of skylights or windows or interior rooms/spaces, and proper window sizes and amounts by room area to window area ratios; and
- adequate sanitary facilities, i.e., garbage storage/enclosure, bathroom facilities, hot water and kitchens.

### Conclusion.

Lack of ventilation, light or sanitary facilities is not found to be present as a factor as part of the exterior surveys and analyses undertaken within the Study Area.

### 10. Inadequate Utilities.

Inadequate utilities refer to deficiencies in the capacity or condition of the infrastructure which services a property or area, including, but not limited to, storm drainage, water supply, electrical power, streets, sanitary sewers, gas and electricity.

### Conclusion.

There is no evidence of inadequate utilities documented as part of the exterior surveys and analyses undertaken within the Study Area.

### 11. Excessive Land Coverage.

Excessive land coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety. The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of spread of fires due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking, and inadequate provision for loading and service. Excessive land coverage conditions have an adverse or blighting effect on nearby development.

Excessive land coverage occurs in twenty-two (22) of the forty-three (43) (fifty-one percent (51%)) parcels with structures/buildings in the Study Area. Throughout the Study Area, there are commercial, residential, mixed-use and industrial buildings that are constructed lot line to lot line. Because these buildings cover virtually the entire parcel, there is not an adequate amount of space for off-street loading or for parking for residents/employees/customers. Additionally, these parcels do not have access to adjacent vacant/improved parcels for parking or loading. Excessive land coverage can be found in four (4) of the nine (9) blocks of the Study Area.

### Conclusion.

Excessive land coverage is present to a major extent in the Study Area. Excessive land coverage is present in twenty-two (22) of the forty-three (43) (fifty-one percent (51%)) parcels with structures and in four (4) of the nine (9) blocks. The results of the excessive land coverage analysis are presented in Map 8.

### 12. Deleterious Land-Use Or Layout.

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses which may be considered noxious, offensive or environmentally unsuitable. It also includes residential uses which front on or are located near heavily traveled streets, thus causing susceptibility to noise, fumes and glare. Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of poor layout of buildings on parcels and in relation to other buildings.

In the Study Area, deleterious land-use or layout is identified in thirty-nine (39) of the sixty-six (66) (fifty-nine percent (59%)) parcels, including the twenty-two (22) parcels exhibiting excessive land coverage with insufficient room for parking and/or loading. Eleven (11) parcels exhibit an inappropriate use such as residential next to industrial, inappropriate residential on heavily-traveled streets, and outside storage/junkyard on a major thoroughfare.

Deleterious land-use and layout can be found in five (5) of the nine (9) blocks and eighteen (18) of the twenty-seven (27) (sixty-seven percent (67%)) buildings in the Study Area.

### Conclusion.

Deleterious land-use and layout is present to a major extent in the Study Area. Deleterious land-use and layout is present in thirty-nine (39) of the sixty-six (66) (fifty-nine percent (59%)) parcels, eighteen (18) of the twenty-seven (27) (sixty-seven percent (67%)) buildings and in five (5) of the nine (9) blocks. The results of the deleterious land-use and layout analysis are presented in Map 9.

### 13. Depreciation Of Physical Maintenance.

Depreciation of physical maintenance refers to the effects of deferred maintenance and the lack of maintenance of buildings, parking areas and public improvements, including alleys, walks, streets and utility structures.

The analysis of depreciation of physical maintenance is based on survey methodology and criteria described in the preceding section "How Building Components and Improvements Are Evaluated".

The entire Study Area is affected by lack of physical maintenance. This factor is present in all of the nine (9) blocks in the Study Area. There are fifty-eight (58) of the sixty-six (66) (eighty-eight percent (88%)) parcels, representing buildings, parking/storage areas and vacant land, that lack physical maintenance.

All of the buildings (commercial, industrial, residential and mixed-use) that evidence depreciation of physical maintenance include items such as unpainted or unfinished surfaces, peeling paint, loose or missing materials, broken windows, loose or missing gutters or downspouts, loose or missing shingles, overgrown vegetation and general lack of maintenance, et cetera. Twenty-three (23) of the twenty-seven (27) buildings in the Study Area are affected by depreciation of physical maintenance.

The parking/storage areas and the one (1) small vacant parcel in the Study Area also exhibit depreciation of physical maintenance as a factor. There are parking lots that are not routinely used and are neglected. The parking/storage lots have a variety of broken pavement, pot holes, standing water, deteriorated curbs, broken or rotted bumper guards, grass growing in pavement, crumbling asphalt and accumulation of trash or debris. The vacant lot also exhibits an accumulation of trash and debris, standing water and overgrown vegetation.

Depreciation of physical maintenance can be found in all of the nine (9) blocks of the Study Area.

#### Conclusion.

Depreciation of physical maintenance is present to a major extent in the Study Area. Depreciation of physical maintenance is present in fifty-eight (58) of the sixty-six (66) (eighty-eight percent (88%)) parcels, twenty-three (23) of the twenty-seven (27) (eighty-five percent (85%)) buildings and in nine (9) of the nine (9) blocks. The results of the depreciation of physical maintenance analysis are presented in Map 10.

#### 14. Lack Of Community Planning.

Lack of community planning may be a factor if the proposed redevelopment area was developed prior to or without the benefit of a community plan. This finding may be amplified by other evidence which shows the deleterious results of the lack of community planning, including adverse or incompatible land-use relationships, inadequate street layout,

improper subdivision, and parcels of inadequate size or shape to meet contemporary development standards.

#### Conclusion.

Lack of community planning was not found in Study Area.

#### Summary.

In addition to the age requirement, seven (7) conservation area eligibility criteria are present in varying degrees throughout the Study Area. Four (4) factors are present to a major extent and three (3) are present to a minor extent. The seven (7) conservation area eligibility factors that have been identified in the Study Area are as follows:

- |              |  |
|--------------|--|
| Major extent | -- deterioration.                        |
|              | -- excessive land coverage.              |
|              | -- deleterious land-use or layout.       |
|              | -- depreciation of physical maintenance. |
| Minor extent | -- dilapidation.                         |
|              | -- obsolescence.                         |
|              | -- excessive vacancies.                  |

#### IV.

##### *Summary And Conclusion.*

The conclusion of the consultant team engaged to conduct the Eligibility Study is that the number, degree and distribution of Blighted Area and Conservation Area eligibility factors as documented in this report warrant the designation of the Study Area as a vacant Blighted Area and an improved Conservation Area as set forth in the Act.

The vacant portion of the Study Area is found to be eligible to be designated as a Blighted Area within the definition set forth in the legislation. Specifically:



- Of the seven (7) blighting factors set forth in the law for vacant land of which one (1) is required for a finding of blight, one (1) is present in the vacant portion of the Study Area.
- The blighting eligibility factors which are present are reasonably distributed throughout the vacant portion of the Study Area.
- All areas within the vacant portion of Study Area show the presence of blighting eligibility factors.

While it may be concluded that the mere presence of one (1) or more of the stated factors may be sufficient to make a finding of blight, this evaluation was made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of blighting factors throughout the vacant portion of the Study Area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted. On the basis of this approach, the above referenced vacant parcel of land in the Study Area is found to be eligible within the definition set forth in the legislation.

The improved portion of the Study Area is found to be eligible to be designated as a Conservation Area within the definition set forth in the legislation. Specifically:

- The buildings in the improved portion of the Study Area meet the statutory criteria that requires fifty percent (50%) or more of the structures to be thirty-five (35) years of age or older.
- Of the fourteen (14) eligibility factors for a Conservation Area set forth in the law, four (4) are present to a major extent and three (3) are present to a minor extent in the improved portion of the Study Area and only three (3) are necessary for designation as a Conservation Area.
- The Conservation Area eligibility factors which are present are reasonably distributed throughout the improved portion of the Study Area.
- All areas within the improved portion of the Study Area show the presence of Conservation Area eligibility factors.
- The Study Area is not yet blighted, but because of the factors described in this report, the Study Area may become a blighted area.

While it may be concluded that the mere presence of age and three (3) or more of the stated conservation area eligibility factors in Section III may be sufficient to make a finding of qualification as a Conservation Area, this evaluation was made on the basis that the factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of conservation area eligibility factors throughout the Study Area must be reasonable so that a basically good area is not arbitrarily found to be a Conservation Area simply because of proximity to an area. All blocks in the Study Area evidence the presence of some of the eligibility factors.

Additional research indicates that the area on the whole has not been subject to growth and development through investments by private enterprise, and will not be developed without action by the City. Specifically:

- A summary of the building permit requests for new construction and major renovation from the City of Chicago is found in (Sub)Exhibit 2 -- Building Permit Requests. Building permit requests for new construction and renovation for the Study Area from 1992 -- 1996 totaled Five Hundred Sixty-seven Thousand Seven Hundred Dollars (\$567,700). On an annual basis (approximately One Hundred Thirteen Thousand Five Hundred Forty Dollars (\$113,540)), this represents only four and one-tenths percent (4.1%) of assessed value in the Study Area.
  
- The Study Area is primarily comprised of commercial and industrial uses with some residential and vacant land. The Equalized Assessed Value (E.A.V.) for all property in the City of Chicago increased from Sixteen Million Three Hundred Fifty-six Thousand Four Hundred Eighty-one Dollars (\$16,356,481) in 1985 to Thirty-two Million One Hundred Twenty-six Thousand Six Hundred Fifty-two Dollars (\$32,126,652) in 1995, a total of ninety-six and forty-two one-hundredths percent (96.42%) or nine and sixty-four one-hundredths percent (9.64%) per year. Over the same period, from 1985 to 1995, the Study Area has experienced an overall E.A.V. increase of forty and seventy-one one-hundredths percent (40.71%), an average of four and seven one-hundredths percent (4.07%) per year. Additionally, for the period from 1994 to 1995, the E.A.V. of fifty-nine (59) of the sixty-seven (67) parcels either decreased (three (3) parcels) or increased less than one percent (1%) (fifty-six (56) parcels).

The conclusions presented in this report are those of the consulting team engaged to analyze the area and to examine whether conditions exist to permit the designation of a vacant Blighted Area and a Conservation Area. The local governing body should review this report and, if satisfied with the

summary of findings contained herein, adopt a resolution making a finding of a vacant Blighted Area and a Conservation Area and making this report a part of the public record. 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 Study 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. comparison of current land-use to current zoning ordinance and the current zoning maps;
4. historical analysis of site uses and users;
5. analysis of original and current platting and building size layout;
6. review of previously prepared plans, studies and data;
7. analysis of building permits requested from the Department of Buildings for all structures in the Study Area from 1992 to 1996 years; and
8. evaluation of the equalized assessed values in the Study Area from 1985 to 1995.

The study and survey of the Study Area indicate that requirements necessary for designation as a vacant Blighted Area and a Conservation Area are present. In order to qualify as a vacant Blighted Area, the vacant portion of the Study Area must exhibit one (1) or more of the factors set forth in the Act. The vacant portion of the Study Area was found to qualify as an improved Blighted Area immediately prior to becoming vacant by exhibiting six (6) of the eligibility factors for an improved Blighted Area when only five (5) are required for a determination of blight.

In order to qualify as a Conservation Area, fifty percent (50%) or more of the structures in the improved portion of the Study Area must be thirty-five (35) years of age or older and the improved portion of the Study Area must exhibit three (3) or more of the eligibility factors for a Conservation Area set forth in the Act. In the improved portion of the Study Area, ninety-three percent (93%) of the buildings are thirty-five (35) years of age or older. The improved portion of the Study Area exhibits seven (7) of the criteria necessary for designation, of which four (4) are present to a major extent and

three (3) are present to a minor extent, and also exhibits a lack of growth and investment.

Therefore, the Study Area is qualified as a vacant Blighted Area and an improved Conservation Area to be designated as a redevelopment project area and eligible for Tax Increment Financing under the Act. See Distribution of Distribution of Criteria Matrix, (Sub)Exhibit 3.

[(Sub)Exhibit 1 referred to in this North/Cicero Eligibility Study constitutes Exhibit "C" to the ordinance and is printed on pages 49076 through 49077 of this Journal.]

[(Sub)Exhibit 2 referred to in this North/Cicero Eligibility Study constitutes (Sub)Exhibit 2 to the North/Cicero Redevelopment Plan and is printed on page 49027 of this Journal.]

[(Sub)Exhibit 5 referred to in this North/Cicero Eligibility Study omitted for printing purposes but on file and available for public inspection in the Office of the City Clerk.]

[Map 1, referred to in this North/Cicero Eligibility Study constitutes Exhibit "E" to the ordinance and is printed on page 49078 of this Journal.]

[Map 2 referred to in this North/Cicero Eligibility Study constitutes Map 2 to the North/Cicero Redevelopment Plan and is printed on page 49029 of this Journal.]

[Maps 3, 4, 5, 6, 7, 8, 9, 10 and 11 referred to in this North/Cicero Eligibility Study printed on pages 49062 through 49070 of this Journal.]

(Sub)Exhibits 3 and 4 referred to in this North/Cicero Eligibility Study read as follows:

*(Sub)Exhibit 3.*  
(To North/Cicero Eligibility Study)

*Distribution Of Criteria Matrix.*

Vacant Area.

Block Number	1	2	3	4	5	6	7
212		x					

Key:

x Present to a Major Extent

p Present

Not Present

Criteria:

- 1) A combination of two (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 or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
- 2) The area immediately prior to becoming vacant qualified as a blighted improved area.
- 3) The area consists of unused quarry or unused quarries.
- 4) The area consists of unused rail yards, rail tracks or railroad rights-of-way.
- 5) The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is) in proximity to any improvement on real property which has been in existence for at least five (5) years and which substantially contributes to such flooding.
- 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.

- 7) The area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision (1) of the 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.

## Improved Area.

Block	Age	1	2	3	4	5	6	7	8	9	10	11	12	13	14
13-33-423	x	p	p	x				x				p	x	x	
13-34-315	x	p	p	x				x				p	p	x	
16-03-100	x	p	x	x				p				x	x	x	
16-03-102	x			x										x	
16-04-204	x		x	x				x						x	
16-04-210	x			p				x				x	x	x	
16-04-212				p				p						p	
16-04-226	x			x										x	
16-04-227	x			x									x	x	

## Key:

x Present to a Major Extent

p Present

Not Present

## Criteria:

1. Dilapidation.
2. Obsolescence.
3. Deterioration.
4. Illegal use of individual structures.
5. Presence of structures below minimum code.
6. Abandonment.
7. Excessive vacancies.
8. Overcrowding.
9. Lack of ventilation, light or sanitary facilities.
10. Inadequate utilities.
11. Excessive land coverage.
12. Deleterious land-use or layout.
13. Depreciation of physical maintenance.
14. Lack of community planning.

*(Sub)Exhibit 4.*  
(To North/Cicero Eligibility Study)

*Matrix Of Conservation Factors.*

A.	Block Number	423	315	100	102	204	210	212	226	227
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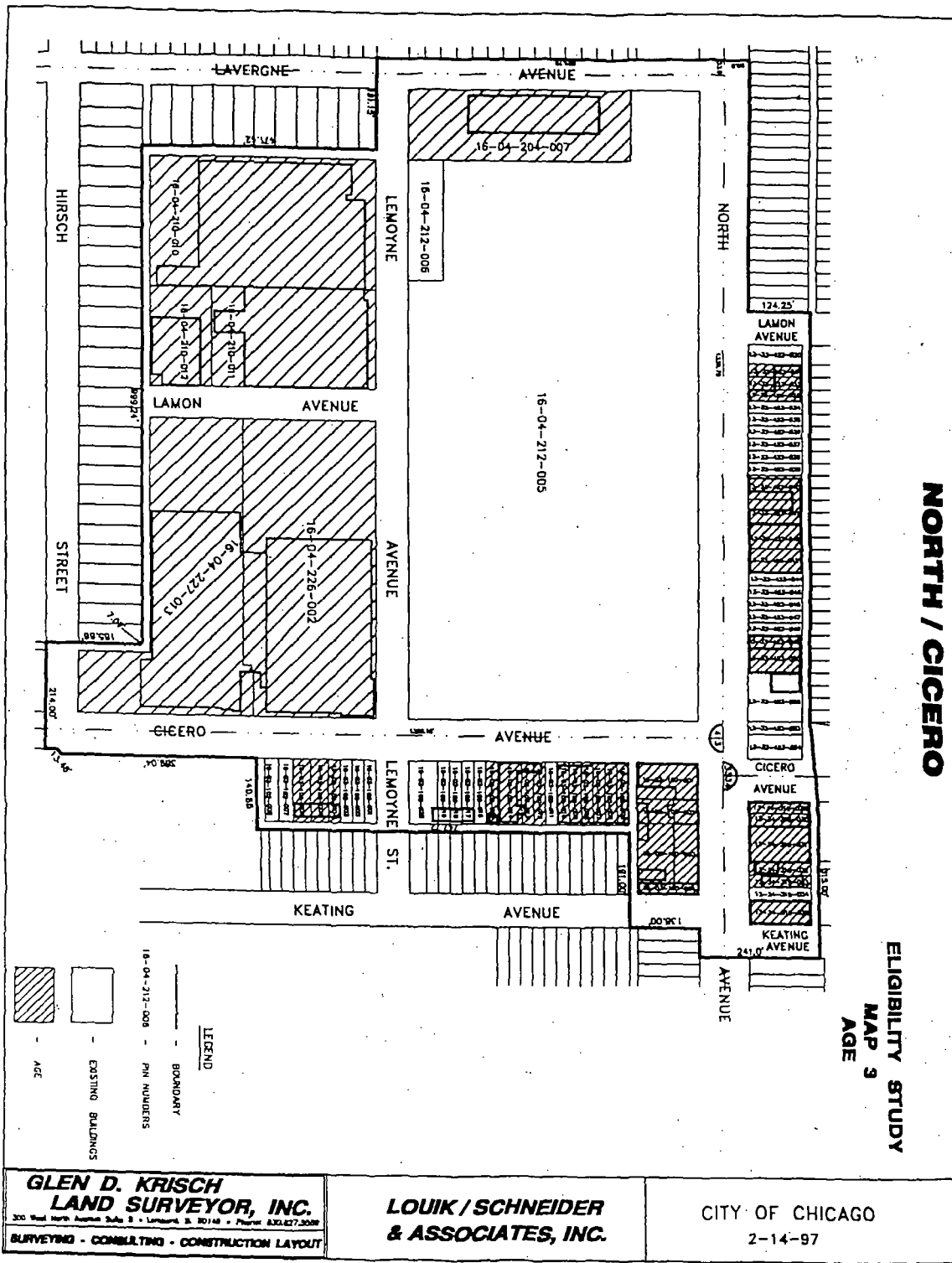




5.A.	Number of obsolete buildings	1	1	4	0	1	0	0	0	0
5.B.	Number of parcels with site improvements that are obsolete	0	0	0	0	0	0	0	0	0
6.	Number of buildings below minimum code	0	0	0	0	0	0	0	0	0
7.	Number of buildings lacking ventilation, light or sanitation facilities	0	0	0	0	0	0	0	0	0
8.	Number of buildings with illegal uses	0	0	0	0	0	0	0	0	0
9.	Number of buildings with excessive vacancies	1	2	2	0	1	2	0	0	0
9.A.	Number of parcels with excessive vacancies	13	3	3	0	1	2	1	0	0
10.	Number of buildings that are abandoned	0	0	0	0	0	0	0	0	0
11.	Total number of eligibility factors represented in block	7	7	7	2	4	4	3	2	3

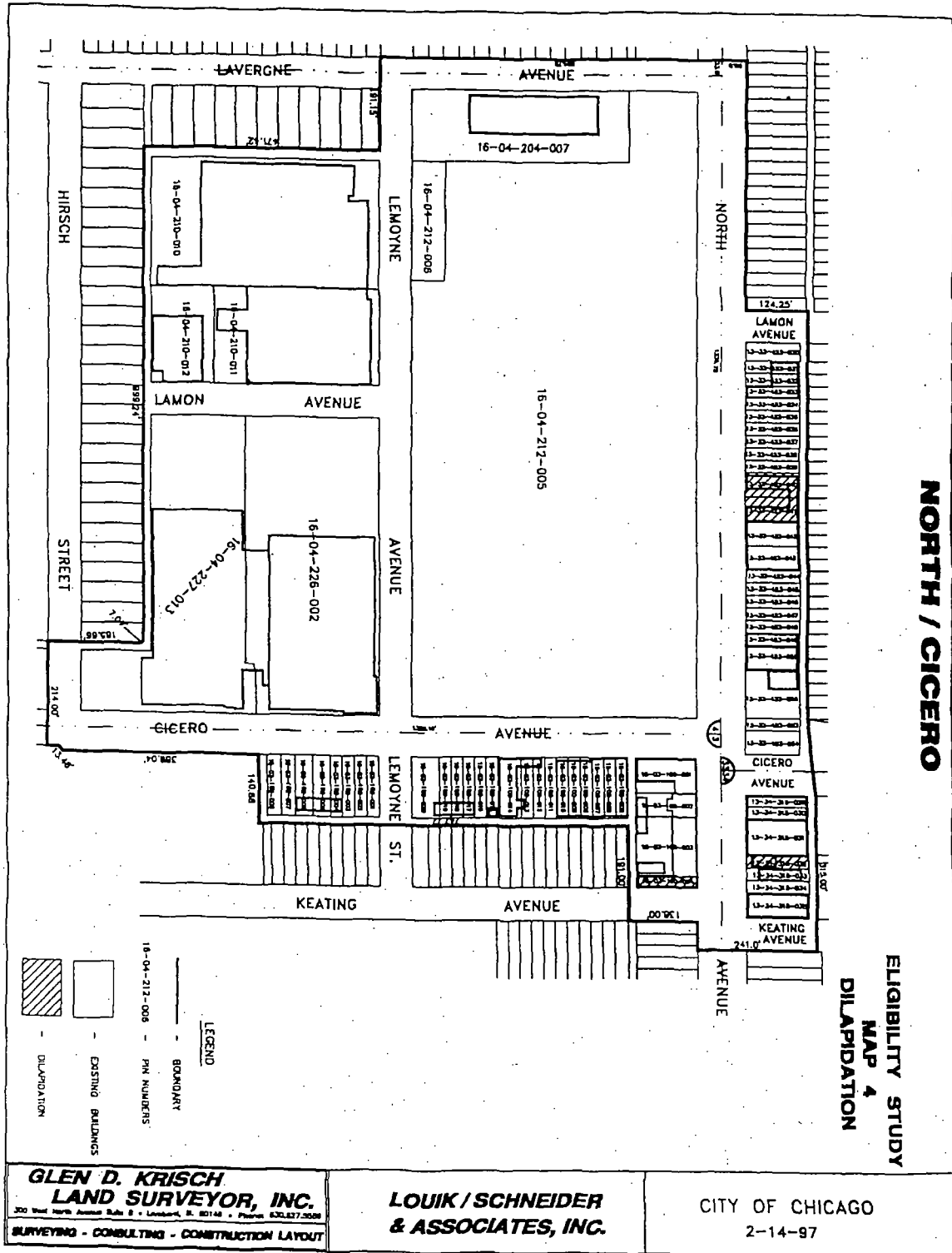
Map 3.  
(To North/Cicero Eligibility Study)

Age.



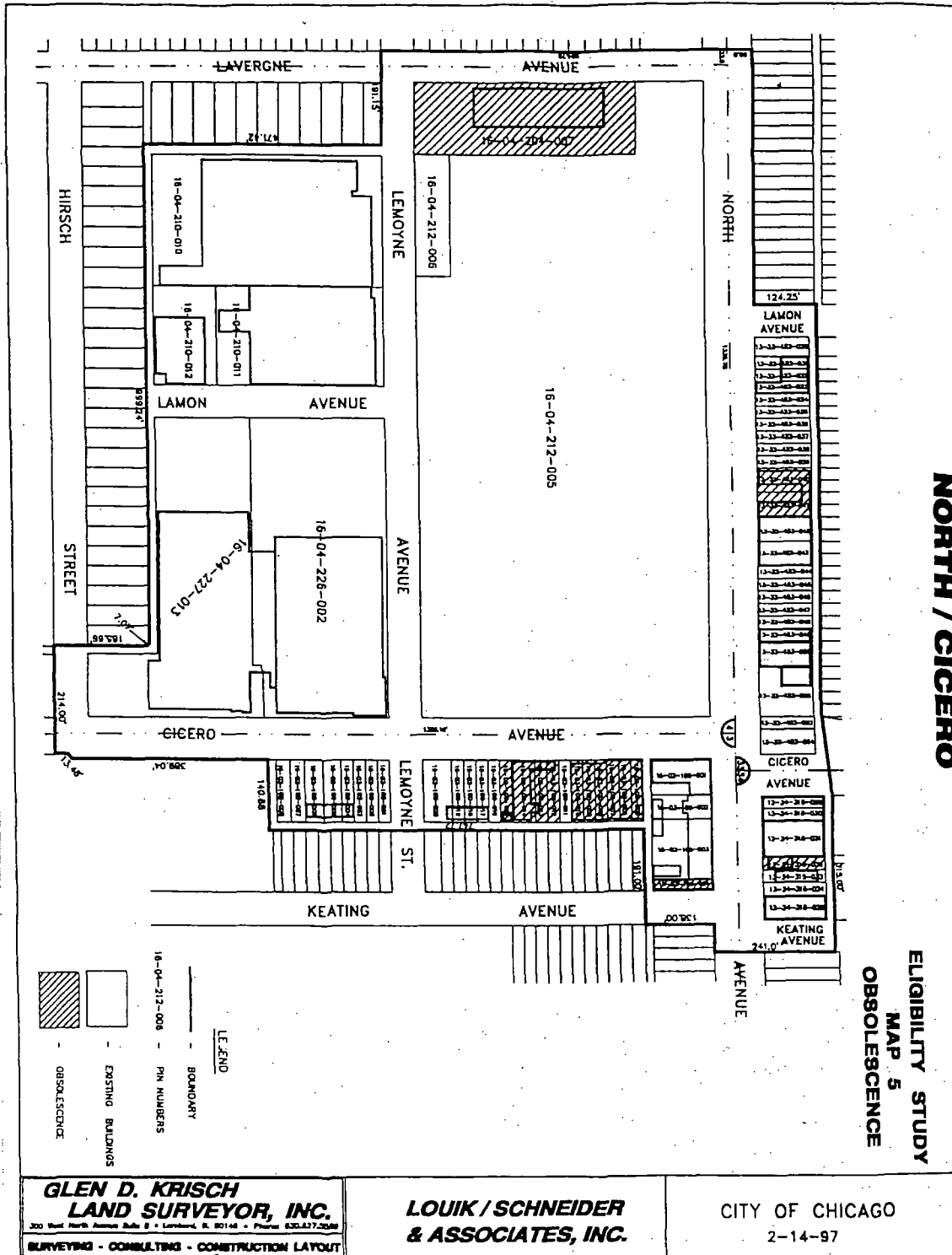
Map 4.  
(To North/Cicero Eligibility Study)

Dilapidation.



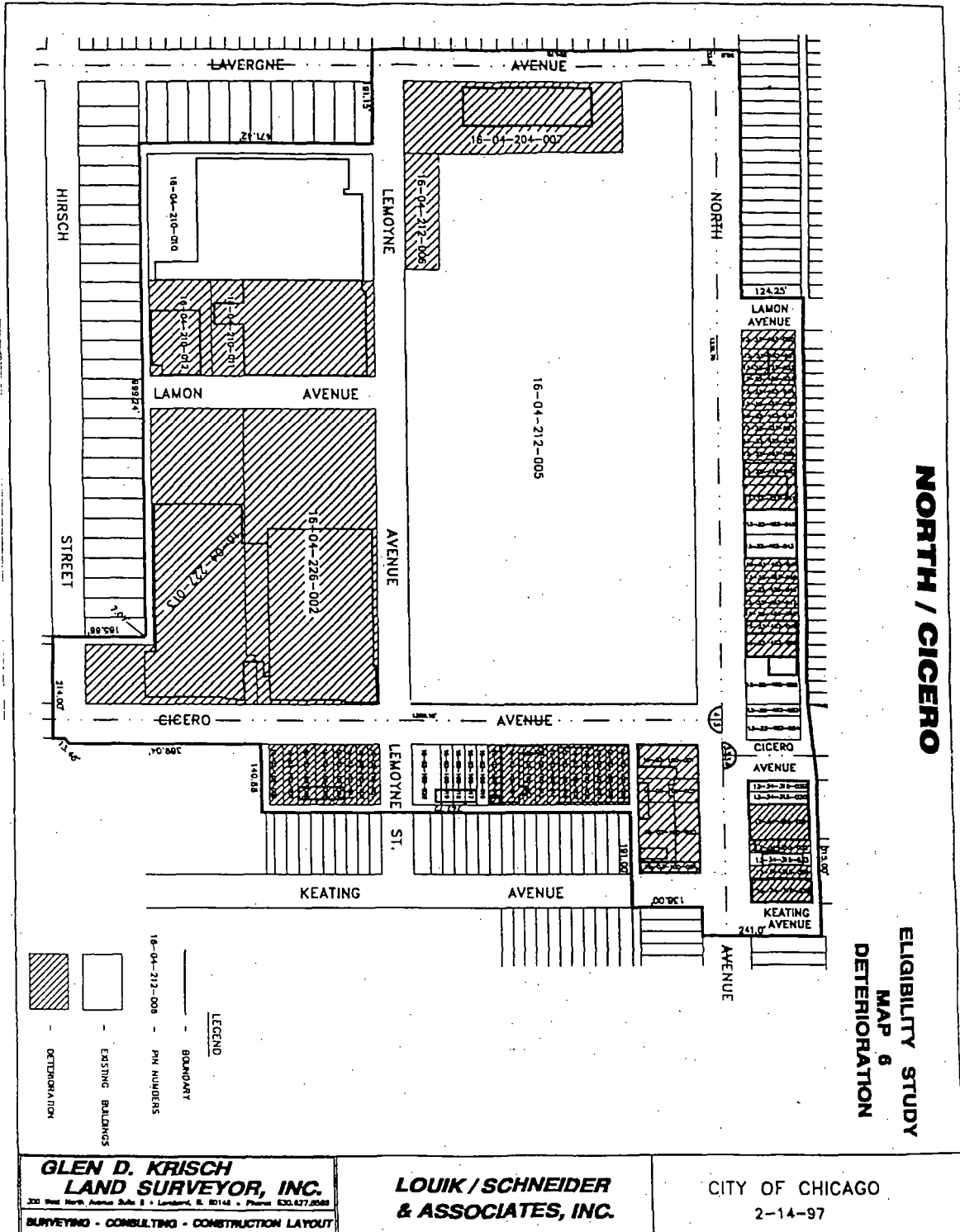
Map 5.  
(To North/Cicero Eligibility Study)

Obsolescence.



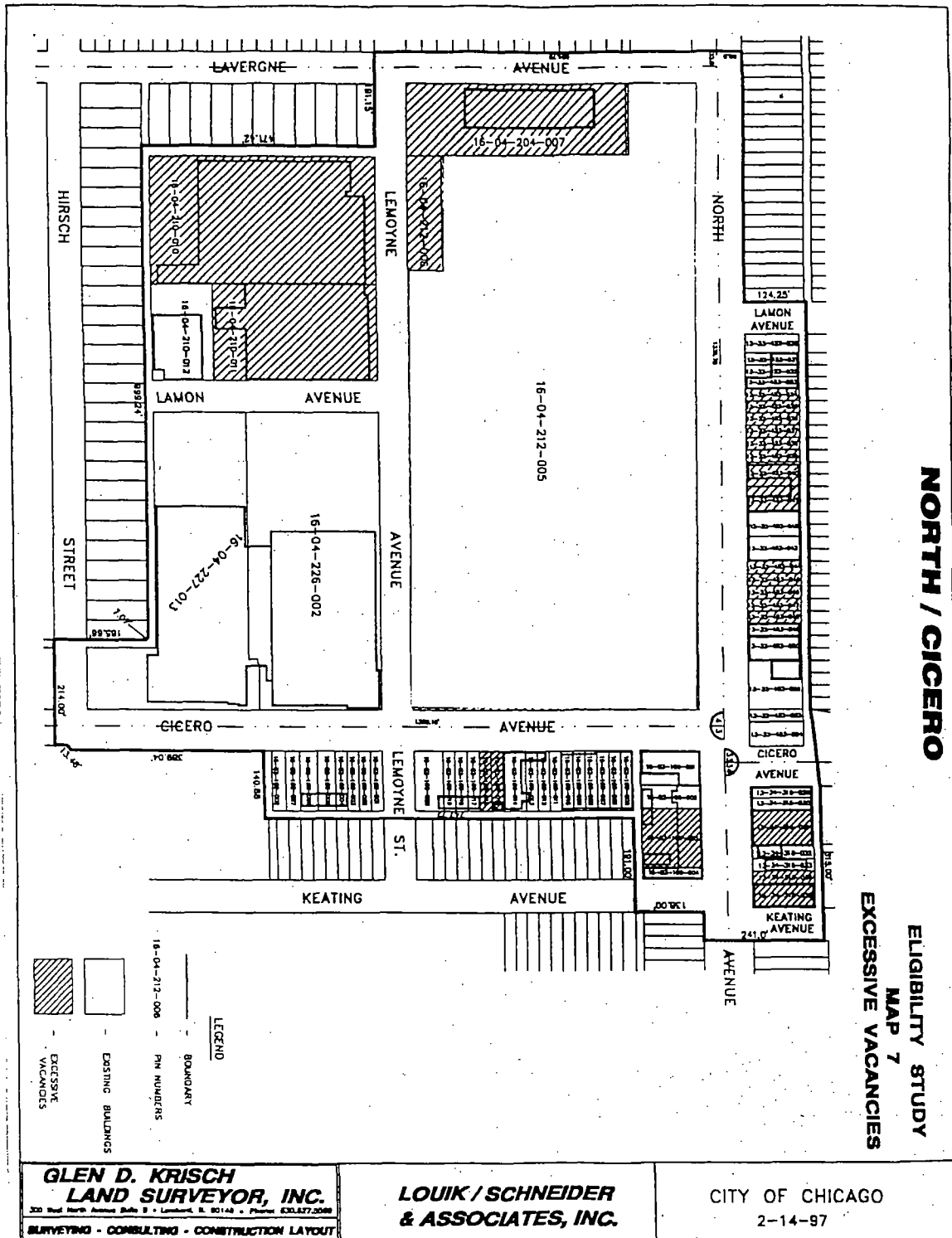
Map 6.  
(To North/Cicero Eligibility Study)

Deterioration.



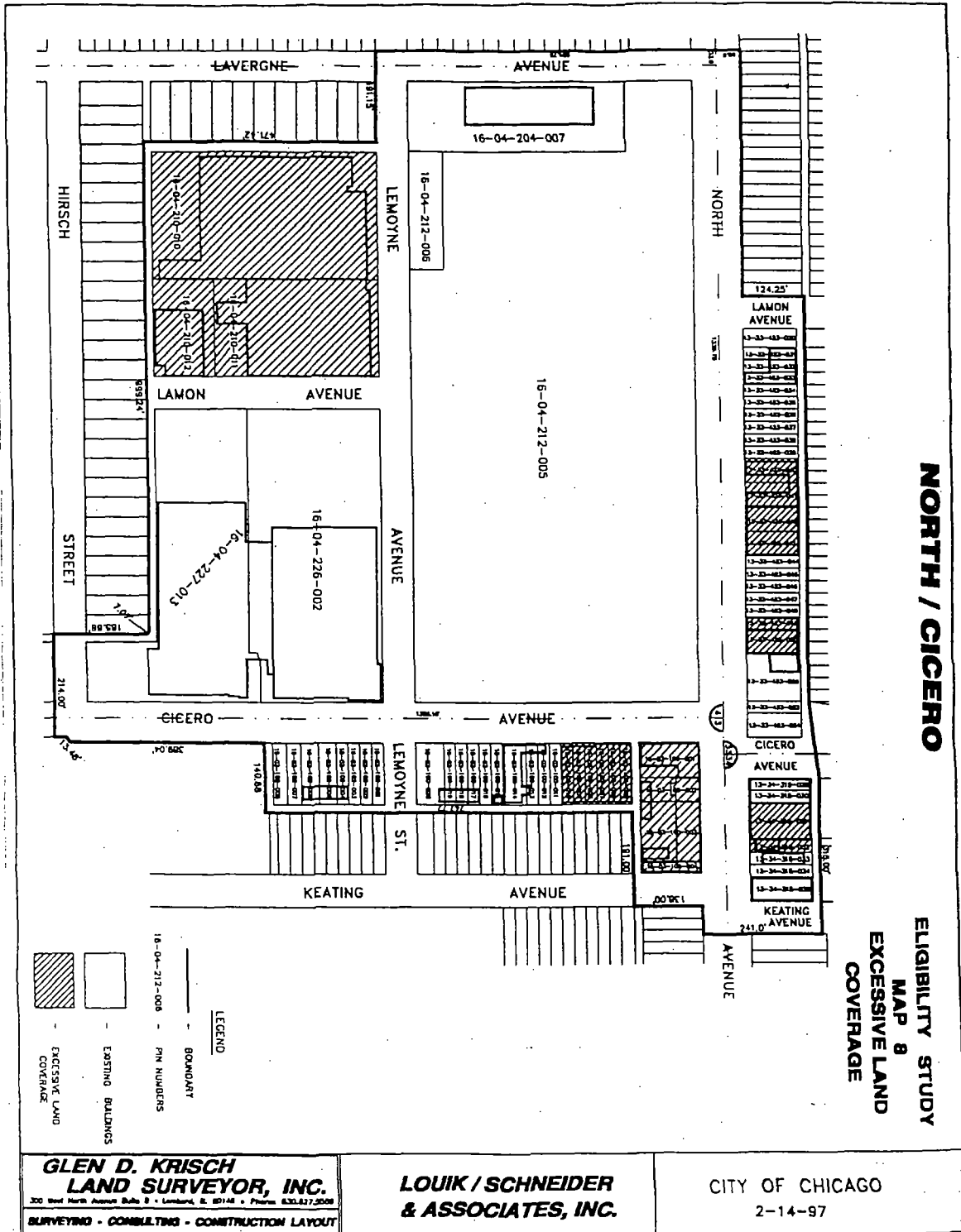
Map 7.  
(To North/Cicero Eligibility Study)

Excessive Vacancies.



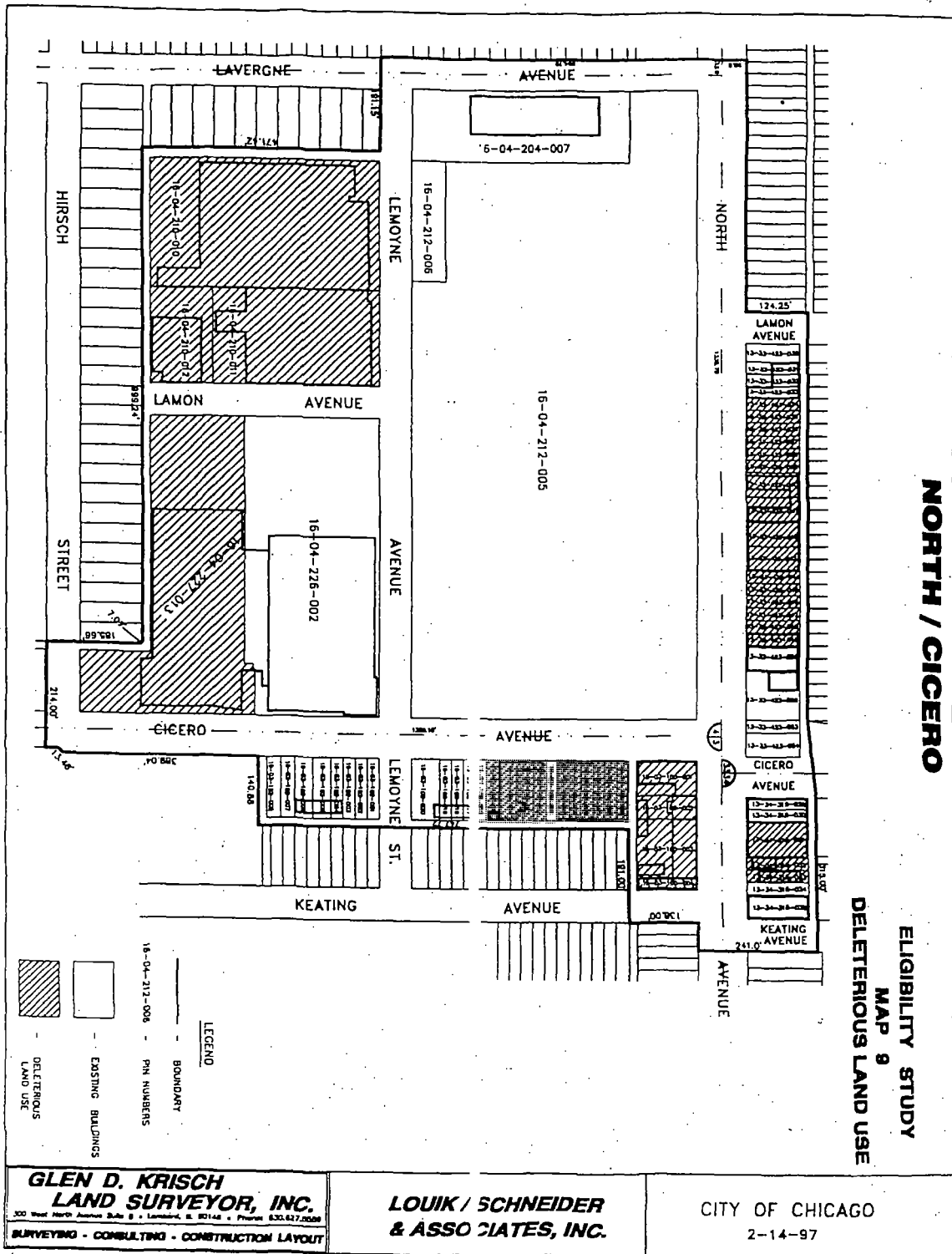
Map 8.  
(To North/Cicero Eligibility Study)

Excessive Land Coverage.



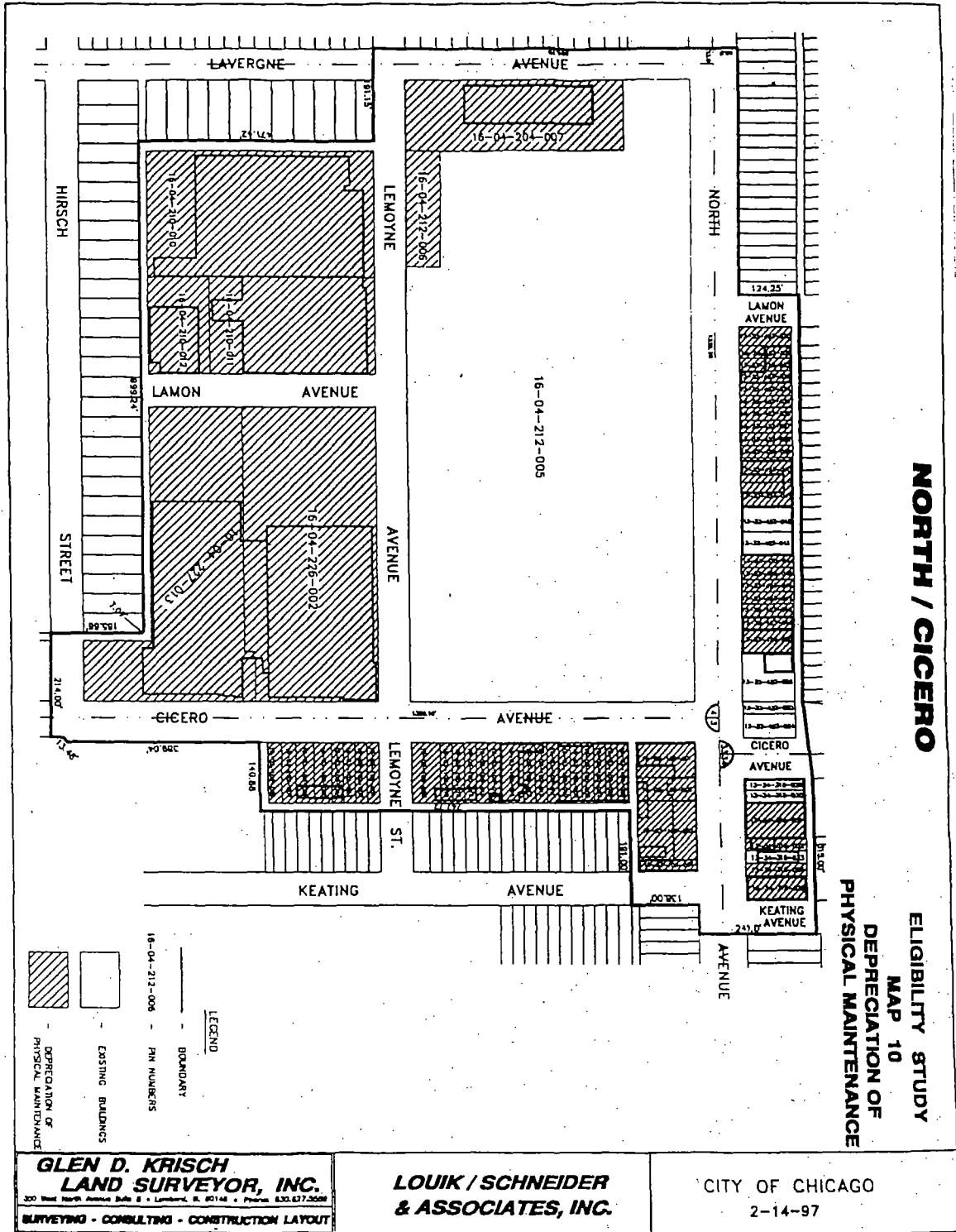
Map 9.  
(To North/Cicero Eligibility Study)

Deleterious Land-Use/Layout.





Map 10.  
 (To North/Cicero Eligibility Study)  
 Depreciation Of Physical Maintenance.

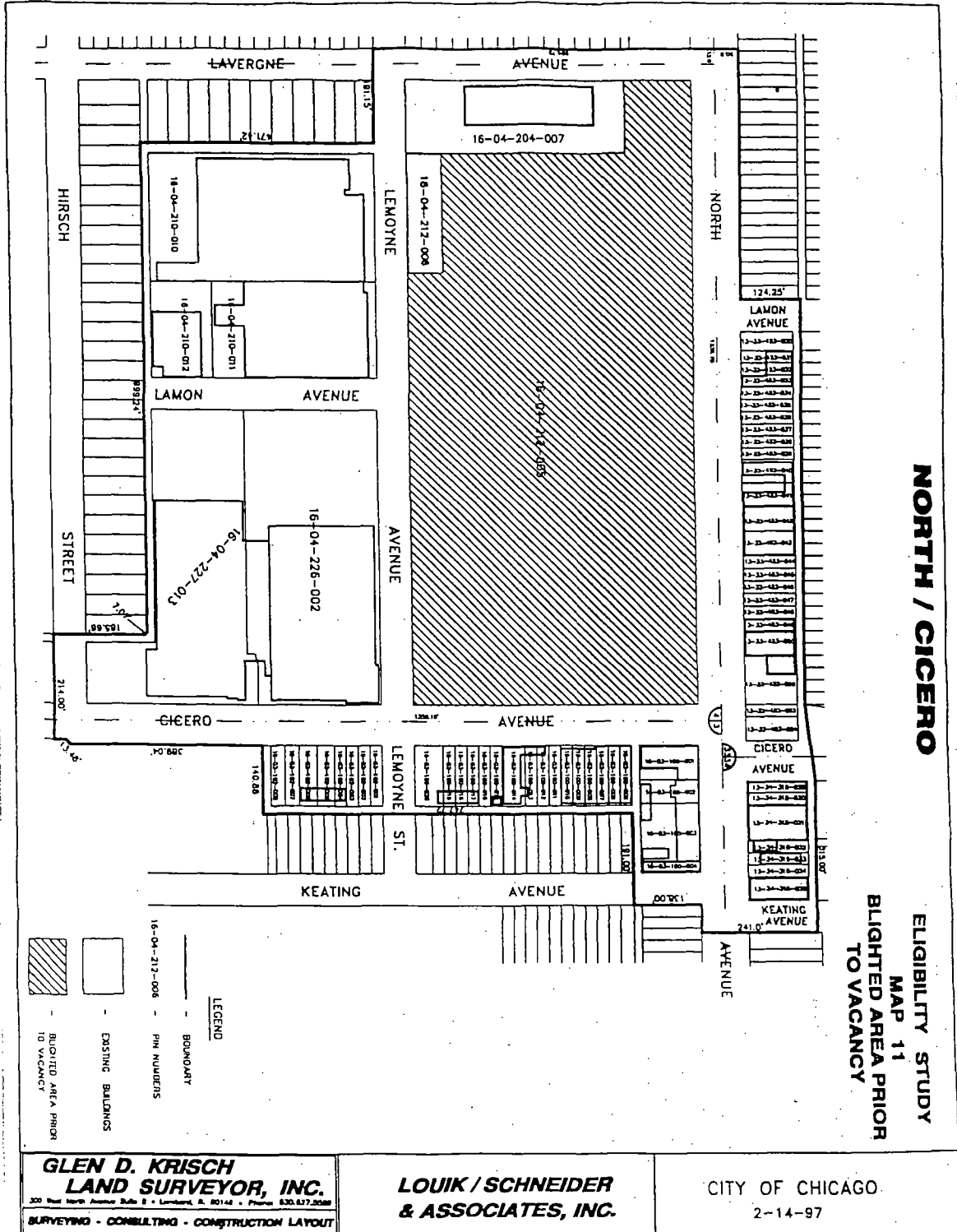


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Map 11.  
 (To North/Cicero Eligibility Study)  
 Blighted Area Prior To Vacancy.



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CITY OF CHICAGO  
 2-14-97



*Recommending To The City Council Of*

*The City Of Chicago*

*For The*

*Proposed North/Cicero*

*Redevelopment Project Area:*

*Approval Of*

*A Redevelopment Plan,*

*Designation Of*

*A Redevelopment Project Area*

*And*

*Adoption Of*

*Tax Increment Allocation Financing.*

Whereas, The Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (as codified in Section 2-124 of the City's Municipal Code) (the City Council being referred to herein collectively with the Mayor as the "Corporate Authorities") pursuant to Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (1993) (the "Act"); and

Whereas, The Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

Whereas, Staff of the City's Department of Planning and Development has conducted or caused to be conducted certain investigations, studies and surveys of the North/Cicero Redevelopment Project Area, the street boundaries of which are described on (Sub)Exhibit A hereto (the "Area"), to determine the eligibility of the Area as a redevelopment project area as defined in the Act (a "Redevelopment Project Area") and for tax increment allocation financing pursuant to the Act ("Tax Increment Allocation

Financing”), and previously has presented the following documents to the Commission for its review:

North/Cicero Tax Increment Finance Program Redevelopment Plan and Project (the “Plan”); and

Whereas, Prior to the adoption by the Corporate Authorities of ordinances approving a redevelopment plan, designating an area as a Redevelopment Project Area or adopting Tax Increment Allocation Financing for an area, it is necessary that the Commission hold a public hearing (the “Hearing”) pursuant to Section 5/11-74.4-5(a) of the Act, convene a meeting of a joint review board (the “Board”) pursuant to Section 5/11-74.4-5(b) of the Act, set the dates of such Hearing and Board meeting and give notice thereof pursuant to Section 5/11-74.4-6 of the Act; and

Whereas, The Plan was made available for public inspection and review beginning March 11, 1997 at a time prior to the adoption by the Commission of Resolution 97-CDC-33 on March 11, 1997 fixing the time and place for the Hearing, at City Hall, 121 North LaSalle Street, Chicago, Illinois, in the following offices: City Clerk, Room 107 and Department of Planning and Development, Room 1000; and

Whereas, Notice of the Hearing by publication was given at least twice, the first publication being on April 20, 1997, a date which is not more than thirty (30) nor less than ten (10) days prior to the Hearing, and the second publication being on April 27, 1997, both in the *Chicago Sun-Times*, being a newspaper of general circulation within the taxing districts having property in the Area; and

Whereas, Notice of the Hearing was given by mail to taxpayers by depositing such notice in the United States mail by certified mail addressed to the persons in whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the Area, on May 2, 1997, being a date not less than ten (10) days prior to the date set for the Hearing; and where taxes for the last preceding year were not paid, notice was also mailed to the persons last listed on the tax rolls as the owners of such property within the preceding three (3) years; and

Whereas, Notice of the Hearing was given by mail to the Illinois Department of Commerce and Community Affairs (“D.C.C.A.”) and members of the Board (including notice of the convening of the Board), by depositing such notice in the United States mail by certified mail addressed to D.C.C.A. and all Board members, on March 17, 1997, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, Notice of the Hearing and copies of the Report and Plan were sent by mail to taxing districts having taxable property in the Area, by depositing such notice and documents in the United States mail by certified

mail addressed to all taxing districts having taxable property within the Area, on March 17, 1997, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, The Hearing was held on May 13, 1997 at 2:00 P.M. at City Hall, City Council Chambers, 121 North LaSalle Street, Chicago, Illinois, as the official public hearing, and testimony was heard from all interested persons or representatives of any affected taxing district present at the Hearing and wishing to testify, concerning the Commission's recommendation to the City Council regarding approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; and

Whereas, The Board meeting was convened on March 28, 1997 at 10:00 A.M. (being a date no more than fourteen (14) days following the mailing of the notice to all taxing districts on March 17, 1997) in Room 1000, City Hall, 121 North LaSalle Street, Chicago, Illinois, to consider its advisory recommendation regarding the approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; and

Whereas, The Commission has reviewed the Report and Plan considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other matters or studies as the Commission deemed necessary or appropriate in making the findings set forth herein and formulating its decision whether to recommend to the City Council approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; now, therefore,

Be It Resolved by the Community Development Commission of the City of Chicago:

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby makes the following findings pursuant to Section 5/11-74.4-3(n) of the Act or such other section as is referenced herein:

a. the Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;

b. the Plan:

(i) conforms to the comprehensive plan for the development of the City as a whole; or

(ii) the Plan either:

- (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or
- (B) includes land-uses that have been approved by the Chicago Plan Commission;

c. the Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not more than twenty-three (23) years from the date of the adoption of the ordinance approving the designation of the Area as a redevelopment project area, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years;

d. the Area would not reasonably be expected to be developed without the use of incremental revenues pursuant to the Act, and such incremental revenues will be exclusively utilized for the development of the Area;

e. the Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefited by proposed plan improvements, as required pursuant to Section 5/11-74.4-4(a) of the Act; [and]

f. as required pursuant to Section 5/11-74.4-3(p) of the Act:

- (i) the Area is not less, in the aggregate, than one and one-half ( $1\frac{1}{2}$ ) acres in size; and
- (ii) conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a blighted area as defined in the Act.

Section 3. The Commission recommends that the City Council approve the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area as a Redevelopment Project Area pursuant to Section 5/11-74.4-4 of the Act.

Section 5. The Commission recommends that the City Council adopt Tax Increment Allocation Financing within the Area.

Section 6. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

Adopted: May 28, 1997.

[(Sub)Exhibit "A" referred to in this Resolution 97-CDC-56 constitutes Exhibit "D" to the ordinance and is printed on page 49077 of this Journal.]

*Exhibit "C".*

*Legal Description.*

That part of the northwest quarter of Section 3 and the northeast quarter of Section 4, Township 39 North, Range 13 East of the Third Principal Meridian and part of the southeast quarter of Section 33 and the southwest quarter of Section 34, Township 40 North, Range 13 East of the Third Principal Meridian described as follows:

beginning at a point of intersection of the south line of the southeast quarter of said Section 33 with the west line of Lavergne Avenue as extended from the south; thence northerly, on said line extended 50.0 feet to the north line of North Avenue; thence easterly along said north line to the west line of Lamon Avenue as dedicated in West North Avenue Subdivision; thence northerly along said line of Lamon Avenue 124.25 feet, more or less, to the south line of Lot 1 in Block 6 in the subdivision of that part of the southeast quarter of Section 33, lying east of the west 26.60 chains as extended west; thence easterly, along said extended line and along the south lines of Lots 1 through 30 in said subdivision, to the west line of Cicero Avenue as presently dedicated; thence easterly to the southwest corner of Lot 28 in Sprague and Wilson's Subdivision of Block 18 in W. & R. O'Brien's Subdivision; thence easterly 315.0 feet, more or less, to the east line of Keating Avenue; thence southerly along said east line 241.0 feet to a point on the



southerly line of North Avenue; thence westerly along the southerly line of said North Avenue to the east line of Keating Avenue; thence southerly along the east line of Keating Avenue 138.0 feet to the north line of Lot 47 in John F. Thompson's North Avenue Subdivision as extended easterly; thence westerly along said line extended and along the north line of said Lot 47, 191.0 feet to the northwest corner of said Lot 47; thence southerly 747.72 feet, more or less, along the east line of a public alley, to the south line of a 16.0 foot wide public alley in Pettibone Mulliken Company's Consolidation Plat recorded per Document Number 8212506; thence westerly along the south line of said alley 190.88 feet to the easterly line of Cicero Avenue; thence southerly along the easterly line of Cicero Avenue to a point on the southerly line of Hirsch Street as extended west; thence westerly along said southerly line of Hirsch Street 174.0 feet to a point on the east line of Lot 1 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15699705, as extended southerly; thence northerly along said east line 185.66 feet to an angle in said Lot 1; thence northwesterly, along a line of said Lot 1, 7.07 feet, to an angle of said Lot 1; thence westerly, along the north line of Lots 1 through 26 in said Theodore J. Schorsch's Resubdivision 999.24 feet, more or less, to the east line of Lot 11 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15618701, as extended south; thence northerly, along said east line and the east line of Lots 11 through 1 in said resubdivision 471.42 feet, more or less, to the northeast corner of Lot 1 in said resubdivision, being a point on the south line of Le Moyne Avenue; thence westerly, along said south line of Le Moyne Avenue and its extension west 191.15 feet to the west line of Lavergne Avenue, said point being 33.0 feet west of the west line of the east half of the northeast quarter of said Section 4; thence northerly along the west line of said Lavergne Avenue 694.75 feet, more or less, to a point on the north line of the west half of the northeast quarter of said Section 4, being the place of beginning, all in Cook County, Illinois.

*Exhibit "D".*

*Street Boundary Description.*

*North/Cicero Redevelopment Project Area.*

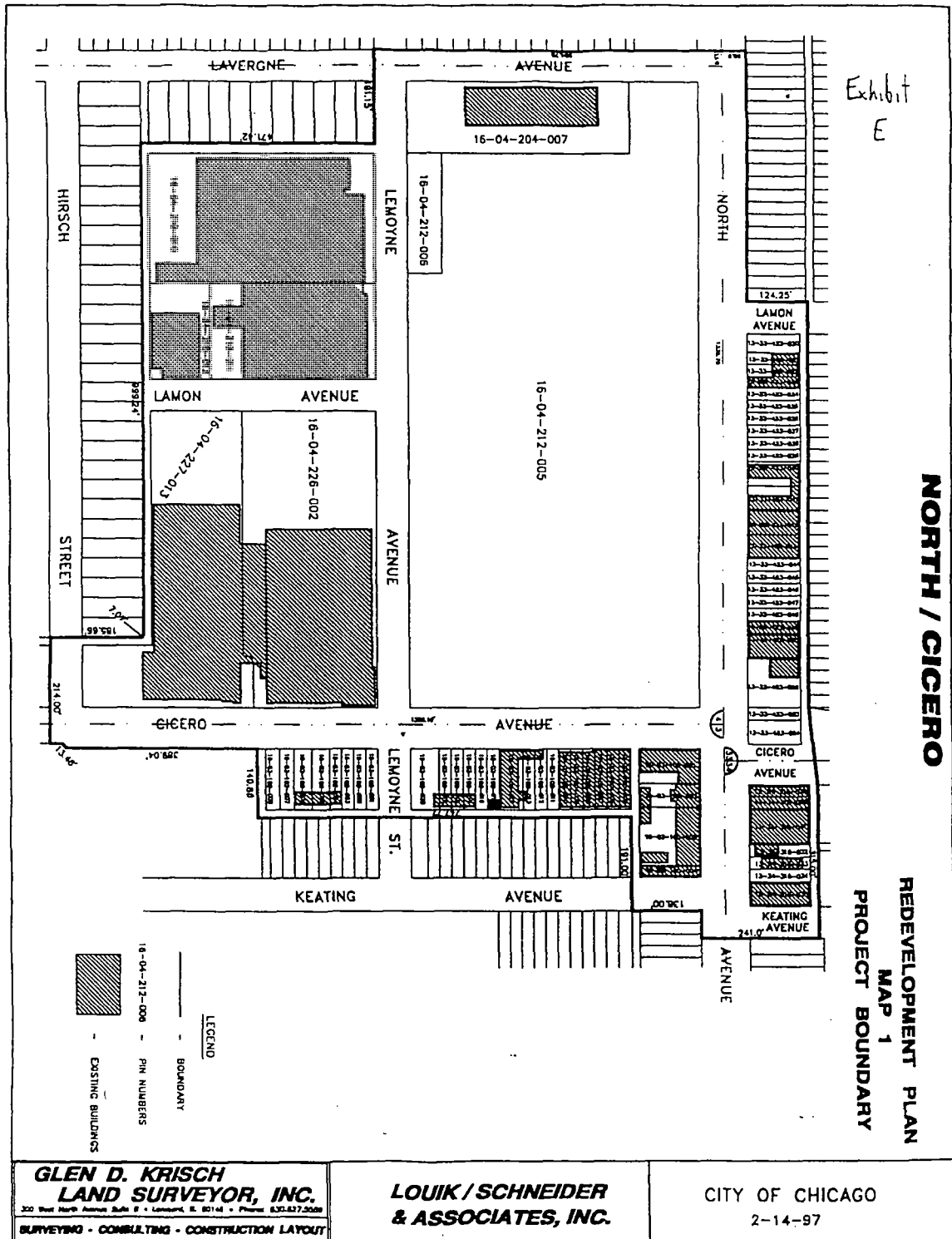
The North/Cicero Redevelopment Project Area is generally bounded as follows:

by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west.

Exhibit "E".

Project Boundary.

North/Cicero Redevelopment Project Area.



DESIGNATION OF NORTH/CICERO REDEVELOPMENT  
PROJECT AREA AS TAX INCREMENT  
FINANCING DISTRICT.

The Committee on Finance submitted the following report:

CHICAGO, July 30, 1997.

*To the President and Members of the City Council:*

Your Committee on Finance, having had under consideration an ordinance designating the North/Cicero Redevelopment Project Area as a tax increment financing district, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,  
*Chairman.*

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

*Yeas* -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Coleman, Peterson, Murphy, Rugai, Troutman, Evans, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Burrell, Wojcik, Suarez, Gabinski, Mell, Banks, Giles, Allen, Laurino, Doherty, Natarus, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 45.

*Nays* -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation Financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq. (1993), as amended (the "Act"), for a proposed redevelopment project area to be known as the North/Cicero Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant to a proposed redevelopment plan and project (the "Plan"); and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Community Development Commission (the "Commission") of the City, by authority of the Mayor and the City Council of the City (the "City Council", referred to herein collectively with the Mayor as the "Corporate Authorities") called a public hearing (the "Hearing") concerning approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area on May 13, 1997; and

WHEREAS, The Plan (including the related eligibility study attached thereto as an exhibit) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act; notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act; and a meeting of the joint review board (the "Board") was convened pursuant to Section 5/11-74.4-5(b) of the Act; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 97-CDC-56, recommending to the City Council the designation of the Area as a redevelopment project area pursuant to the Act, among other things; and

WHEREAS, The Corporate Authorities have reviewed the Plan (including the related eligibility study for the Area attached thereto as an exhibit), testimony from the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; and

WHEREAS, The City Council has heretofore approved the Plan, which was identified in An Ordinance Of The City Of Chicago, Illinois, Approving A Redevelopment Plan For The North/Cicero Redevelopment Project Area; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Area. The Area is legally described in Exhibit A attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein. The map of the Area is depicted on Exhibit C attached hereto and incorporated herein.

SECTION 3. Findings. The Corporate Authorities hereby make the following findings:

a. the Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefited by proposed Plan improvements, as required pursuant to Section 5/11-74.4-4 (a) of the Act;

b. as required pursuant to Section 5/11-74.4-3 (p) of the Act:

(i) the Area is not less, in the aggregate, than one and one-half ( $1\frac{1}{2}$ ) acres in size; and

(ii) conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a combination of both blighted area and conservation area as defined in the Act.

SECTION 4. Area Designated. The Area is hereby designated as a redevelopment project area pursuant to Section 5/11-74.4-4 of the Act.

SECTION 5. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "C" referred to in this ordinance printed  
on page 49084 of this Journal.]

Exhibits "A" and "B" referred to in this ordinance read as follows:

*Exhibit "A".*

*Legal Description.*

*North/Cicero Redevelopment Project Area.*

That part of the northwest quarter of Section 3 and the northeast quarter of Section 4, Township 39 North, Range 13 East of the Third Principal Meridian and part of the southeast quarter of Section 33 and the southwest quarter of Section 34, Township 40 North, Range 13 East of the Third Principal Meridian described as follows:

beginning at a point of intersection of the south line of the southeast quarter of said Section 33 with the west line of Lavergne Avenue as extended from the south; thence northerly, on said line extended 50.0 feet to the north line of North Avenue; thence easterly along said north line to the west line of Lamon Avenue as dedicated in West North Avenue Subdivision; thence northerly along said line of Lamon Avenue, 124.25 feet, more or less, to the south line of Lot 1 in Block 6 in the subdivision of that part of the southeast quarter of Section 33, lying east of the west 26.60 chains as extended west; thence easterly, along said extended line and along the south lines of Lots 1 through 30 in said subdivision, to the west line of Cicero Avenue as presently dedicated; thence easterly to the southwest corner of Lot 28 in Sprague and Wilson's Subdivision of Block 18 in W. & R. O'Brien's Subdivision; thence easterly 315.0 feet, more or less, to the east line of Keating Avenue; thence southerly along said east line 241.0 feet to a point on the southerly line of North Avenue; thence westerly along the southerly line of said North Avenue to the east line of Keating Avenue; thence southerly along the east line of Keating Avenue 138.0 feet to the north line of Lot 47 in John F. Thompson's North Avenue Subdivision as extended easterly; thence westerly along said line extended and along the north line of said Lot 47, 191.0 feet to the northwest corner of said Lot 47; thence southerly 747.72 feet, more or less, along the east line of a public alley, to the south line of a 16.0 feet wide public alley in Pettibone Mulliken Company's Consolidation Plat recorded per Document Number 8212506; thence westerly along the south line of said alley 190.88 feet to the easterly line of Cicero Avenue; thence southerly along the easterly line of Cicero Avenue to a point on the southerly line of Hirsch Street as extended west; thence westerly, along said southerly line of Hirsch Street 174.0 feet to a point on the east line of Lot 1 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15699705, as extended southerly; thence northerly along said east line 185.66 feet to an angle in said Lot 1; thence northwesterly, along a line of said Lot 1, 7.07 feet, to an angle of said Lot 1; thence westerly, along the north line of Lots 1 through 26 in said Theodore J. Schorsch's Resubdivision 999.24 feet, more or less, to the east line of Lot

11 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15618701, as extended south; thence northerly, along said east line and the east line of Lots 11 through 1 in said resubdivision 471.42 feet, more or less, to the northeast corner of Lot 1 in said resubdivision, being a point on the south line of Le Moyne Avenue; thence westerly, along said south line of Le Moyne Avenue and its extension west, 191.15 feet to the west line of Lavergne Avenue, said point being 33.0 feet west of the west line of the east half of the northeast quarter of said Section 4; thence northerly along the west line of said Lavergne Avenue 694.75 feet, more or less, to a point on the north line of the west half of the northeast quarter of said Section 4, being the place of beginning, all in Cook County, Illinois.

*Exhibit "B".*

*Street Boundary Description.*

*North/Cicero Redevelopment Project Area.*

The North/Cicero Redevelopment Project Area is generally bounded as follows:

by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west.

---

ADOPTION OF TAX INCREMENT ALLOCATION FINANCING  
FOR NORTH/CICERO REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, July 30, 1997.

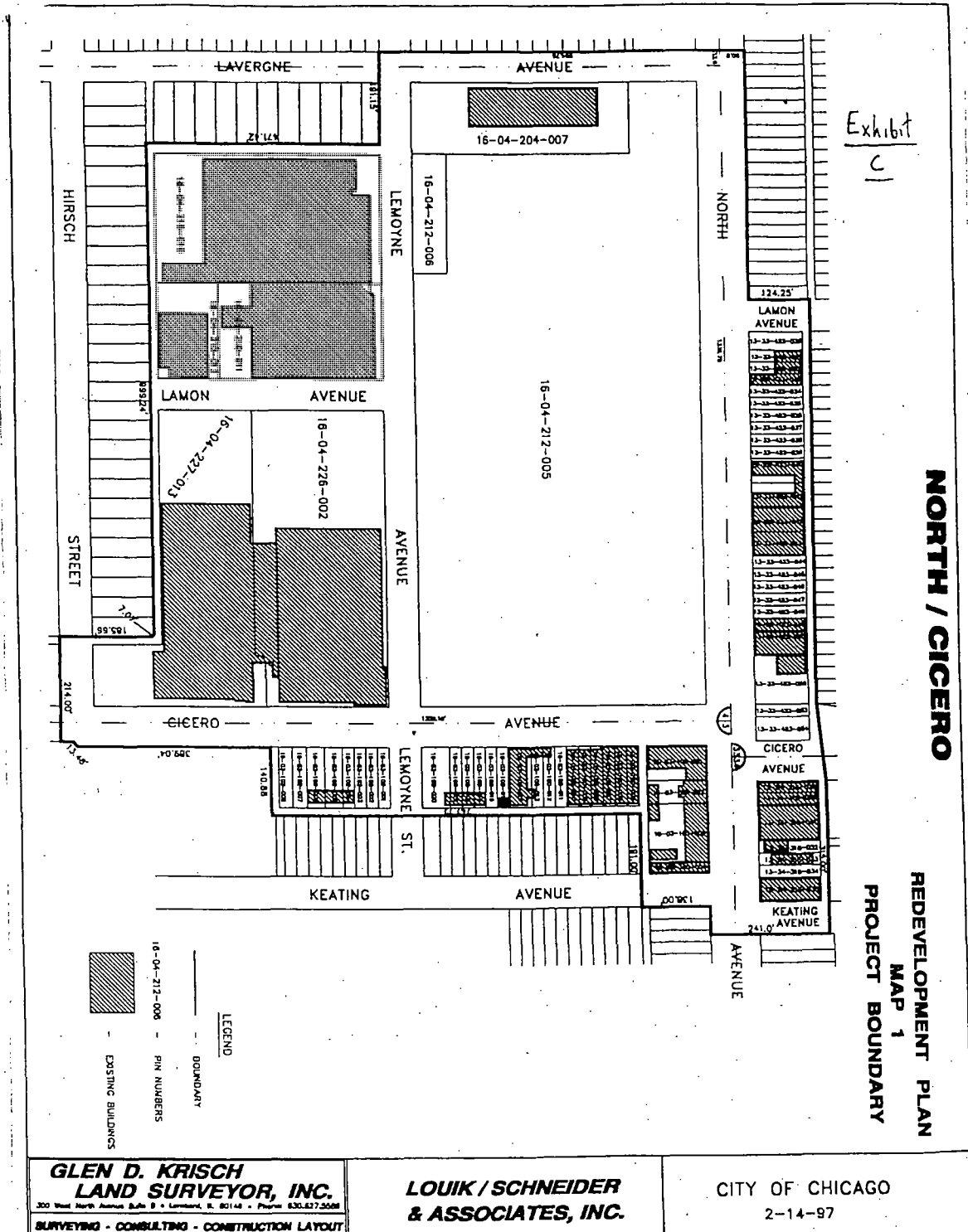
*To the President and Members of the City Council:*

(Continued on page 49085)

Exhibit "C".

Project Boundary.

North/Cicero Redevelopment Project Area.



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CITY OF CHICAGO  
 2-14-97



(Continued from page 49083)

Your Committee on Finance, having had under consideration an ordinance adopting tax increment financing for the North/Cicero Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,  
*Chairman.*

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

*Yeas* -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Coleman, Peterson, Murphy, Rugai, Troutman, Evans, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Burrell, Wojcik, Suarez, Gabinski, Mell, Banks, Giles, Allen, Laurino, Doherty, Natarus, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 45.

*Nays* -- None.

Alderman Beavers moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, It is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation Financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65ILCS 5/11-74.4-1, et seq. (1993), as amended (the "Act"), for a proposed redevelopment project area to be known as the North/Cicero Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant to a proposed redevelopment plan and project (the "Plan"); and

WHEREAS, The Community Development Commission of the City has forwarded to the City Council of the City ("City Council") a copy of its Resolution 97-CDC-56, recommending to the City Council the adoption of Tax Increment Allocation Financing for the Area, among other things; and

WHEREAS, As required by the Act, the City has heretofore approved the Plan, which was identified in An Ordinance Of The City Of Chicago, Illinois, Approving A Redevelopment Plan For The North/Cicero Redevelopment Project Area and has heretofore designated the Area as a redevelopment project area by passage of An Ordinance Of The City Of Chicago, Illinois, Designating The North/Cicero Redevelopment Project Area A Redevelopment Project Area Pursuant To The Tax Increment Allocation Redevelopment Act and has otherwise complied with all other conditions precedent required by the Act; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof.

SECTION 2. Tax Increment Allocation Financing Adopted. Tax Increment Allocation Financing is hereby adopted pursuant to Section 5/11-74.4-8 of the Act to finance redevelopment project costs as defined in the Act and as set forth in the Plan within the Area legally described in Exhibit A attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit B attached hereto and incorporated herein. The map of the Area is depicted in Exhibit C attached hereto and incorporated herein.

SECTION 3. Allocation Of Ad Valorem Taxes. Pursuant to the Act, the ad valorem taxes, if any, arising from the levies upon taxable real property in the Area by taxing districts and tax rates determined in the manner provided in Section 5/11-74.4-9(c) of the Act each year after the effective date of this ordinance until redevelopment project costs and all municipal obligations financing redevelopment project costs incurred under the Act have been paid, shall be divided as follows:

a. that portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the Area shall be allocated to, and when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of Tax Increment Allocation Financing; and

b. that portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Area over and above the initial equalized

assessed value of each property in the Area shall be allocated to, and when collected, shall be paid to the City Treasurer who shall deposit said taxes into a special fund, hereby created, and designated the "North/Cicero Redevelopment Project Area Special Tax Allocation Fund" of the City for the purpose of paying redevelopment project costs and obligation incurred in the payment thereof.

SECTION 4. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 5. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibit "C" referred to in this ordinance printed on page 49090 of this Journal.]

Exhibits "A" and "B" referred to in this ordinance read as follows:

*Exhibit "A".*

*Legal Description.*

*North/Cicero Redevelopment Project Area.*

That part of the northwest quarter of Section 3 and the northeast quarter of Section 4, Township 39 North, Range 13 East of the Third Principal Meridian and part of the southeast quarter of Section 33 and the southwest quarter of Section 34, Township 40 North, Range 13 East of the Third Principal Meridian described as follows:

beginning at a point of intersection of the south line of the southeast quarter of said Section 33 with the west line of Lavergne Avenue as extended from the south; thence northerly, on said line extended, 50.0 feet to the north line of North Avenue; thence easterly along said north line to the west line of Lamon Avenue as dedicated in West North

Avenue Subdivision; thence northerly along said line of Lamon Avenue, 124.25 feet, more or less, to the south line of Lot 1 in Block 6 in the subdivision of that part of the southeast quarter of Section 33, lying east of the west 26.60 chains as extended west; thence easterly, along said extended line and along the south lines of Lots 1 through 30 in said subdivision, to the west line of Cicero Avenue as presently dedicated; thence easterly to the southwest corner of Lot 28 in Sprague and Wilson's Subdivision of Block 18 in W. & R. O'Brien's Subdivision; thence easterly 315.0 feet, more or less, to the east line of Keating Avenue; thence southerly along said east line 241.0 feet to a point on the southerly line of North Avenue; thence westerly along the southerly line of said North Avenue to the east line of Keating Avenue; thence southerly along the east line of Keating Avenue 138.0 feet to the north line of Lot 47 in John F. Thompson's North Avenue Subdivision as extended easterly; thence westerly along said line extended and along the north line of said Lot 47, 191.0 feet to the northwest corner of said Lot 47; thence southerly 747.72 feet, more or less, along the east line of a public alley, to the south line of a 16.0 feet wide public alley in Pettibone Mulliken Company's Consolidation Plat recorded per Document Number 8212506; thence westerly along the south line of said alley 190.88 feet to the easterly line of Cicero Avenue; thence southerly along the easterly line of Cicero Avenue to a point on the southerly line of Hirsch Street as extended west; thence westerly, along said southerly line of Hirsch Street, 174.0 feet to a point on the east line of Lot 1 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15699705, as extended southerly; thence northerly along said east line 185.66 feet to an angle in said Lot 1; thence northwesterly, along a line of said Lot 1, 7.07 feet, to an angle of said Lot 1; thence westerly, along the north line of Lots 1 through 26 in said Theodore J. Schorsch's Resubdivision 999.24 feet, more or less, to the east line of Lot 11 in Theodore J. Schorsch's Resubdivision, as recorded by Document Number 15618701, as extended south; thence northerly, along said east line and the east line of Lots 11 through 1 in said resubdivision 471.42 feet, more or less, to the northeast corner of Lot 1 in said resubdivision, being a point on the south line of Le Moyne Avenue; thence westerly, along said south line of Le Moyne Avenue and its extension west, 191.15 feet to the west line of Lavergne Avenue, said point being 33.0 feet west of the west line of the east half of the northeast quarter of said Section 4; thence northerly along the west line of said Lavergne Avenue 694.75 feet, more or less, to a point on the north line of the west half of the northeast quarter of said Section 4, being the place of beginning, all in Cook County, Illinois.

*Exhibit "B".*

*Street Boundary Description.*

*North/Cicero Redevelopment Project Area.*

The North/Cicero Redevelopment Project Area is generally bounded as follows:

by the alley north of North Avenue on the north, Keating Avenue on the east, the alley north of Hirsch Street on the south, and Lavergne Avenue on the west.

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APPROVAL AND ADOPTION OF TAX INCREMENT  
REDEVELOPMENT PLAN FOR RIVER SOUTH  
REDEVELOPMENT PROJECT AREA.

The Committee on Finance submitted the following report:

CHICAGO, July 30, 1997.

*To the President and Members of the City Council:*

Your Committee on Finance, having had under consideration an ordinance approving and adopting a tax increment redevelopment plan for the River South Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee. Alderman Burke abstained from voting pursuant to Rule 14 of the City Council's Rules of Order and Procedure.

Respectfully submitted,

(Signed) EDWARD M. BURKE,  
*Chairman.*

(Continued on page 49091)

Exhibit "C".

Project Boundary.

North/Cicero Redevelopment Project Area.

