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APPROVAL OF REDEVELOPMENT PLAN FOR RANDOLPH/WELLS TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA.

[O2010-2676]

The Committee on Finance submitted the following report:

CHICAGO, June 9, 2010.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance approving a redevelopment plan for the Randolph/Wells Tax Increment Financing 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 Moreno, Fioretti, Dowell, Preckwinkle, Hairston, Lyle, Harris, Beale, Pope, Balcer, Cárdenas, Olivo, Foulkes, Thompson, Thomas, Lane, Rugai, Cochran, Brookins, Muñoz, Zalewski, Dixon, Solis, Maldonado, Burnett, E. Smith, Graham, Reboyras, Suarez, Waguespack, Mell, Austin, Colón, Rice, Mitts, Allen, Laurino, O'Connor, Doherty, Reilly, Daley, Tunney, Levar, Shiller, Schulter, M. Smith, Stone -- 47.

Nays -- None.

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

Alderman Burke invoked Rule 14 of the City Council's Rules of Order and Procedure, disclosing that he had represented parties to this ordinance in previous and unrelated matters.

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., as amended (the "Act"), for a proposed redevelopment project area to be known as the Randolph/Wells 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, 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") and pursuant to Section 5/11-74.4-5(a) of the Act, the City's Department of Community Development established an interested parties registry and, on August 9, 2009 published in a newspaper of general circulation within the City a notice that interested persons may register in order to receive information on the proposed designation of the Area or the approval of the Plan; and

WHEREAS, The Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act since December 29, 2009, being a date not less than ten (10) days before the meeting of the Community Development Commission of the City ("Commission") at which the Commission adopted Resolution 10-CDC-07 on January 12, 2010, fixing the time and place for a public hearing ("Hearing"), at the offices of the City Clerk and the City's Department of Community Development; and

WHEREAS, Pursuant to Section 5/11-74.4-5(a) of the Act, notice of the availability of the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was sent by mail on February 25, 2010 which is within a reasonable time after the adoption by the Commission of Resolution 10-CDC-07 to: (a) all residential addresses that, after a good faith

effort, were determined to be (i) located within the Area and (ii) located within seven hundred fifty (750) feet of the boundaries of the Area (or, if applicable, were determined to be the seven hundred fifty (750) residential addresses that were closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; 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 January 15, 2010, by publication in the *Chicago Sun-Times* or *Chicago Tribune* on February 19, 2010, and February 26, 2010 by certified mail to taxpayers within the Area on February 25, 2010; 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 February 5, 2010, 10:00 A.M. to review the matters properly coming before the Board and to allow it to provide its advisory recommendation regarding 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 other matters, if any, properly before it; and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Commission held 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 March 9, 2010; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 10-CDC-15 attached hereto as Exhibit B, adopted on March 9, 2010 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 report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study), testimony from the Public Meeting and 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) 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 later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of the Act is to be made with respect to ad valorem taxes levied in the twenty-third (23rd) calendar year after the year in which the ordinance approving the redevelopment project area is adopted, 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 93064 of this *Journal*.]

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

Exhibit "A".
(To Ordinance)

Randolph/Wells Redevelopment Project Area
Tax Increment Finance District Eligibility Study,
Redevelopment Plan And Project.

Filed December, 2009.

1. Executive Summary

In March 2009, *S. B. Friedman & Company* was engaged to conduct a Tax Increment Financing Eligibility Study (the "Eligibility Study") for the proposed Randolph/Wells Redevelopment Project Area (the "Randolph/Wells RPA" or "RPA"). This report details the eligibility factors found within the proposed Randolph/Wells RPA in support of its designation as a "conservation area" within the definitions set forth in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act"), and thus in support of its designation as the Randolph/Wells RPA. In addition, since the Eligibility Study has determined that the RPA qualifies as a conservation area, this report also contains the Redevelopment Plan and Project (the "Redevelopment Plan" or "Redevelopment Plan and Project") for the Randolph/Wells RPA.

The Randolph/Wells RPA is located within the Loop Community Area ("Community Area") of the City of Chicago, and is generally bounded by West Lake Street on the north, North Wells Street on the east, West Randolph Street on the south, and North Franklin Street on the west.

Determination of Eligibility

This Eligibility Study concludes that the Randolph/Wells RPA is eligible for Tax Increment Financing ("TIF") designation as a "conservation area" because 50 percent or more of the structures in the area are 35 years in age or older and because the following five eligibility factors have been found to be present to a meaningful extent and reasonably distributed throughout the RPA:

1. Deterioration;
2. Inadequate Utilities;
3. Presence of Structures Below Minimum Code Standards;
4. Obsolescence; and
5. Lack of Community Planning.

Redevelopment Plan, Goal, Objectives, and Strategies

Goal. The overall goal of the Redevelopment Plan is to reduce or eliminate the conditions that qualify the Randolph/Wells RPA as a conservation area, and to provide the mechanisms necessary to support public and private development and improvements in the RPA. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate private investment in rehabilitation of existing structures and new development. Eliminating these conditions and facilitating development within the RPA will aid reestablishment of the RPA as a cohesive and vibrant mixed-use area that provides a broad range of office, retail, and other commercial uses appropriate for this area while accommodating residential, public and institutional uses where appropriate. Redevelopment of the RPA will improve retail and commercial conditions; improve the relationship between the area's land uses and surrounding infrastructure; and attract private redevelopment.

Objectives. Twelve broad objectives support the overall goal of area-wide revitalization of the Randolph/Wells RPA. These include:

1. Provide resources for the rehabilitation and modernization of existing structures and the reuse and rehabilitation of architecturally and historically significant structures;

2. Encourage high-quality retail development that promotes a lively pedestrian environment, incorporates enhanced plazas and green spaces, and provides sufficient off-street parking;

3. Improve the quality of streetscape elements to provide the community with safe, attractive public gathering spaces;

4. Promote the RPA as a part of an area that composes the center of employment and commercial activity for the City of Chicago through the attraction and retention of major employers and corporate headquarters, and by providing assistance to small and/or growing businesses;

5. Promote a pedestrian-friendly environment, particularly along streets designated as Mobility Streets in the Chicago Zoning Ordinance;

6. Improve vehicular circulation throughout the RPA through improvements to streets, alleys and loading areas;

7. Encourage environmentally sensitive development and rehabilitation, including development that incorporates green roofs and achieves LEED certifications;

8. Improve public transit facilities within the RPA, including upgrades to Chicago Transit Authority properties and facilities;

9. Replace or repair public infrastructure where needed, including streets, sidewalks, curbs, gutters, underground water and sanitary systems, alleys, and elevated rail structures;

10. Provide opportunities for women-owned, minority-owned, and locally owned businesses to share in job opportunities associated with the redevelopment of the Randolph/Wells RPA, particularly in the design and construction industries;

11. Support job training and welfare to work programs and increase employment opportunities for City residents; and

12. Provide daycare assistance to support employees of local businesses.

Strategies. These objectives will be implemented through four specific and integrated strategies. These include:

1. **Implement Public Improvements.** A series of public improvements throughout the Randolph/Wells RPA may be designed and implemented to build upon and improve the

character of the area, and to create a more conducive environment for private development. Public improvements that are implemented with TIF assistance are intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include improvement of new streets, streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Redevelopment Plan and Project.

Public improvements may be completed pursuant to redevelopment agreements with private entities or to intergovernmental agreements with other public entities, and may ~~include the construction, rehabilitation, renovation, or restoration of public improvements~~ on one or more parcels.

2. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant and underutilized properties within the Randolph/Wells RPA is expected to stimulate private investment and increase the overall taxable value of properties within the RPA. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

3. **Encourage Private Sector Activities and Support Rehabilitation of Existing Buildings.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements, in addition to programming such as job training and retraining, that are consistent with the goals of this Redevelopment Plan and Project.

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

   The City requires that developers who receive TIF assistance for market-rate housing set aside twenty percent (20 percent) of the units to meet affordability criteria established by the City's Department of Community Development or any successor agency. Generally, this means that affordable, for-sale housing units should be priced at a level that is affordable to persons earning no more than one hundred percent (100 percent) of the area median income, and affordable rental units should be affordable to persons earning no more than sixty percent (60 percent) of the area median income. TIF funds can also be used to pay for up to fifty percent (50 percent) of the cost of construction or up to seventy five percent (75 percent) of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act.

4. **Facilitate Property Assembly, Demolition, and Site Preparation.** Financial assistance may be provided to private developers seeking to acquire land, and to assemble and prepare sites in order to undertake projects in support of this Redevelopment Plan and Project.

   To meet the goals of this Redevelopment Plan and Project, the City may acquire and assemble property throughout the RPA. Land assemblage by the City may be by purchase, exchange, donation, lease, or eminent domain, or through the Tax Reactivation Program or other programs, and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance, or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. ~~Furthermore, the City may require written redevelopment agreements with developers~~ before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Required Findings

The conditions required under the Act for the adoption of the Eligibility Study and Redevelopment Plan and Project are found to be present within the Randolph/Wells RPA.

1. The RPA has not been subject to growth and development through investment by private enterprise. Rehabilitation and construction activity within the RPA has been limited to a small number of buildings and the total value of these construction projects has been minimal relative to the estimated market value of the area.

2. Without the support of public resources, the redevelopment objectives of the Randolph/Wells RPA will most likely not be realized. TIF assistance may be used to fund rehabilitation, infrastructure improvements, and expansions to public facilities. Without the creation of the Randolph/Wells RPA, these types of projects are not likely to occur.

3. The Randolph/Wells RPA includes only the contiguous real property that is expected to substantially benefit from the proposed Redevelopment Plan and Project improvements.

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

2. Introduction

The Study Area

This document serves as the Eligibility Study and Redevelopment Plan and Project for the

Randolph/Wells Redevelopment Project Area. The Randolph/Wells RPA is located within the Loop Community Area of the City of Chicago (the "City"), in Cook County (the "County"). In March 2009, *S. B. Friedman & Company* was engaged to conduct a study of certain properties in these neighborhoods to determine whether the area containing these properties would qualify for status as a "blighted area" and/or "conservation area" under the Act.

The Eligibility Study and Plan summarizes the analyses and findings of *S. B. Friedman & Company*'s work, which, unless otherwise noted, is the responsibility of *S. B. Friedman & Company*. The City is entitled to rely on the findings and conclusions of this Eligibility Study and Plan in designating the Randolph/Wells Redevelopment Project Area as a redevelopment project area under the Act. *S. B. Friedman & Company* has prepared this Plan and the related Eligibility Study with the understanding that the City would rely: 1) on the findings and conclusions of the Plan and the related Eligibility Study in proceeding with the designation of the Randolph/Wells Redevelopment Project Area and the adoption and implementation of the Plan, and 2) on the fact that *S. B. Friedman & Company* has obtained the necessary information so that the Plan and the related Eligibility Study will comply with the Act.

The community context of the Randolph/Wells RPA is detailed on Map 1. The RPA is generally bounded by West Lake Street on the north, North Wells Street on the east, West Randolph Street on the south, and North Franklin Street on the west. The RPA consists of 49 tax parcels on six blocks, and is located wholly within the City of Chicago. Of the 49 tax parcels in the RPA, 19 tax parcels are associated with a single building.

Map 2 provides detail of the boundary of the Randolph/Wells RPA, which includes only the contiguous real property that is expected to benefit substantially from the Redevelopment Plan and Project improvements discussed herein.

Appendix 1 contains a legal description of the Randolph/Wells RPA.

The Eligibility Study covers events and conditions that exist and that were determined to support the designation of the Randolph/Wells RPA as a "conservation area" under the Act at the completion of our research on May 19, 2009 and not thereafter. Events or conditions, such as governmental actions and additional developments, occurring after that date are excluded from the analysis. The improved parcels suffer from lack of growth and investment, deterioration, inadequate utilities, and obsolescence. Without a comprehensive approach to address these issues, the RPA is not likely to see substantial private investment. The Redevelopment Plan and Project address these issues by providing the means to facilitate private development and rehabilitation, and the construction of public infrastructure.

These improvements will benefit all of the property within the RPA by alleviating conditions qualifying the RPA as a conservation area.

History of Community Area

The Randolph/Wells RPA is located entirely within the Loop Community Area in the City of Chicago. The Loop Community Area is bounded on the north by Wacker Drive and the Chicago River, on the east by Lake Michigan, Lake Shore Drive, and Millennium and Grant Parks, on the south by Roosevelt Road, and on the west by the Chicago River. The history of the Community Area in which the RPA is located is described below.

Loop. Chicago's Central Business District, "the Loop," is constructed on the site where the original settlement of Chicago was located. The name "the Loop" is derived from the place where the strands powering cable cars turned around on a pulley in the center of the city. This name and concept was carried on to apply to the elevated rail tracks for the rapid transit lines, which were constructed between 1895 and 1897.

The original settlement in Chicago, a trading post, was established on the banks of the Chicago River near Lake Michigan in the 1780s. Several years later in the early 1800s, Fort Dearborn was erected on the south side of the River. Over the next 50 years Chicago grew to an estimated population of 4,179 residents.

Development initially was concentrated near the banks of the Chicago River, Water Street, and Lake Street. Commercial activity was concentrated along Lake Street. Following the introduction of the horsecar on State Street in the 1850s, rapid development in the central business district began to occur. Retail commerce began to slowly shift from Lake Street to State Street during this period. The development of Chicago was also aided by its position as a railroad hub for travel and shipping of goods and people between the East Coast and the new cities underdevelopment that were part of the westward expansion. By the end of the nineteenth century railroads surrounded the central business district on the east, south, and west sides.

The 1871 Chicago Fire destroyed nearly all buildings in the central business district. Following the fire, a new fire code was created that prohibited the construction of wooden buildings in the Loop. As a result, few residential buildings were reconstructed in the Loop. Most buildings constructed after the fire were designed solely for office and retail uses. Several of the structures that were built in the years immediately following the fire have survived to present times and are located in the RPA.

The introduction of electric trolleys during this time period allowed people to live even further from the central business district and still commute to downtown. This further reduced the need for residential development in the Loop.

Between the Chicago Fire and the Great Depression, Chicago experienced a building boom in the Loop. Large structures like the Stevens Hotel and the 45-story Civic Opera were a few of the notable buildings constructed during this time. The two-level Wacker Drive, part of the historic Burnham Plan, was also constructed at this time period. This roadway facilitated the movement of trucks and automobiles into and out of the Loop.

At the same time, post-World War II suburbanization diminished the Loop's role as a retail destination. As households moved further from the central business district, many chose to shop in local or suburban shopping districts, leading to the decline of State Street as a shopping destination. City officials and real estate developers took a number of steps to reverse this decline and attract people back to the Loop. The Central Loop TIF was created in 1984 to facilitate redevelopment and finance infrastructure improvements, and was expanded in 1997 to include additional blocks west of Michigan Avenue. The Central Loop TIF helped to finance a number of major projects, including the Hotel Burnham and the revitalized Theater District along Randolph Street.

Existing Land Use

Based on *S. B. Friedman & Company*'s research, five land uses have been identified within the Randolph/Wells RPA:

- Commercial Office Uses;
- Commercial Retail Uses;
- Rights-of-way;
- Vacant Land; and
- Parking.

The existing land use pattern in the Randolph/Wells RPA is shown in **Map 3.** This map represents the predominant land use in the area on a parcel-by-parcel basis. The land use displayed was the land use most apparent during field observation.

Overall, the area contains mainly commercial office uses with associated ground floor retail. No residential uses are found within the RPA. The predominant land use in the study area is parking. The study area contains three commercial parking garages and a large surface parking lot.

Historically Significant Structures

S. B. Friedman & Company obtained data from the Chicago Historic Resources Survey (CHRS) to identify architecturally and/or historically significant buildings located within the Randolph/Wells RPA. The CHRS identifies over 17,000 Chicago properties and contains information on buildings that may possess important architectural and/or historical significance. A ranking system was used to identify historic and architectural significance according to three criteria adopted by the CHRS: 1) age; 2) degree of external physical integrity; and 3) level of possible significance.

According to this survey, six buildings in the RPA have been identified by the CHRS as possessing some architectural or historical significance in the context of the community. Five of these six structures in the RPA are designated as Chicago Landmarks. Additionally, the Steuben Club Building located at 188 West Randolph Street is listed on the National Register of Historic Places. The properties identified as having historic and architectural significance are listed in Table 1.

Table 1: Historic Buildings in RPA

Name	Address	Type of Building	Style	Year Built	CHRS Color Code
Steuben Club Building [1]	188-194 W. Randolph St.	Office	Gothic Revival	1928	Orange
Kent Building [1]	173-175 N. Franklin St.	Commercial	Italianate	1875	Red
Osborne & Adams Leather Co.	209 W. Lake St.	Commercial	Italianate	1870s	Orange
White Building [1]	229-231 W. Lake St.	Commercial	Italianate	1872	Red
Cole Building [1]	233 W. Lake St.	Commercial	Italianate	1873	Red
Rowney Building [1]	235 W. Lake St.	Commercial	Italianate	1872 -1875	Red

[1] Denotes Chicago Landmark
Source: City of Chicago

The location of these historic buildings is detailed on **Map 3**, along with current land uses within the RPA.

3. Eligibility Analysis

Provisions of the Illinois Tax Increment Allocation Redevelopment Act

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

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

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

The statutory provisions of the Act specify how a district can be designated as a "conservation" and/or "blighted area" district based upon an evidentiary finding of certain eligibility factors listed in the Act. The eligibility factors for each designation are identical for improved property. A separate set of factors exists for the designation of vacant land as a "blighted area." There is no provision for designating vacant land as a conservation area.

Factors for Improved Property

For improved property to constitute a "blighted area," a combination of five or more of the following thirteen eligibility factors listed at 65 ILCS 5/11-74.4-3 (a) and (b) must meaningfully

exist and be reasonably distributed throughout the RPA. "Conservation areas" must have a minimum of fifty percent (50%) of the total structures within the area aged 35 years or older, plus a combination of three or more of the 13 eligibility factors which are detrimental to the public safety, health, morals, or welfare and which could result in such an area becoming a blighted area.

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

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

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration including but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

Presence of Structures Below Minimum Code Standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

Illegal Use of Individual Structures. The use of structures in violation of the applicable Federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

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

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

Inadequate Utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown

to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

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

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

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

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

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

Factors for Vacant Land

Under the provisions of the "blighted area" section of the Act, for vacant land to constitute a "blighted area," a combination of two or more of the following six factors must be identified as being present to a meaningful extent and reasonably distributed and act in combination to impact the sound growth in tax base for the proposed district.

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

Diversity of Ownership. Diversity of ownership is when adjacent properties are owned by multiple parties. When diversity of ownership of parcels of vacant land is sufficient in number to retard or impede the ability to assemble the land for development, this factor applies.

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

Deterioration of Structures or Site Improvements in Neighboring Areas Adjacent to the Vacant Land. Evidence of structural deterioration and area disinvestment in blocks adjacent to the vacant land may substantiate why new development had not previously occurred on the vacant parcels.

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

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

Additionally, under the "blighted area" section of the Act, eligibility may be established for those vacant areas that would have qualified as a blighted area immediately prior to becoming vacant. Under this test for establishing eligibility, building records may be reviewed to determine that a combination of five or more of the 13 "blighted area" eligibility factors for improved property listed above were present immediately prior to demolition of the area's structures.

The vacant "blighted area" section includes six other tests for establishing eligibility but none of these are relevant to the conditions within the Randolph/Wells RPA.

Methodology Overview and Determination of Eligibility

Analysis of eligibility factors was done through research involving an extensive field survey of all property within the Randolph/Wells RPA, and a review of building and property records. Building and property records include building code violation citations, building permit data, assessor information, and information on the age and condition of sewer and water lines within the study area. Our survey of the area established that there are 17 primary structures and 49 tax parcels within the Randolph/Wells RPA.

The Randolph/Wells RPA was examined for qualification factors consistent with either the "blighted area" or "conservation area" requirements of the Act. Based upon these criteria, the property within the Randolph/Wells RPA qualifies for designation as a "conservation area" as defined by the Act.

To arrive at this designation, *S. B. Friedman & Company* noted the number of eligibility factors present, and analyzed the distribution of the eligibility factors on a building-by-building and/or parcel-by-parcel basis and analyzed the distribution of the eligibility factors on a block-by-block basis. When appropriate, we calculated the presence of eligibility factors on infrastructure and ancillary properties associated with the structures. The eligibility factors were correlated to buildings and/or parcels using structure-base maps, property files created from field observations, record searches, and field surveys. This information was then graphically plotted on a parcel map of the Randolph/Wells RPA by block to establish the distribution of eligibility factors and to determine which factors were present to a major extent.

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

To reasonably arrive at this designation, *S. B. Friedman & Company* documented the existence of qualifying eligibility factors and confirmed that a sufficient number of factors were present within the Randolph/Wells RPA and reasonably distributed.

Although it may be concluded under the Act that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of the RPA as a conservation area, this evaluation was made on the basis that the conservation area factors must be present to an extent that indicates that public intervention is appropriate or necessary.

Conservation Area Findings

As required by the Act, within a conservation area, at least fifty percent (50%) of the buildings must be 35 years of age or older, and at least three of the 13 eligibility factors must be found present to a major extent within the Randolph/Wells RPA.

Establishing that at least 50 percent of the Randolph/Wells RPA buildings are 35 years of age or older is a condition precedent to establishing the area as a conservation area under the Act. Based on information provided by the Cook County Assessor's office, we have established that of the 17 buildings located within the Randolph/Wells RPA, 14 (82 percent) are 35 years of age or older.

In addition to establishing that the Randolph/Wells RPA meets the age requirement, our research has revealed that the following five factors are present to a major extent:

1. Deterioration;
2. Inadequate Utilities;
3. Presence of Structures Below Minimum Code Standards;
4. Obsolescence; and
5. Lack of Community Planning.

The following factors were found to be present to a minor extent:

1. Excessive Land Coverage and Overcrowding of Structures and Community Facilities; and
2. Excessive Vacancies.

Based on the presence of these factors, the RPA exceeds the minimum requirements of a "conservation area" under the Act.

All of the blocks located in the RPA either contain deteriorated buildings or are served by deteriorated infrastructure, including cracked or crumbling sidewalks, deteriorated alleys, and deteriorated roadways. Half of the buildings are considered obsolescent either as a result of being considered "Class C" office space or because of persistent and excessive vacancies.

Additionally, more than half of the buildings in the RPA are below minimum code standards. All six blocks comprising the RPA are serviced by inadequate utilities, particularly sewer lines that are overdue for repair or replacement. The high cost of upgrading these obsolete and non-compliant structures, coupled with the high presence of "Class C" office space within the area, increases the likelihood that buildings within the RPA will fall into disrepair or disuse.

Maps 4A through 4E illustrate the presence and distribution of these eligibility factors on a block-by-block basis within the RPA. The following sections summarize our field research as it pertains to each of the identified eligibility factors found within the Randolph/Wells RPA.

1. Deterioration

This factor was determined to be present where interior and/or exterior deterioration of buildings could be documented through surveys or interviews. Examples of the building deterioration observed in the field are deteriorated exterior masonry, building elements that are significantly rusted or deteriorated, broken or cracked window panes on windows facing non-street elevations, missing sections of masonry due to deterioration. Deterioration of public improvements is also evident throughout the Randolph/Wells RPA. Many of the streets, sidewalks and driveways exhibit deterioration. Examples of infrastructure deterioration observed in the field included potholes in the adjacent roadway that serve the parcels, cracked sidewalks with sections missing, and cracked curbs with missing sections. Deterioration of the sidewalks and roadways was especially prevalent along West Lake Street and North Wells Street adjacent to elevated railways.

Deterioration was deemed to be present to a meaningful extent on a given block if 50 percent or more of its parcels exhibited either building or infrastructure deterioration. Deterioration was found to be present to a meaningful extent on all of the six blocks (100 percent) within the study area.

2. Inadequate Utilities

A review of the City's water and sewer atlases found that inadequate underground utilities affect all 49 tax parcels in the Randolph/Wells RPA. Of the 17 buildings in the RPA, all of these buildings (100 percent) are served by these inadequate utilities. This is due entirely to the number of antiquated sewer lines in the RPA, many of which were installed prior to 1909. In particular, the sewer lines that run below West Lake Street and the alleyways Couch and Court Places date to 1872 and 1875, respectively, the years following the Great Chicago Fire. These lines have surpassed their 100-year service lives and are in need of replacement or have been deemed inadequate by the City's Department of Water Management.[1]

Due to the age and condition of the sewer lines, the inadequate utilities factor was found to be present to a major extent on six (100 percent) of the six blocks within the Randolph/Wells RPA.

3. Presence of Structures Below Minimum Code Standards

Structures below minimum code standards are those that do not meet applicable standards of zoning, subdivision, building, fire, and other governmental codes. The principal purpose of such codes is to protect the health and safety of the public. As such, structures below minimum code standards may jeopardize the health and safety of building occupants, pedestrians, or occupants of neighboring structures. These buildings may not be in violation of a particular code; nevertheless, those below current development standards may present a health or safety hazard.

With the assistance of the City's Department of Buildings, *S. B. Friedman & Company* determined that building code violation citations have been issued for 10 buildings within the

[1] The City of Chicago's Department of Water Management defines the projected service life of water and sewer mains as 100 years.

Randolph/Wells RPA during the previous five years. Examples of citations included failure to: 1) remove unsafe freight elevators from active service, 2) maintain exterior doors and windows in sound condition and repair, 3) maintain exterior and/or interior walls of a building or structure free from holes, breaks, loose or rotting boards, or other conditions that could admit rain or dampness to the walls, and 4) maintain a chimney in safe and sound working condition. Structures were also cited that obstructed exits or had no illumination for exit signs.

The three public parking garages located in the RPA were also inspected to determine if they complied with the American with Disabilities Act (ADA) and the Chicago Zoning Ordinance. Field inspection indicated that in several instances, the parking garages were not in compliance with ADA standards. Examples of non-ADA compliance included: a ceiling height below the minimum requirement at the ground floor to allow for van access to the garage and lack of appropriate signage. In addition to the failure to comply with ADA standards, the parking garages were also not in conformance with the parking area requirements stipulated by the Chicago Zoning Ordinance. A sample of parking spaces measured at each parking garage indicates that spaces are not as deep or as wide as the current zoning code requires. All three parking garages were therefore found to be below minimum code standards.

With the assistance of the Bureau of Fire Prevention and the Department of Buildings, *S. B. Friedman & Company* obtained information on whether buildings meet contemporary standards for fire safety, including the provision of sprinklers, smoke detectors, fire-rated partitions, and proper means of egress. Of the 17 buildings within the study area, 14 are three stories and greater. Six of these 14 buildings do not contain sprinklers. It was therefore determined that these six buildings (or 35 percent) did not meet contemporary standards for fire safety.

Twelve of the 17 structures (or 70 percent) in the RPA were found to be below minimum code standards. Additionally, on all six blocks within the study area this factor was present in 50 percent or more of the structures located on that block. It is noteworthy to point out that several of these buildings were below the standards of multiple codes. Nine of these buildings are more than 35 years of age, and six are more than 70 years old. This underscores the potential for many older buildings within the RPA to fall into disrepair and disuse.

4. Obsolescence

Obsolescence is defined as the condition or process of falling into disuse. Buildings become obsolescent when some feature, such as the building's location, causes the property to be rejected by the market. This market rejection results in increased vacancies, reduced rents and/or diminished building values. Such a weakened market position can inhibit the ability of property owners and managers to invest in their properties, exacerbating the disadvantages of the property and resulting in further disuse. As such, persistently excessive vacancy levels and/or extremely low rents are an indication that a building is obsolescent.

For the purposes of this study, any building that exhibits a vacancy rate of more than two percent greater than the vacancy of the central business district and which has exhibited such vacancy levels for at least five of the last ten years is considered to exhibit obsolescence. In addition, any building that is defined as "Class C" office space is considered obsolescent; these buildings were

shown to command low rents and consequently may not be able to finance maintenance and repairs over the long run.

Information was obtained on historic building vacancy rates from CoStar, a database of commercial real estate properties. Of the 17 buildings located in the Randolph/Wells RPA, three are commercial parking structures. Of the remaining 14 buildings containing for-lease space, CoStar had information on only nine buildings. All nine of these buildings are considered "Class C" buildings. Two of these properties also exhibited vacancies that were persistently excessive.

Of the remaining five, one additional property occupied by a restaurant was considered to be functionally obsolete, as its design and condition are no longer suitable for this use.

Of the 17 buildings in the Randolph/Wells RPA, a total of 10 buildings (59 percent) display obsolescence. Overall, of the six blocks in the Randolph/Wells RPA, five blocks (83 percent) were determined to exhibit obsolescence to a meaningful extent.

5. Lack of Community Planning

A number of structures within the RPA were developed prior to any community plan for Chicago's downtown. Seven of the 17 buildings (or 35 percent) located in the RPA were constructed in the late 1800s, prior to development of the Burnham Plan of 1909. These buildings are concentrated on the block bounded by Lake Street, Wells Street, Couch Place and Franklin Street. The subdivision of property in this area created parcels which are very small by contemporary development standards. As a result, buildings on this block were constructed without setbacks from the property line. Several parcels on this block also do not provide access to Couch Place, with the result that a number of buildings do not have access to that street, which functions as the alley for the block. This development pattern also creates a diversity of ownership which further inhibits redevelopment in a manner more consistent with contemporary development standards.

Minor Supporting Factors

In addition to the factors that previously have been documented as being present to a major extent in the Randolph/Wells RPA, two additional factors are present to a minor extent. These additional factors suggest that the Randolph/Wells RPA may face gradual decline through disinvestment. Left unchecked, these conditions could accelerate the decline of the community, and combined with those factors that have been used to qualify the RPA as a conservation area, could lead to more widespread and intensive commercial and residential disinvestment.

1. Excessive Land Coverage and Overcrowding of Structures and Community Facilities

Inspection of the properties within the study area indicate that several properties located along West Lake Street and North Franklin Street have a lack of reasonably required off-street parking and have an inadequate provision for loading and service. The properties along these corridors were built immediately after the Chicago Fire in 1871.

Several of the properties located along West Lake Street have no access to the rear alleyway, Couch Place. Buildings were constructed immediately behind these buildings and block access to the alleyway. In several cases, access to loading and service doors to these buildings is from the public right-of-way through small gangway-style entrances along the side of the building. In other instances, these gangway style entrances are located at the rear of the building in the alleyway, but are passable only through narrow corridors.

Excessive land coverage and overcrowding of structures was found on nine structures, which constitute 64 percent of structures in the Randolph/Wells study area, excluding parking garages. This is considered a minor supporting factor because these nine structures are concentrated on only one of the six blocks in the RPA.

2. Excessive Vacancies

S. B. Friedman & Company reviewed information on current vacancies of buildings from CoStar to evaluate vacancy levels within the Randolph/Wells RPA. CoStar obtains its data through monthly interviews with the owners, managers and leasing agents of office buildings, and is a widely respected source of information among real estate professionals.

During the second quarter of 2009, the Chicago Central Business District exhibited an overall office vacancy rate of 13.2 percent. This is slightly below the average vacancy rate of 13.5 percent for the Chicago CBD office market during the ten-year period from 1999 to 2009. For the purposes of this study, any building that exhibited a vacancy rate more than two percent greater than the vacancy rate for a particular quarter was considered to be excessively vacant. Of the 17 buildings in the Randolph/Wells RPA, three are commercial parking structures. Of the remaining 14 buildings containing for-lease space, information on vacancies was available for nine buildings. Of that total, four buildings exhibit excessive vacancies. Moreover, 188 West Randolph, one of the four buildings shown to exhibit excessive vacancies, is an approximately 350,000 square foot building that is entirely vacant. This represents approximately 45 percent of the leasable area found in the Randolph/Wells RPA, and has a disproportionate impact on the surrounding area.

Based on the information obtained from CoStar, the Randolph/Wells RPA was determined to exhibit excessive vacancies to a minor extent.

4. Redevelopment Plan & Project

Redevelopment Needs of the Randolph/Wells RPA

The existing land use pattern and conditions in the Randolph/Wells RPA suggest four

redevelopment needs for the area:

1. Maintaining the competitiveness and viability of older office buildings, and preserving architecturally and historically significant buildings;
2. Creating a cohesive vision for large blocks that are currently underutilized;
3. Expanding open space and improving the public realm; and
4. Attracting and retaining businesses and major employers, particularly corporate headquarters.

The Redevelopment Plan and Project identifies tools the City will use to guide redevelopment in the Randolph/Wells RPA to create, promote, and sustain a vibrant, mixed-use community. The goals, objectives, and strategies discussed below have been developed to address these needs and to facilitate the sustainable redevelopment of the Randolph/Wells RPA. The proposed public improvements outlined in the Redevelopment Plan and Project will help to create an environment conducive to private investment and redevelopment within the Randolph/Wells RPA. To support specific projects and encourage future investment in the RPA, public resources, including tax increment financing, may be used to rehabilitate older buildings, improve or repair RPA public facilities and/or infrastructure, and provide streetscape improvements. In addition, tax increment financing may be used to subsidize developer interest costs related to redevelopment projects.

Goals, Objectives, and Strategies

Goals, objectives, and strategies are designed to address the need for redevelopment within the overall framework of the Redevelopment Plan and Project for the use of anticipated tax increment funds generated within the Randolph/Wells RPA.

Goal. The overall goal of the Redevelopment Plan is to reduce or eliminate the conditions that qualify the Randolph/Wells RPA as a conservation area, and to provide the mechanisms necessary to support public and private development and improvements in the RPA. This goal is to be achieved through an integrated and comprehensive strategy that leverages public resources to stimulate private investment in rehabilitation of existing structures and new development. Eliminating these conditions and facilitating development within the RPA will facilitate reestablishment of the RPA as a cohesive and vibrant mixed-use area that provides a broad range of office, retail, and other commercial uses appropriate for this area, while accommodating residential, public and institutional uses where appropriate. Redevelopment of the RPA will improve retail, commercial, and housing conditions; improve the relationship between the area's land uses and surrounding infrastructure; and attract private redevelopment.

Objectives. Twelve broad objectives support the overall goal of area-wide revitalization of the Randolph/Wells RPA. These include:

1. Provide resources for the rehabilitation and modernization of existing structures and the reuse and rehabilitation of architecturally and historically significant structures;

2. Encourage high-quality retail development that promotes a lively pedestrian environment, incorporates enhanced plazas and green spaces; and provides sufficient off-street parking;

3. Improve the quality of streetscape elements to provide the community with safe, attractive public gathering spaces;

4. Promote the RPA as a part of an area that composes the center of employment and commercial activity for the City of Chicago through the attraction and retention of major employers and corporate headquarters, and by providing assistance to small and/or growing businesses;

5. Promote a pedestrian-friendly environment, particularly along streets designated as Mobility Streets in the Chicago Zoning Ordinance;

6. Improve vehicular circulation throughout the RPA through improvements to streets, alleys and loading areas;

7. Encourage environmentally sensitive development and rehabilitation, including development that incorporates green roofs and achieves LEED certifications;

8. Improve public transit facilities within the RPA, including upgrades to Chicago Transit Authority properties and facilities;

9. Replace or repair public infrastructure where needed, including streets, sidewalks, curbs, gutters, underground water and sanitary systems, alleys, and elevated rail structures;

10. Provide opportunities for women-owned, minority-owned, and locally-owned businesses to share in job opportunities associated with the redevelopment of the Randolph/Wells RPA, particularly in the design and construction industries;

11. Support job training and welfare to work programs and increase employment opportunities for City residents; and

12. Provide daycare assistance to support employees of local businesses.

Strategies. These objectives will be implemented through four specific and integrated strategies. These include:

1. **Implement Public Improvements.** A series of public improvements throughout the Randolph/Wells RPA may be designed and implemented to build upon and improve the character of the area, and to create a more conducive environment for private development. Public improvements that are implemented with TIF assistance are

intended to complement and not replace existing funding sources for public improvements in the RPA.

These improvements may include improvement of new streets, streetscaping, street and sidewalk lighting, alleyways, underground water and sewer infrastructure, parks or open space, and other public improvements consistent with the Redevelopment Plan and Project.

Public improvements may be completed pursuant to redevelopment agreements with private entities or to intergovernmental agreements with other public entities, and may include the construction, rehabilitation, renovation, or restoration of public improvements on one or more parcels.

2. **Encourage Private Sector Activities and Support Rehabilitation of Existing Buildings.** Through the creation and support of public-private partnerships, or through written agreements, the City may provide financial and other assistance to encourage the private sector, including local property owners, to undertake rehabilitation and redevelopment projects and other improvements, in addition to programming such as job training and retraining, that are consistent with the goals of this Redevelopment Plan and Project.

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

   The City requires that developers who receive TIF assistance for market-rate housing set aside twenty percent (20 percent) of the units to meet affordability criteria established by the City's Department of Community Development or any successor agency. Generally, this means that affordable, for-sale housing units should be priced at a level that is affordable to persons earning no more than one hundred percent (100 percent) of the area median income, and affordable rental units should be affordable to persons earning no more than sixty percent (60 percent) of the area median income. TIF funds can also be used to pay for up to fifty percent (50 percent) of the cost of construction or up to seventy five percent (75 percent) of interest costs for new housing units to be occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act

3. **Develop Vacant and Underutilized Sites.** The redevelopment of vacant and underutilized properties within the Randolph/Wells RPA is expected to stimulate private investment and increase the overall taxable value of properties within the RPA. Development of vacant and/or underutilized sites is anticipated to have a positive impact on other properties beyond the individual project sites.

4. **Facilitate Property Assembly, Demolition, and Site Preparation.** Financial assistance may be provided to private developers seeking to acquire land and to assemble and

prepare sites in order to undertake projects in support of this Redevelopment Plan and Project.

To meet the goals of this Redevelopment Plan and Project, the City may acquire and assemble property throughout the RPA. Land assemblage by the City may be by purchase, exchange, donation, lease, or eminent domain, or through the Tax Reactivation Program or other programs, and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance, or dedication for the construction of public improvements or facilities. Site preparation may include such preparatory work as demolition of existing improvements and environmental remediation, where appropriate. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Proposed Future Land Use

The proposed future land use of the Randolph/Wells RPA reflects the objectives of the Redevelopment Plan and Project, which are to maintain the competitiveness of older office buildings, preserve architecturally and historically significant buildings, expand open space, improve the public realm, attract and retain businesses and major employers, and maintain and improve traffic circulation, public transit, and pedestrian connectivity.

The proposed future land use for the study area is as a Downtown Core mixed-use district, as defined in the Chicago Zoning Ordinance, and is shown on Map 5. This proposed future land use is consistent with the current zoning of the RPA, which is as a Downtown Core ("DC") district. The proposed future land use within the RPA includes all of the uses that are allowed under DC zoning, including office, commercial, public/institutional, recreational, entertainment and residential, as well as open space. The proposed future land uses shown on Map 5 are the predominant uses by block and are not exclusive of any other uses.

Assessment of Housing Impact

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

The RPA contains no inhabited residential units. Since the redevelopment project area contains fewer than 75 housing units, a Housing Impact Study is not required by the Act.

5. Financial Plan

Eligible Costs

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

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

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

2. The costs of marketing sites within the RPA to prospective businesses, developers, and investors;

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

4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements, and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

5. Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;

6. Costs of job training and retraining projects including the costs of "welfare to work" programs implemented by businesses located within the RPA and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the Loop Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;

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

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

9. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law, or by Section 74.4-3(n)(7) of the Act;

10. Payment in lieu of taxes, as defined in the Act;

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

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

    a. Such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;

    b. Such payments in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by the redeveloper with regard to the development 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 provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

d. The total of such interest payments paid pursuant to the Act may not exceed thirty percent (30%) of the total of (i) cost paid or incurred by the redeveloper for the redevelopment project; (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act;

e. For the financing of rehabilitated or new housing for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, the percentage of seventy-five percent (75%) shall be substituted for ~~thirty percent (30%) in subparagraphs 12b and 12d above;~~

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

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

15. Instead of the eligible costs provided for in 12b, 12d, and 12e above, the City may pay up to 50 percent of the cost of construction, renovation, and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and

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

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

Estimated Redevelopment Project Costs

The estimated eligible costs that are deemed to be necessary to implement this Redevelopment Plan and Project are shown in Table 2. The total eligible cost provides an upper limit on expenditures that are to be funded using tax increment revenues, exclusive of capitalized interest,

issuance costs, interest, and other financing costs. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act. Additional funding in the form of State, Federal, County, or local grants, private developer contributions, and other outside sources may be pursued by the City as a means of financing improvements and facilities that are of benefit to the general community.

Table 2: Estimated Redevelopment Project Costs

Eligible Expenses	Estimated Project Costs
Professional Services (including analysis, administration, studies, surveys, legal, marketing, etc.)	$1,000,000
Property Assembly (including acquisition, site preparation, demolition, and environmental remediation)	$5,000,000
Rehabilitation of Existing Buildings, Fixtures, and Leasehold Improvements	$30,000,000
Eligible Construction Costs (Affordable Housing Construction Costs)	$10,000,000
Relocation Costs	$1,000,000
Public Works or Improvements (including streets and utilities, parks and open space, public facilities (schools & other public facilities)) (1)	$5,000,000
Job Training, Retraining, Welfare-to-Work	$1,000,000
Interest Costs	$1,000,000
Day Care Services	$1,000,000
TOTAL REDEVELOPMENT COSTS (2), (3), (4)	**$55,000,000**

(1) This category may also include paying for or reimbursing (i) an elementary, secondary, or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts impacted by the redevelopment of the RPA. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all, or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Plan.

(2) Total Redevelopment Project Costs exclude any additional financing costs, including any interest expense, capitalized interest, costs of issuance, and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

(3) The amount of the Total Redevelopment Project Costs that can be incurred in the RPA will be reduced by the amount of redevelopment project costs incurred in contiguous RPAs, or those separated from the RPA only by a public right-of-way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the RPA, but will not be reduced by the amount of redevelopment project costs incurred in the RPA which are paid from incremental property taxes generated in contiguous RPAs or those separated from the RPA only by a public right-of-way.

(4) All costs are in 2009 dollars and may be increased by five percent (5%) after adjusting for annual inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U. S. Department of Labor. In addition to the above stated costs, each issue of obligations issued to finance a phase of the Redevelopment Plan and Project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations, including interest costs.

Adjustments to the estimated line item costs in Table 2 are anticipated and may be made by the City without amendment to the Redevelopment Plan and Project to the extent permitted by the Act. Each individual project cost will be reevaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

In the event the Act is amended after the date of the approval of this Redevelopment Plan and Project by the City Council of Chicago to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/11-74.4-3(q)(11)), this Redevelopment Plan and Project shall be deemed to incorporate such additional, expanded, or increased eligible costs as eligible costs under the Redevelopment Plan and Project, to the extent permitted by the Act. In the event of such amendment(s), the City may add any new eligible redevelopment project costs as a line item in Table 2, or otherwise adjust the line items in Table 2 without amendment to this Redevelopment Plan and Project, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total redevelopment project costs without a further amendment to this Redevelopment Plan and Project.

Phasing and Scheduling of the Redevelopment

Each private project within the Randolph/Wells RPA shall be governed by the terms of a written redevelopment agreement entered into by a designated developer and the City and approved by the City Council. Where tax increment funds are used to pay eligible redevelopment project costs, to the extent funds are available for such purposes, expenditures by the City shall be coordinated to coincide on a reasonable basis with the actual redevelopment expenditures of the developer(s).

The Redevelopment Plan and Project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third year calendar year following the year in which the ordinance approving this Redevelopment Plan and Project is adopted (by December 31, 2034, if the ordinances establishing the RPA are adopted during 2010).

Sources of Funds to Pay Costs

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived primarily from Incremental Property Taxes. Other sources of funds that may be used to pay for Redevelopment Project Costs or to secure municipal obligations include land disposition proceeds, state and federal grants, investment income, private financing, and other legally permissible funds the City may deem appropriate. The City may incur redevelopment project costs that are paid for from funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

Also, the City may permit the utilization of guarantees, deposits, and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

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

The Randolph/Wells RPA may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, et seq.). If the City finds that the goals, objectives, and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent with those of the RPA, the City may determine that it is in the best interests of the City and the furtherance of the purposes of the Redevelopment Plan that net revenues from the RPA be made available to support any such redevelopment project areas, and vice versa. The City therefore proposes to utilize net incremental revenues received from the RPA to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the RPA and such areas. The amount of revenue from the RPA so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the RPA or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Table 2 of this Redevelopment Plan.

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

Issuance of Obligations

To finance project costs, the City may issue bonds or obligations secured by Incremental Property Taxes generated within the Randolph/Wells RPA pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligations bonds. In addition, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

All obligations issued by the City pursuant to this Eligibility Study and Redevelopment Plan and the Act shall be retired within the timeframe described under "Phasing and Scheduling of the Redevelopment" above. Also, the final maturity date of any such obligations that are issued may not be later than 20 years from their respective dates of issue. One or more of a series of obligations may be sold at one or more times in order to implement this Eligibility Study and Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

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

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

The purpose of identifying the most recent equalized assessed valuation ("EAV") of the Randolph/Wells RPA is to provide an estimate of the initial EAV that the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the Randolph/Wells RPA. The 2008 EAV of the 53 parcels in the Project Area is approximately $76,435,916. This total EAV amount, by PIN, is summarized in Appendix 2. The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk, and shall become the Certified Initial EAV from which all incremental property taxes in the RPA will be calculated by Cook County. The Redevelopment Plan has utilized the EAVs for the 2008 tax year. If the 2009 EAV shall become available prior to the date of the adoption of the Redevelopment Plan by the City Council, the City may update the Redevelopment Plan by replacing the 2008 EAV with the 2009 EAV.

Anticipated Equalized Assessed Valuation

By 2033, the EAV for the Randolph/Wells RPA will be approximately $131,399,199. This estimate is based on several key assumptions, including: 1) an inflation factor that will be approximately one percent (1 percent) for the initial eight years of the TIF, and will increase to three percent (3 percent) for the next eight years, and will stabilize at two percent (2 percent) for the remaining eight years of the TIF; 2) this inflation rate will be applied per year on the EAV of all properties within the Randolph/Wells RPA, with its cumulative impact occurring in each triennial reassessment year; and 3) an equalization factor of 2.9786 (2008 equalization factor) throughout the life of the RPA.

6. Required Findings and Tests

Lack of Growth and Private Investment

In order to assess the rate of private investment in the Randolph/Wells RPA, *S. B. Friedman & Company* obtained and analyzed data for all building permits issued within the RPA between 2000 and 2008. This data was provided by the Department of Buildings. In addition, tax assessment data provided by the Cook County Assessor was analyzed for both the RPA and the City of Chicago.

Private investment within the RPA has lagged behind the rest of the Chicago CBD. The most recent structure constructed in the RPA was a parking garage in 1988. Additionally, the average age of structures in the RPA is 66 years old. Since 1980, more than 46.8 million square feet of office space has been added to the CBD. However, none of this office space has been constructed within the Randolph/Wells RPA. A review of building permit data indicates that no new buildings are currently planned for the area. The remainder of the CBD, on the other hand, has seen substantial private investment in office buildings since 2000. Thirteen major office buildings have been completed in downtown Chicago since 2000, and more than 11.4 million square feet of office space has been added to the Chicago CBD during this time period.

The total value of building permits issued for the Randolph/Wells RPA during this time period was $103,728,963.[2] Approximately 91 percent of the value of permits issued for this period was for the conversion of 188 West Randolph Street from an office property to a residential property. However, this project is on hold indefinitely. The remaining permits, valued at $9,845,313, were primarily for routine maintenance to buildings that include replacement of electrical wiring, minor alterations to interior tenants' spaces, and repair of building facades. This figure constitutes less than one percent (0.62 percent) of the total assessor's market value for the RPA per year.[3] This rate of investment is very low when compared to the overall value of properties within the RPA. To put this level of investment in perspective, the annual depreciation rate for office properties established by the Internal Revenue Service is approximately 2.56 percent. This suggests that investment in the Randolph/Wells RPA is insufficient to keep pace with normal depreciation of property values.

Given the extensive infrastructure needs of the Randolph/Wells RPA, as well as the high cost of rehabilitating structures that have become obsolescent or have fallen below current standards for new development, it is unlikely that the Randolph/Wells RPA will see substantial private investment without public intervention like that envisioned in this Redevelopment Plan and Project.

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[2] This figure excludes permits issued for demolition of entire buildings and for repairs performed by order of the Department of Buildings.

[3] The assessor's market value for 2007 was approximately $182 million. This is based on a total assessed value for the RPA of $70 million. In addition, an assessment-to-value ratio for commercial properties of 38 percent is assumed.

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

Conformance to the Plans of the City

The Randolph/Wells Redevelopment Plan and Project must conform to the comprehensive plan for the City, conform to the strategic economic development plans, or include land uses that have been approved by the Chicago Plan Commission.

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

Dates of Completion

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

Financial Impact of the Redevelopment Project

As explained above, without the adoption of this Redevelopment Plan and Project and tax increment financing, the Randolph/Wells RPA is not expected to see substantial investment from private enterprise. As a result, there is a genuine threat that property values in the area will stagnate or decline. This would lead to a reduction of real estate tax revenue to all taxing districts.

This document describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can reasonably occur. If a redevelopment project is successful, various new projects may be undertaken that will assist in alleviating blighting conditions, creating new jobs, and promoting both public and private development in the Randolph/Wells RPA.

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

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

In 1994, the Act was amended to require an assessment of any financial impact of a redevelopment project area on, or any increased demand for service from, any taxing district affected by the redevelopment plan, and a description of any program to address such financial impacts or increased demand.

The City intends to monitor development in the Randolph/Wells RPA and, with the cooperation of the other affected taxing districts, will attempt to ensure that any increased needs are addressed in connection with any particular development. The following major taxing districts presently levy taxes on properties located within the Randolph/Wells RPA and maintain the listed facilities within the boundaries of the RPA, or within close proximity to the RPA boundaries:

1. **City of Chicago**
   - City Hall (121 N. LaSalle Street)

2. **Chicago Board of Education**
   - South Loop School (1212 S. Plymouth Court)
   - Jones College Preparatory High School (606 S. State St.)

3. **Chicago School Finance Authority**

4. **Chicago Park District**
   - River Esplanade

5. **Chicago Park District Aquarium and Museum Bonds**

6. **City of Chicago Library Fund**
   - Harold Washington Library Center (400 S. State Street)

7. **Chicago Community College District 508**
   - Harold Washington College (30 E. Lake)

8. **Metropolitan Water Reclamation District of Greater Chicago**

9. **County of Cook**
   - County Building (120 N. Clark Street)

10. **Cook County Forest Preserve District**

11. **City of Chicago Special Service Area #12**

12. **Chicago Urban Transportation District**

Map 6 illustrates the locations of community facilities operated by the above listed taxing districts within or in close proximity to the Randolph/Wells RPA. Redevelopment activity may cause increased demand for services from one or more of the above listed taxing districts. The anticipated nature of the increased demand for services on these taxing districts, and the proposed activities to address increased demand, are described below.

City of Chicago. The City is responsible for a wide range of municipal services including: police and fire protection; capital improvements and maintenance; water supply and distribution; sanitation service; and building, housing, and zoning codes. Replacement of vacant and under-utilized sites with active and more intensive uses may result in additional demands on services and facilities provided by the districts. While no public service facilities are operated by the City within the Randolph/Wells RPA, two fire stations and the 6th District police station lie within close proximity to the RPA.

Additional costs to the City for police, fire, and recycling and sanitation services arising from residential development may occur. However, it is expected that any increase in demand for the City services and programs associated with the Randolph/Wells RPA can be handled adequately by City police, fire protection, sanitary collection and recycling services, and programs currently maintained and operated by the City. The redevelopment of the Randolph/Wells RPA will not require expansion of services in this area.

City of Chicago Library Fund. The Library Fund, supported primarily by property taxes, provides for the operation and maintenance of City of Chicago public libraries. Additional costs to the City for library services arising from residential development may occur. However, it is expected that any increase in demand for City library services and programs associated with the Randolph/Wells RPA can be handled adequately by existing City library services. The redevelopment of the Randolph/Wells RPA will not require expansion of services in this area.

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

Currently there are no residential housing units in the Randolph/Wells RPA. While unlikely, it is possible that, in the future, residential development may occur within the RPA, and new families may choose to enroll their children in public schools. Any increased costs to the local schools resulting from children residing in TIF-assisted housing units will trigger those provisions within the Act that provide for reimbursement to the affected school district(s) where eligible. The City intends to monitor development in the Randolph/Wells RPA and, with the cooperation of the Board of Education, will attempt to ensure that any increased demands for services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

Data obtained from CPS reveal that the elementary (PK-8) and high schools that include the Randolph/Wells RPA in their respective catchment areas currently operate at the following capacities:

School Name	Address	School Type	Inside/ Outside RPA	Enrollment	Enrollment Design Capacity	Enrollment as % of Design Capacity
South Loop School	1212 S. Plymouth Ct.	PK-8	Outside	564	915	62%
Jones College Preparatory High School	606 S. State St.	9-12	Outside	739	700	106%

It appears unlikely that enrollment at any of the listed schools will significantly increase as a result of TIF-supported activities. Jones College Preparatory High School is a magnet school with a City-wide enrollment area. It is very unlikely that it will experience any increase in enrollment due to redevelopment in the TIF district. Additionally, the proposed conversion of an office building to a 310-unit apartment building will likely also have an insignificant impact on the enrollment of the schools. Approximately 85 percent of the unit mix in this proposed building consists of studio and one-bedroom units; these units will not likely attract families with school-age children. Additionally, increased costs to the local schools resulting from children residing in TIF-assisted housing units will trigger those provisions within the Act that provide for reimbursement to the affected school district(s) where eligible. The City intends to monitor development in the Randolph/Wells RPA and, with the cooperation of the Board of Education, will attempt to ensure that any increased demands on the services and capital improvements provided by the Board of Education are addressed in connection with each new residential project.

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

It is expected that the households that may be added to the Randolph/Wells RPA may generate additional demand for recreational services and programs and may create the need for additional open spaces and recreational facilities operated by the Chicago Park District. The City intends to monitor development in the Randolph/Wells RPA and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements that may be provided by the Chicago Park District are addressed in connection with any particular residential development.

Community College District 508. This district is a unit of the State of Illinois' system of public community colleges, whose objective is to meet the educational needs of residents of the City and other students seeking higher education programs and services.

It is expected that any increase in demand for services from Community College District 508 indirectly or directly caused by development within the Randolph/Wells RPA can be handled adequately by the district's existing service capacity, programs, and facilities. Therefore, at this time no special programs are proposed for this taxing district. Should demand increase, the City will work with the affected district to determine what, if any, program is necessary to provide adequate services.

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

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

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

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

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration, and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure, and recreation of the public. It is expected that any increase in demand for Forest Preserve services can be handled adequately by existing facilities and programs maintained and operated by the District. No special programs are proposed for the Forest Preserve.

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

7. Provisions for Amending Redevelopment Plan and Project

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

8. Commitment to Fair Employment Practices and Affirmative Action Plan

The City is committed to and will require developers to follow and affirmatively implement the following principles with respect to this Redevelopment Plan and Project. However, the City shall have the right in its sole discretion to exempt certain small businesses, residential property owners, and developers from the above.

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

B. Meeting the City's standards for participation of twenty four percent (24%) Minority Business Enterprises and four percent (4%) Women Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.

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

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

[Appendix 1 referred to in this Randolph/Wells Redevelopment Project Area T.I.F. District Eligibility Study, Redevelopment Plan and Project constitutes Exhibit "C" to ordinance and printed on page 93063 of this *Journal*.]

[Map 2 referred to in this Randolph/Wells Redevelopment Project Area T.I.F. District Eligibility Study, Redevelopment Plan and Project constitutes Exhibit "E" to ordinance and printed on page 93064 of this *Journal*.]

[Appendix 2 and Maps 1, 3, 4A, 4B, 4C, 4D, 4E, 5 and 6 referred to in this Randolph/Wells Redevelopment Project Area T.I.F. District Eligibility Study, Redevelopment Plan and Project printed on pages 93048 through 93057 of this *Journal*.]

Appendix 2.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

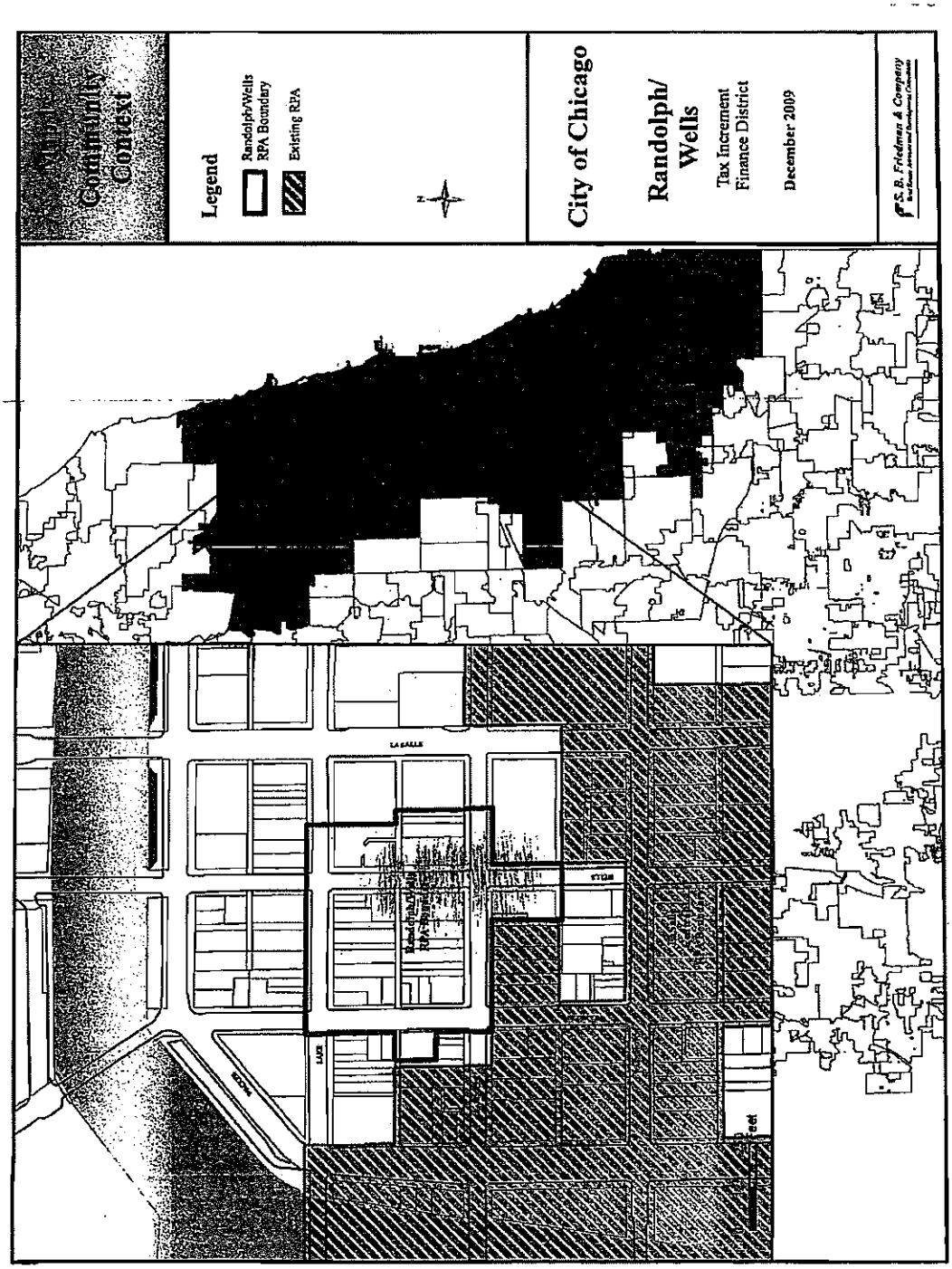
Summary Of Estimated 2008 E.A.V.
(By Permanent Index Number)

2008 Equalizer **2.9786**

PIN	2008 Equalized Assessed Value
17-09-429-07-0000	$ 1,327,854
17-09-429-11-0000	$ 1,256,067
17-09-429-12-0000	$ 1,110,130
17-09-429-13-0000	$ 601,058
17-09-429-17-1001	$ 671,219
17-09-429-17-1002	$ 221,790
17-09-429-17-1003	$ 134,240
17-09-429-17-1004	$ 218,873
17-09-429-17-1005	$ 8,751
17-09-429-17-1006	$ 236,817
17-09-429-17-1007	$ 236,382
17-09-429-17-1008	$ 251,433
17-09-429-17-1009	$ 251,433
17-09-429-17-1010	$ 285,993
17-09-429-17-1011	$ 54,085
17-09-429-17-1012	$ 54,377
17-09-429-17-1013	$ 26,894
17-09-429-17-1014	$ 107,879
17-09-429-17-1015	$ 26,310
17-09-429-17-1016	$ 16,078
17-09-429-17-1017	$ 48,819
17-09-429-17-1018	$ 54,377
17-09-429-17-1019	$ 14,616
17-09-430-03-0000	$ 2,312,758
17-09-430-04-0000	$ 1,017,377
17-09-430-05-0000	$ 2,328,413
17-09-430-06-0000	$ 1,324,160
17-09-430-07-0000	$ 662,080
17-09-430-08-0000	$ 1,324,160
17-09-430-09-0000	$ 447,478
17-09-430-11-0000	$ 503,097
17-09-430-12-0000	$ 495,648
17-09-430-13-0000	$ 209,771
17-09-430-18-0000	$ 725,298
17-09-430-19-0000	$ 1,677,428
17-09-430-20-0000	$ 1,055,526
17-09-431-01-0000	$ 226,907
17-09-431-02-0000	$ 377,975
17-09-431-03-0000	$ 426,005
17-09-431-08-0000	$ 541,498
17-09-431-09-0000	$ 539,922
17-09-431-10-0000	$ 1,079,847
17-09-431-11-0000	$ 853,750
17-09-431-12-0000	$ 5,252,862
17-09-431-13-0000	$ 7,879,636
17-09-431-14-0000	$ 2,213,478
17-09-432-14-0000	$ 17,627,983
17-09-433-01-0000	$ 6,632,746
17-09-433-02-0000	$ 1,179,526
17-09-433-11-0000	$ 589,927
17-09-433-13-0000	$ 600,247
17-09-443-06-0000	$ 856,607
17-09-443-07-0000	$ 8,258,329
TOTAL	**$ 76,435,916**

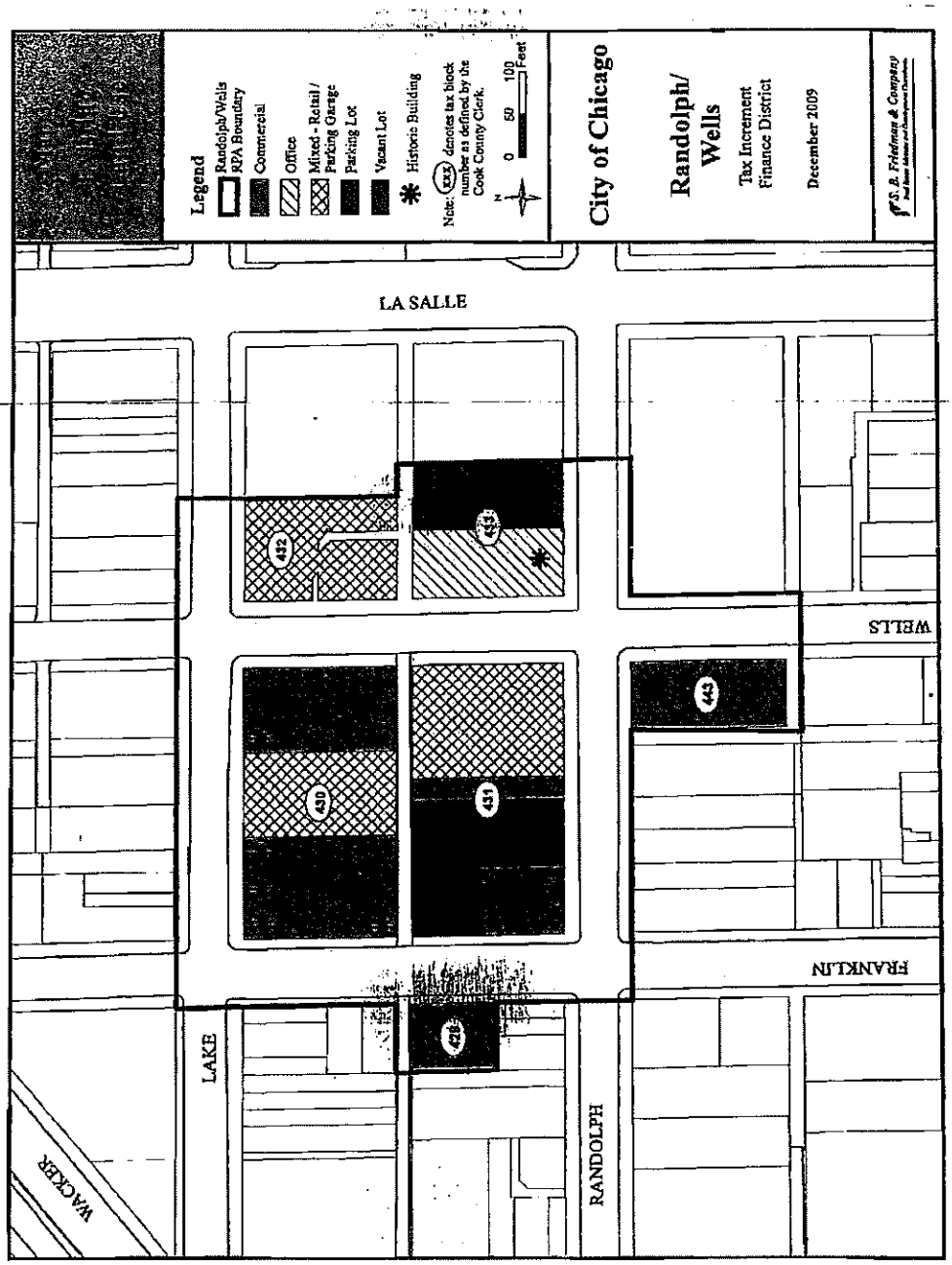
Map 1.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Community Context.



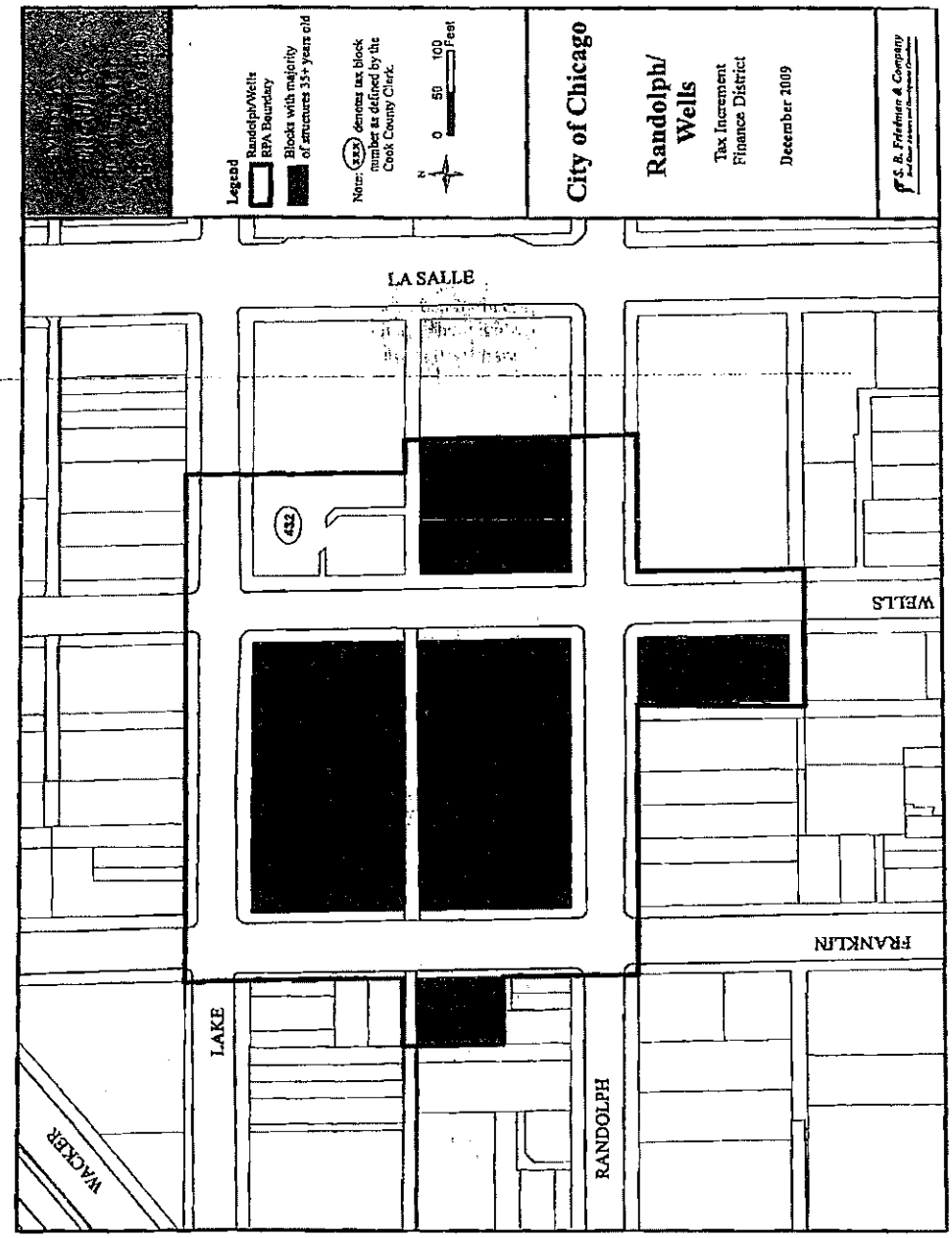
Map 3.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Existing Land-Use.



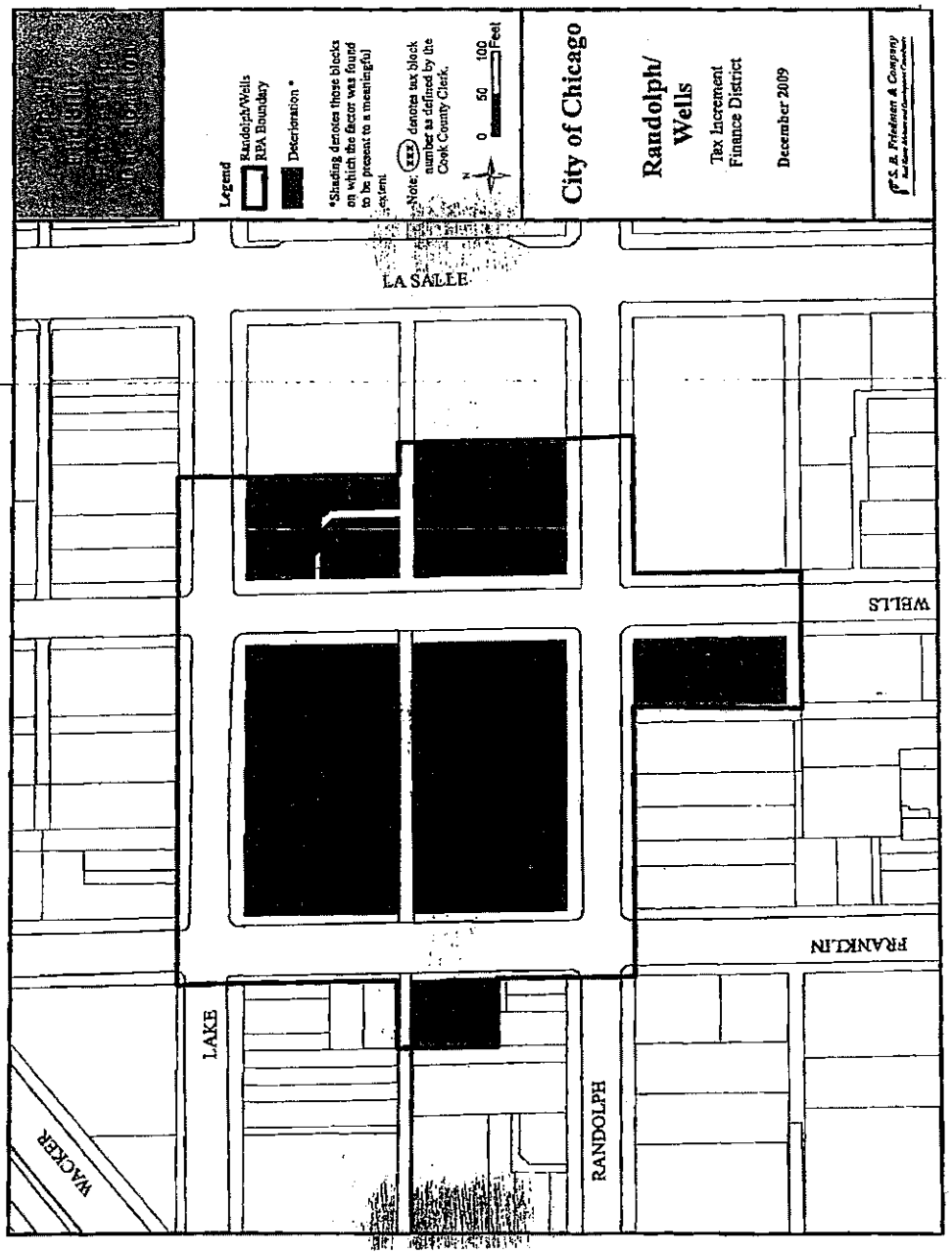
Map 4A.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Eligibility Factor Map -- Age 35+ Years.



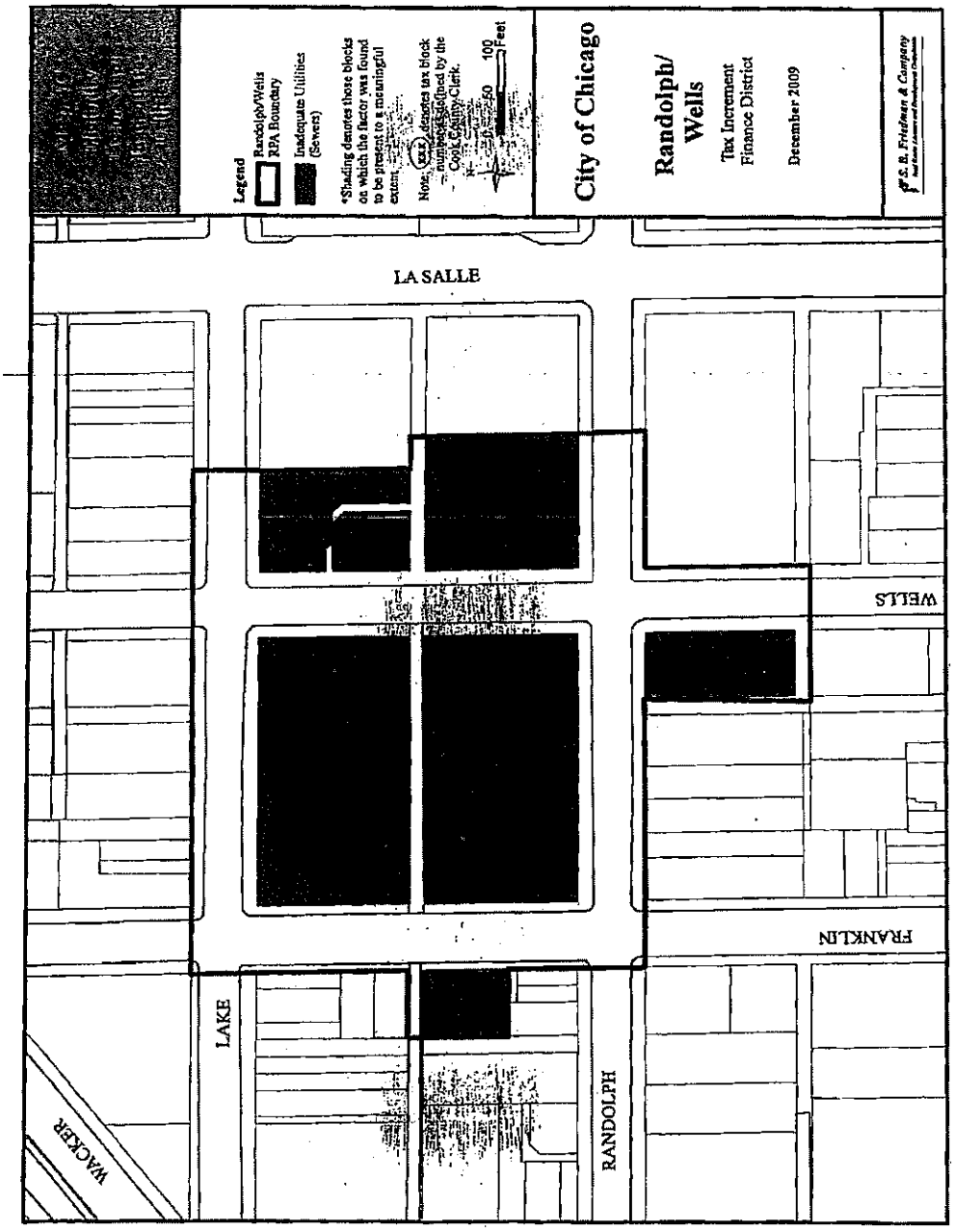
Map 4B.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Eligibility Factor Map -- Deterioration.



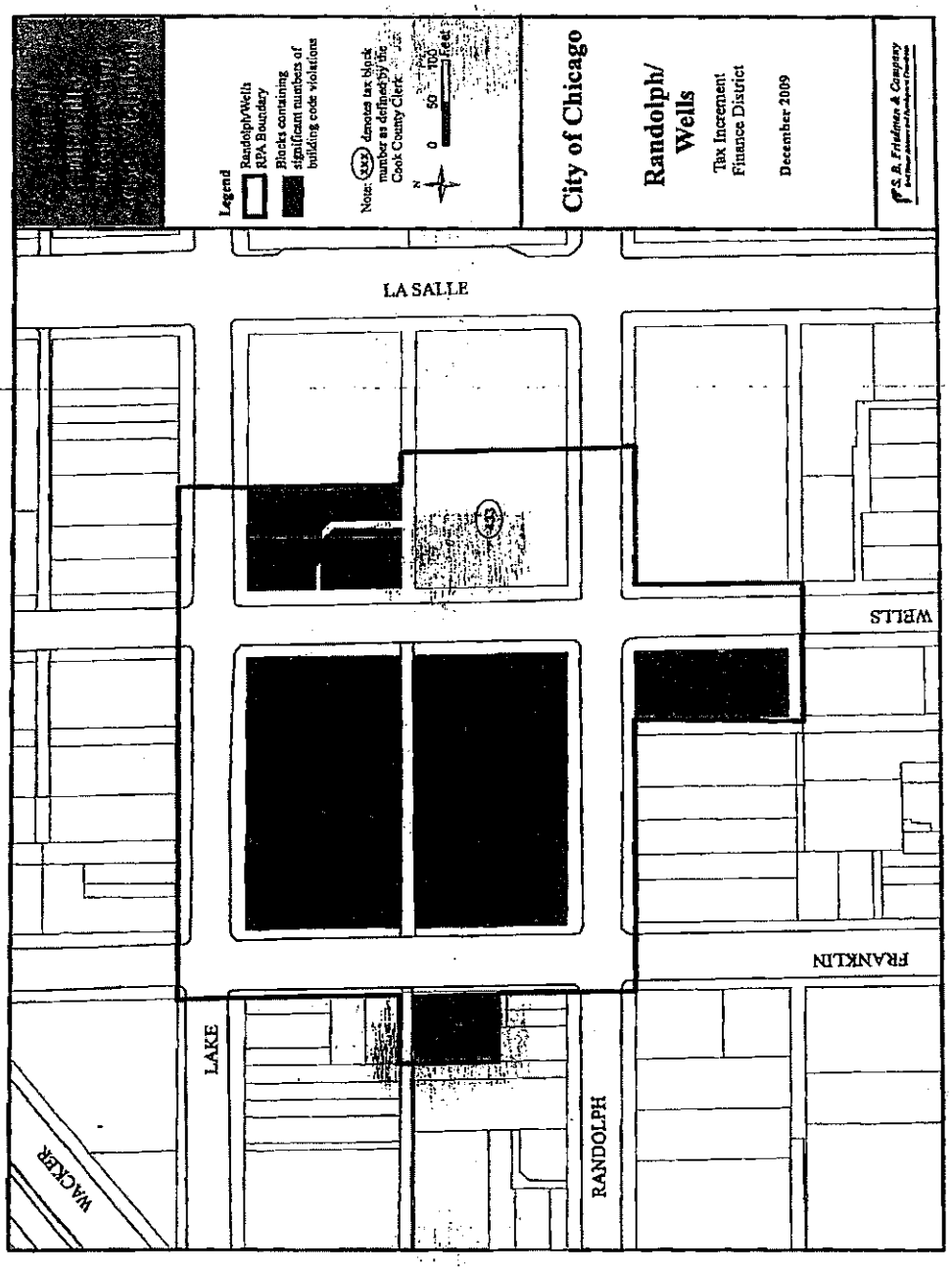
Map 4C.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Eligibility Factor Map -- Inadequate Utilities.



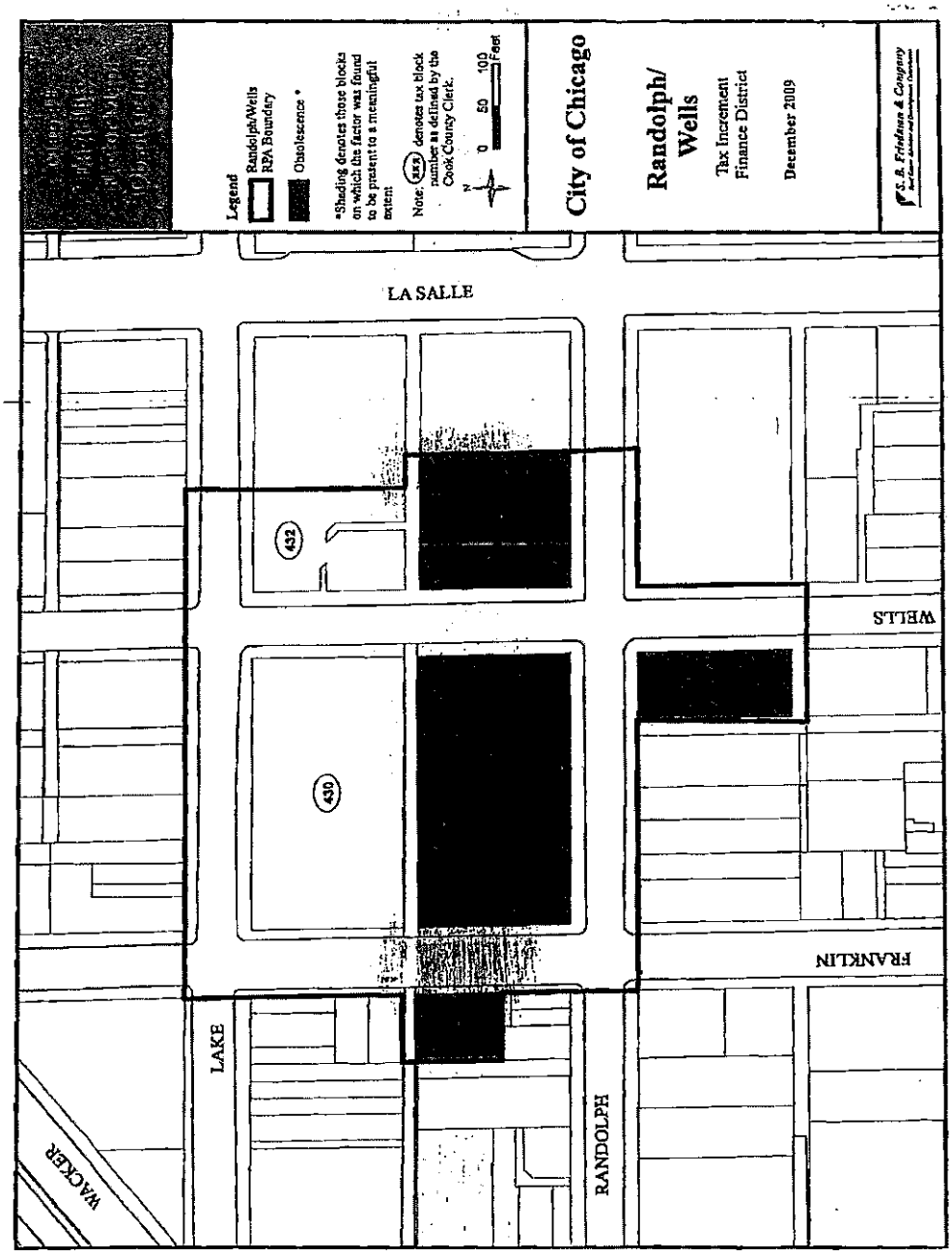
Map 4D.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Eligibility Factor Map -- Code Violations.



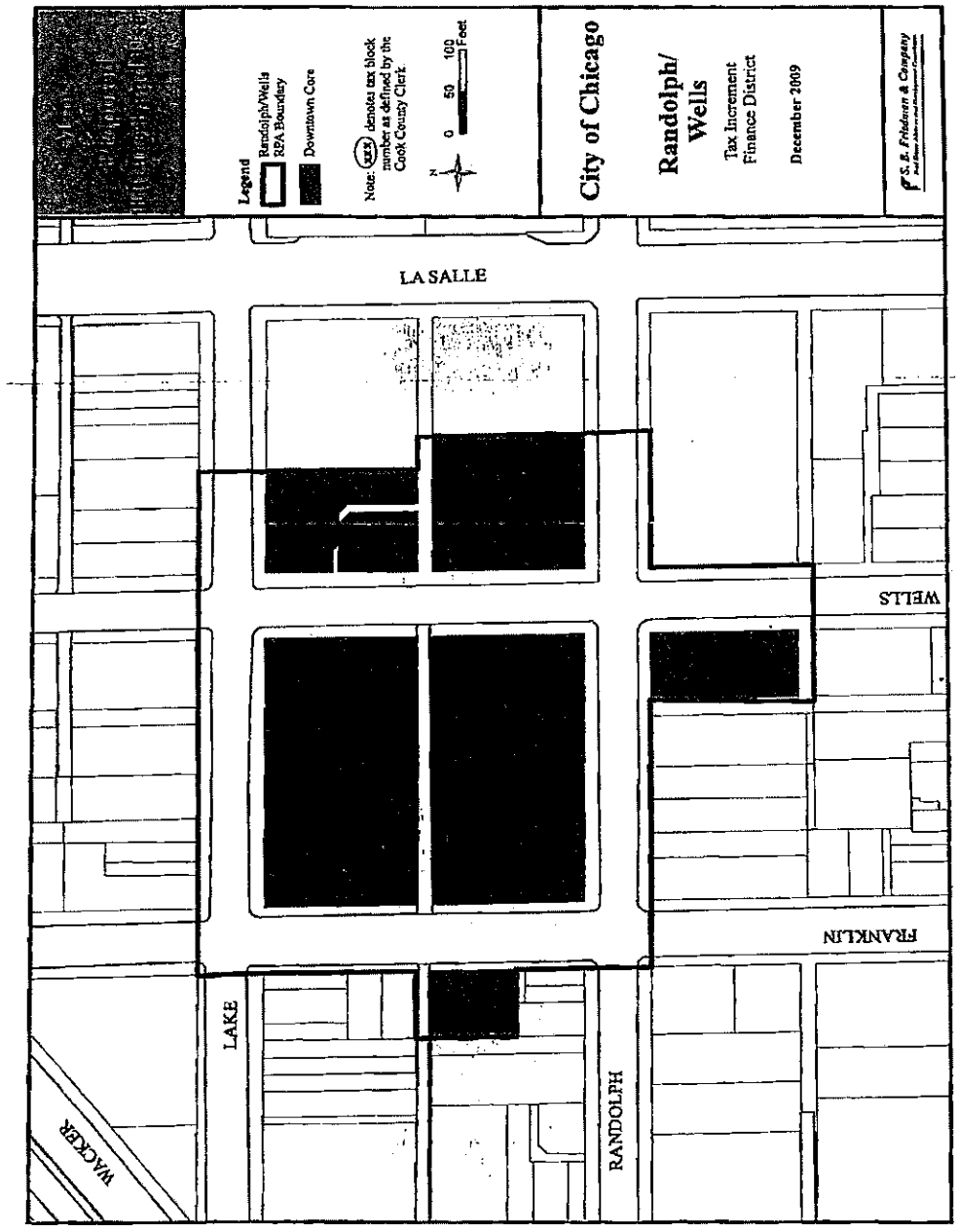
Map 4E.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Eligibility Factor Map -- Obsolescence.



Map 5.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Proposed Future Land-Use.



Map 6.
(To Randolph/Wells Redevelopment Project Area
T.I.F. District Eligibility Study, Redevelopment
Plan And Project)

Community Facilities.

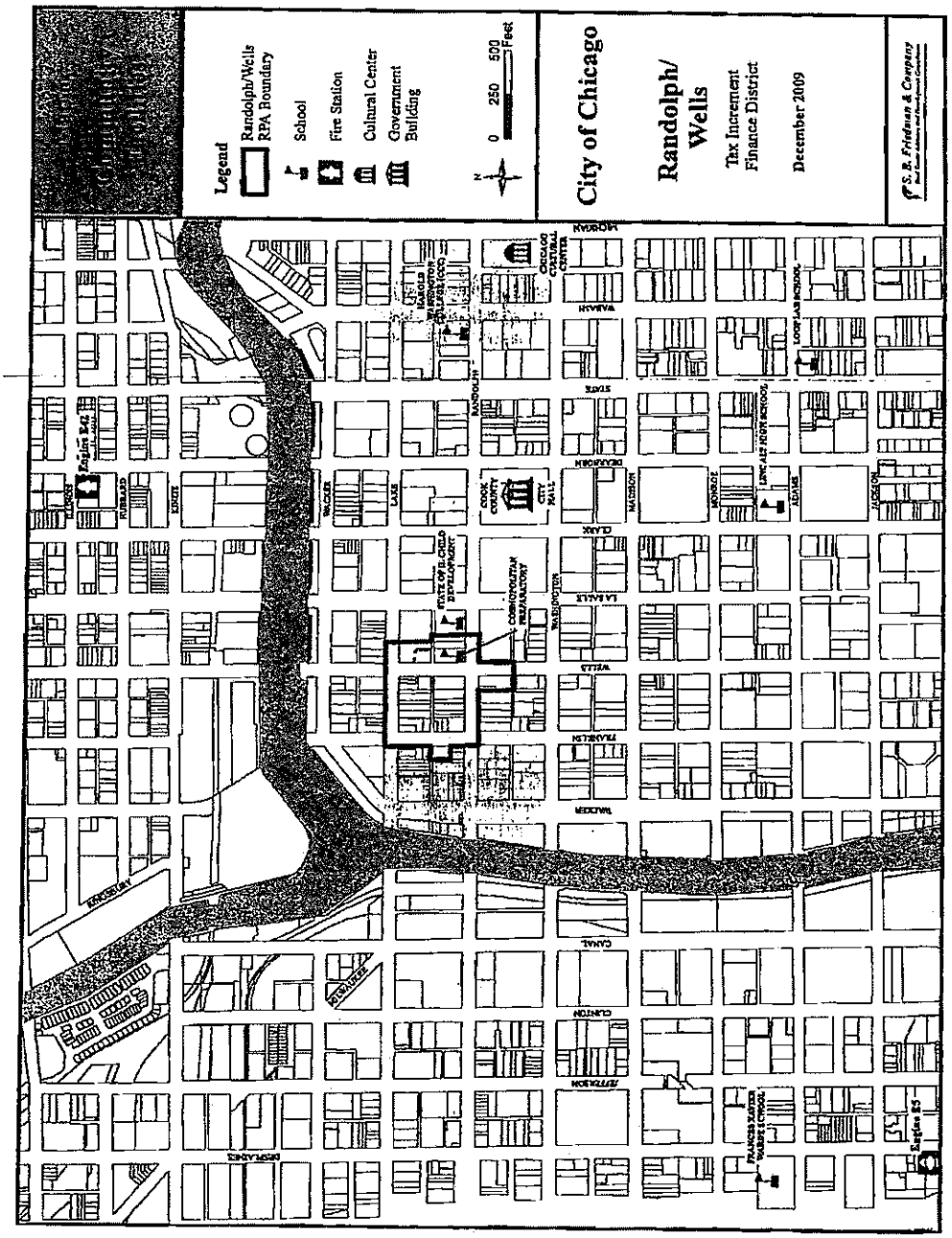


Exhibit "B".
(To Ordinance)

State of Illinois)
)SS.
County of Cook)

Certificate.

I, Robert Wolf, the duly authorized and qualified Assistant Secretary of the Community Development Commission of the City of Chicago, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a resolution adopted by the Community Development Commission of the City of Chicago at a regular meeting held on the ninth (9th) day of March, 2010 with the original resolution adopted at said meeting and noted in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

Dated this ninth (9th) day of March, 2010.

Robert Wolf
Assistant Secretary

Resolution 10-CDC-15 referred to in this Certificate reads as follows:

Community Development Commission
Of The
City Of Chicago

Resolution 10-CDC-15

Recommending To The City Council Of
The City Of Chicago
For The Proposed

Randolph/Wells Redevelopment Project Area:

Approval Of The Redevelopment Plan,
Designation As 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 ("City Council", referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) 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.) (the "Act"); and

Whereas, The Commission is empowered by the Corporate Authorities to exercise certain powers set forth 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 Community Development has conducted or caused to be conducted certain investigations, studies and surveys of the Randolph/Wells area, the street boundaries of which are described on (Sub)Exhibit A hereto (the "Area"), to determined 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:

Randolph/Wells Redevelopment T.I.F. Program Eligibility Study (the "Report"); and

Randolph/Wells Redevelopment Plan and Project (the "Plan");

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 Report and Plan were made available for public inspection and review since December 29, 2009, being a date not less than ten (10) days before the Commission meeting at which the Commission adopted Resolution 10-CDC-07 on January 12, 2010, 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 Community Development, Room 1000; and

Whereas, Notice of the availability of the Report and Plan, including how to obtain this information, were sent by mail on February 26, 2010 which is within a reasonable time after the adoption by the Commission of Resolution 10-CDC-07 to: (a) all residential addresses that, after a good faith effort were determined to be (i) located within the Area and (ii) located outside the proposed Area and within seven hundred fifty (750) feet of the boundaries of the Area (or, if applicable, were determined to be the seven hundred fifty (750) residential addresses that were outside the proposed Area and closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

Whereas, Notice of the Hearing by publication was given at least twice, the first publication being on February 19, 2010, 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 February 26, 2010, both in the *Chicago Sun-Times* or the *Chicago Tribune*, being newspapers 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 February 26, 2010, 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 Economic Opportunity ("D.C.E.O.") 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.E.O. and all Board members, on January 15, 2010, 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 January 15, 2010, 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 March 9, 2010 at 1:00 P.M. at City Hall, 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 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 February 5, 2010 at 10:00 A.M. (being a date at least fourteen (14) days but not more than twenty-eight (28) days after the date of the mailing of the notice to the taxing districts on February 5, 2010 in Room 1003A, City Hall, 121 North LaSalle Street, Chicago, Illinois, to review the matters, properly coming before the Board to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a Redevelopment Project Area, adoption of Tax Increment Allocation Financing within the Area and other matters, if any, properly before it, all in accordance with Section 5/11-74.4-5(b) of the Act; 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 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 later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 5/11-74.4-8 of the Act is to be made with respect to ad valorem taxes levied in the twenty-third (33rd) calendar year following the year 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. to the extent required by Section 5/11-74.4-3(n)(6) of the Act, the Plan incorporates the housing impact study, if such study is required by Section 5/11-74.4-3(n)(5) of the Act;

e. the Plan will not result in displacement of residents from inhabited units.

f. 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;

g. 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 (1½) 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 conservation area as defined in the Act;

h. if the Area is qualified as a "blighted area", whether improved or vacant, each of the factors necessary to qualify the Area as a Redevelopment Project Area on that basis is (i) present, with that presence documented to a meaningful extent so that it may be reasonably found that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part or vacant part, as applicable, of the Area as required pursuant to Section 5/11-74.4-3(a) of the Act;

i. if the Area is qualified as a "conservation area", the combination of the factors necessary to qualify the Area as a redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area.

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: March 9, 2010

[(Sub)Exhibit "A" referred to in this Resolution 10-CDC-15 constitutes Exhibit "D" to ordinance and printed on page 93063 of this *Journal*.]

Exhibit "C".
(To Ordinance)

Randolph/Wells T.I.F. Legal Description.

All that part of the southeast quarter of Section 9, Township 39 North, Range 14 East of the Third Principal Meridian described as follows:

beginning at the intersection of the north line of West Lake Street, 80 feet wide, and the east line North Wells Street, 80 feet wide; thence east along said north line of West Lake Street to the northerly extension of the east line of the west half of Lot 3 in Block 33 in Original Town of Chicago in said Section 9; thence south along the northerly extension of east line of the west half of said Lot 3 and along said east line to the north line of West Couch Place, 18 feet wide; thence east along said north line of West Couch Place to the northerly extension of the east line of Lot 6 in Block 33 in Original Town of Chicago, aforesaid; thence south along the northerly extension of the east line of said Lot 6, along said east line and along the southerly extension thereof, to the south line of West Randolph Street, 80 feet wide; thence west along said south line of West Randolph Street to the east line of North Wells Street; thence south along said east line of North Wells Street to the south line of West Court Place, 18 feet wide; thence west along the westerly extension of said south line of West Court Place, across North Wells Street and along said south line of West Court Place to the southerly extension of the west line of Lot 1 in Block 41 in the Original Town of Chicago, aforesaid; thence north along the southerly extension of the west line of said Lot 1 and along the west line thereof, to the south line of West Randolph Street; thence west along said south line of West Randolph Street, across North Franklin Street, 80 feet wide, to the west line thereof; thence north along said west line of North Franklin Street, to the south line of Lot 4 in Assessor's Division of Lot 8 in Block 31 in Original Town of Chicago, aforesaid; thence west along said south line of Lot 4 in Assessor's Division, aforesaid, to the southwest corner thereof; thence north along the west line of Lots 1, 2, 3 and 4 in said Assessor's Division and along the northerly extension thereof, to the north line of West Couch Place, 18 feet wide; thence east along said north line of West Couch Place to the west line of North Franklin Street; thence north along said west line of North Franklin Street to the north line of West Lake Street; thence east along said north line of West Lake Street, across North Franklin Street and across North Wells Street to the point of beginning, all in the City of Chicago, Cook County, Illinois.

Exhibit "D".
(To Ordinance)

Street Location Of The Area.

The Randolph/Wells Redevelopment Project Area is generally bounded by West Lake Street on the north, North Wells Street on the east, West Randolph Street on the south, and North Franklin Street on the west.

Exhibit "E".
(To Ordinance)

Redevelopment Project Area Boundary.