
2001 Annual Report

Division/Homan Redevelopment Project Area



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

JUNE 30, 2002

June 30, 2002

Ms. Alicia Mazur Berg
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the Division/Homan Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

It has been a pleasure to work with representatives from the Department of Planning and Development and other City Departments.

Very truly yours,



Ernst & Young LLP

Division/Homan Redevelopment Project Area 2001 Annual Report

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City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Alicia Mazur Berg
Commissioner

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June 30, 2002

The Honorable Daniel Hynes
Comptroller
State of Illinois
Office of the Comptroller
201 Capitol
Springfield, IL 62706

Dear Comptroller Hynes:

We have compiled the attached information for the Division/Homan
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Alicia Mazur Berg
Commissioner



**Division/Homan Redevelopment Project Area
2001 Annual Report**

(1) DATE OF DESIGNATION AND TERMINATION - 65 ILCS 5/11-74.4-5(d)(1.5)

The Project Area was designated on June 27, 2001. The Project Area may be terminated no later than June 27, 2024.

CITY OF CHICAGO

DIVISION/HOMAN REDEVELOPMENT PROJECT AREA

TAX INCREMENT FINANCE PROGRAM

REDEVELOPMENT PLAN AND PROJECT

**CITY OF CHICAGO
RICHARD M. DALEY
MAYOR**

THIS REDEVELOPMENT PLAN IS SUBJECT TO REVIEW, COMMENTS AND REVISION.

JANUARY 2001

**PREPARED BY
LOUIK/SCHNEIDER & ASSOCIATES, INC.
MACONDO CORP.
NOITAM, INC.**

**REDEVELOPMENT PLAN AND PROJECT FOR
DIVISION/HOMAN REDEVELOPMENT PROJECT AREA
TAX INCREMENT FINANCING PROGRAM**

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I. INTRODUCTION

Louik/Schneider and Associates, Inc. has been retained by the City of Chicago to develop a Redevelopment Plan and Project of the proposed redevelopment area known as Division/Homan Redevelopment Project Area, Chicago, Illinois ("Redevelopment Project Area"). The Redevelopment Project Area is located in the City of Chicago ("City"), approximately three miles northwest of the central business district in the Humboldt Park and West Town community areas.

The Redevelopment Project Area is well suited for a variety of residential, commercial, institutional and light industrial development uses. It is surrounded by residential uses to the north, west and southwest, commercial and industrial uses to the south, and mixed-use as well as commercial/residential/institutional uses to the east and northeast. North Kedzie Avenue provides the main arterial access from the north and south, West Division Street from the east and west, and West Grand Avenue along the Redevelopment Project Area's southwestern boundary.

The purpose of the Division/Homan Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project ("Plan") is to establish a mechanism to allow for the planning, financing and implementation of rehabilitation and development of residential, commercial, institutional (e.g. schools, police department, fire department, library, etc.), and light-industrial uses, as well as public improvements including open space and streetscape beautification projects.

This Plan summarizes the analyses and findings of the consultants' work, which, unless otherwise noted, is the responsibility of Louik/Schneider & Associates, Inc., Macondo Corp. and Noitam, Inc. The City is entitled to rely on the findings and conclusions of this Plan in designating the Redevelopment Project Area as a Redevelopment Project Area under the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act"). Louik/Schneider & Associates, Inc. has prepared this Plan and the related Housing Impact and Eligibility Studies with the understanding that the City would rely: 1) on the findings and conclusions of the Plan and the related Housing Impact and Eligibility Studies in proceeding with the designation of the Redevelopment Project Area and the adoption and implementation of the Plan, and 2) on the fact that Louik/Schneider & Associates, Inc. has obtained the necessary information so that the Plan and the related Eligibility Study will comply with the Act.

II. REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Redevelopment Project Area is located within the Humboldt Park and West Town community areas of the City, approximately three miles northwest of the central business district. The Redevelopment Project Area is 358 acres and is generally bounded by West Potomac and West North Avenues on the north; North Sacramento and North California Avenues on the east; West Walton Street and West Chicago Avenue on the south; and North Hamlin Avenue on the west. The legal description of the Redevelopment Project Area boundaries was prepared by Chicago Guarantee Survey Company and is attached to this Plan as Exhibit 1 - *Legal Description*.

Arterial access to the Redevelopment Project Area is via North Kedzie Avenue (running north/south), West Division Street (running east/west), and West Grand Avenue along the southwestern boundary. Division Street provides eastern and western access to surrounding neighborhoods as well as a direct entrance to the Kennedy Expressway (I-94) to the east. North Kedzie Avenue provides northern and southern access to surrounding neighborhoods as well as a direct entrance to the Eisenhower Expressway (I-290) to the south. West Grand Avenue provides a direct route between the central business district and the western suburbs.

The Redevelopment Project Area is situated between the Hermosa station on the Metra Milwaukee District West suburban commuter rail line that runs between Elgin and downtown Chicago and the Kedzie station on the Metra/Union Pacific West line that runs between Geneva, Illinois and downtown Chicago.

Convenient east- and westbound Chicago Transit Authority bus service is available on the #65 Grand, #72 North and #70 Division routes. North and southbound bus service is available on the #52 Kedzie-California, #42 Western and #82 Kimball-Homan routes. The Redevelopment Project Area is also located approximately one mile from the CTA Green Line Kedzie station, approximately one mile from the CTA Blue Line Damen station, and approximately one and one-half mile from the CTA Blue Line Division station.

A. EXISTING CONDITIONS AND LAND USE

The Redevelopment Project Area currently contains residential, commercial, light industrial, open space and institutional uses (see Map 2 - *Existing Land Use*). It is well suited to all the current uses due to the strong community base within its surrounding neighborhoods and its close proximity to good local and regional public transportation networks.

Current conditions found in the Redevelopment Project Area include obsolescence, deterioration and dilapidation. The aforementioned conditions are prevalent throughout the Redevelopment Project Area and can be associated with all types of existing land uses.

The highest concentration of residential uses is generally contained north of West Augusta Avenue, south of West Division Street, east of North Homan Avenue and west of North Kedzie

Avenue. Many of the residential structures suffer from neglect and deterioration. Another significant residential pocket is the area generally bounded by the east alley of North Monticello Avenue, North Hamlin Avenue, West Potomac Avenue and the southern alley of West Grand Avenue. Underutilized storefronts and commercial facilities are scattered throughout this area and suffer from deterioration.

There are several institutional uses, both public and private, within the Redevelopment Project Area. The private institutional use is the Chicago Association House, located along North Kedzie Avenue north of West Augusta Avenue. Public institutional uses include Pablo Casals Public Elementary School, Cameron Public Elementary School, Grand Playlot and the Chicago Park District's Humboldt Park (the "Park").

The Park is located between North Avenue and Augusta Boulevard and California and Kedzie Avenues within the Redevelopment Project Area. While the Park's roads have been recently renovated, the remaining infrastructure is in disrepair. Dilapidated curbs, broken lights, underutilized and aging park buildings, and vandalism are contributing factors to the overall deterioration of both the park and the Redevelopment Project Area.

The existing industrial uses within the Redevelopment Project Area are adjacent to the West Grand Avenue corridor from the Redevelopment Project Area's southeastern boundary extending northwest until West Potomac Avenue. Generally, industrial facilities within the Redevelopment Project Area suffer from obsolescence and have been unable to maximize their potential or expand due to the lack of available land in their present locations.

West Division Street, West Grand Avenue and North Homan Avenue bound a specific commercial corridor within the Redevelopment Project Area. This corridor is underutilized, severely deteriorated and contains mainly dilapidated buildings and vacant lots. Lack of maintenance to sidewalks and street fixtures also exists.

B. AREA HISTORY

The Redevelopment Project Area is a subsection of the greater Humboldt Park and West Town community areas located on the near northwest side of Chicago. The two community areas share Chicago's rich history and cultural heritage. While the two communities are integral parts in the fabric that forms Chicago, it is evident that the peaks of both were in the earlier quarter of the 20th century. Since the Twenties, the Humboldt Park and West Town community areas have steadily declined in businesses, industry and population.

Much of West Town was annexed to the City in March of 1837. Centers of industry revolved around the neighborhood rail yards and the factories built along Milwaukee Avenue and the North Branch of the Chicago River. With this industry came the influx of a diverse ethnic work force that established residence throughout West Town.

Most of Humboldt Park was annexed to the City in 1869, the same year that saw the 207-acre park named after Alexander von Humboldt established. Germans and Scandinavians comprised most of the early settlers in what was then primarily farmland and prairie. The

aftermath of the 1871 Chicago Fire brought a new wave of working-class settlers attracted by the inexpensive housing built just outside of the City's fire code limits. The annexation of the town of Jefferson in 1889 completed the incorporation of the present area into the City.

The Humboldt Park area has had a significant industrial component from the beginning, developing mostly along the railroad lines at the area's northern, southern and western boundaries. Primary retail shopping areas have concentrated along North Avenue, Western Avenue and Division Street.

The community has experienced to varying degrees the strains associated with high population turnover. Among the major concerns of community residents today are the overcrowding and quality of area schools, increased gang activity, maintaining police relations, safety and security, and the quality of other City services and housing stock.

The local churches, some of the most stable and strong institutions in the community, have been at the forefront of involvement in organizing and service delivery programs. Enthusiastic support for the school reform movement has brought together a broad cross-section of the neighborhood's residents and increased parental involvement in the local schools.

Humboldt Park and West Town have a strong history of activism, evidenced by the number of community organizations that are actively helping to rehabilitate housing for low- and moderate-income residents; providing assistance in securing mortgages and loans for current homeowners or residents who want to buy; and organizing job training, adult education, and safety and youth programs.

C. MARKET AREA CHARACTERISTICS

While the Humboldt Park area is primarily residential with sections of commercial, institutional and industrial uses, the potential for a strong commercial corridor is evident throughout several sections of the Redevelopment Project Area.

Significant commercial growth would most likely occur along both West Division Street and West Grand Avenue. There are multiple underutilized sites that are either vacant or have existing structures that could be key strategic locations for major market retailers or new anchor developments. With the introduction of a major market retailer and accompanying local clientele, new and existing local businesses will benefit from increased exposure and population. The Redevelopment Project Area also has relatively solid housing stock, a number of active non-profit housing and social service agencies, and one of the largest public parks in the City, Humboldt Park.

D. COMMERCIAL REDEVELOPMENT AREA

In 1999, pursuant to a plan known as the Humboldt Park Redevelopment Plan and Designation Report, dated January 12, 1999, the Community Development Commission designated a larger

area that is generally bounded by West North Avenue on the north, West Division Street and West Augusta Street on the south, North Western Avenue on the east, and North Central Park Avenue on the west as the Humboldt Park Redevelopment Area. This larger area encompasses the Division/Homan Redevelopment Project Area that is the subject of this Plan. The basis for the Humboldt Park Redevelopment Plan is set forth in Chapter 2-124-010(e) of the Chicago Municipal Code which defines a Redevelopment Plan as a "comprehensive program for the clearing or rehabilitation and the physical development of a redevelopment area." The Humboldt Park Redevelopment Plan encourages existing business owners and residents to seek financial assistance in order to rehabilitate, repair and maintain their properties. It also encourages developers to achieve quality designs that are both functional and aesthetically significant.

This Plan is intended to serve as a tool to implement the goals and objectives identified in the Humboldt Park Redevelopment Plan, which was a result of the input, vision and hard work of community residents and served as a guide for this Plan.

E. ZONING CHARACTERISTICS

The Redevelopment Project Area is primarily zoned for residential, business, commercial and manufacturing. Permitted uses for the Redevelopment Project Area include residential uses zoned R4 and R5; business districts zoned B2-2, B2-3, B2-5 and B4-1; commercial uses zoned C1-2 and C3-3; manufacturing uses zoned M1-1, M1-2 and M2-1; and Humboldt Park, which is also zoned R5.

F. TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

An analysis of conditions within the Redevelopment Project Area indicates that it is appropriate for designation as a Redevelopment Project Area under the Act. The Redevelopment Project Area is characterized by conditions that warrant its designation as a "Conservation Area" within the definitions set forth in the Act.

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

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed valuation ("EAV") or the Certified Base EAV for all taxable real estate located within the Redevelopment Project Area and the current year EAV. The EAV is the

assessed value of the property multiplied by the state multiplier. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

This Plan has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Plan sets forth the overall program to be undertaken to accomplish these objectives (the “Redevelopment Project”).

This Plan also specifically describes the Redevelopment Project Area. This area meets the eligibility requirements of the Act (see Exhibit 3 – *Division/Homan Tax Increment Finance Program - Eligibility Study*). After approval of the Plan, the City Council may then formally designate the Redevelopment Project Area.

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

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

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government.

Regardless of when the Plan is adopted, it will include land uses that have been approved by the Chicago Plan Commission.

The adoption of the Plan will make possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area, an area that cannot reasonably be anticipated to be developed without the adoption of this Plan. Public investments will create the appropriate environment to attract the level of private investment required for rebuilding the Redevelopment Project Area.

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

III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

Comprehensive goals and objectives are included in this Plan to guide the decisions and activities that will be undertaken to facilitate the redevelopment of the Redevelopment Project Area. In order to rehabilitate the Redevelopment Project Area in a planned manner, established goals are necessary. Many of them can be achieved through the effective use of local, state and federal mechanisms. These goals and objectives generally reflect the following City plans and policies:

- Humboldt Park Redevelopment Plan and Designation Report, January 12, 1999
- Humboldt Park Commercial Land Use Plan, June 1996

The following goals are meant to guide the development and/or the review of all future projects that will be undertaken in the Redevelopment Project Area.

GENERAL GOALS

1. Promote the rehabilitation of existing structures and new construction where appropriate throughout the Redevelopment Project Area.
2. Promote affordable and mixed-income rental and for-sale residential developments and mixed-use residential/commercial development.
3. Promote commercial development that includes commercial-only developments, mixed-used residential/commercial developments and a large shopping center that, to the extent feasible, provides a full-service grocery store and other retail uses.
4. Facilitate the development of design objectives and unified streetscape improvements throughout the Redevelopment Project Area.
5. Create an environment within the Redevelopment Project Area that will contribute to the health, safety and general welfare of the City and that will generate additional revenue for the Redevelopment Project Area.
6. Encourage the participation of minorities and women in the redevelopment process of the Redevelopment Project Area.
7. Reduce or eliminate those conditions that qualify the Redevelopment Project Area as a Conservation Area.

ACTIONS

1. Encourage maintenance, restoration, and reuse of existing structures to the maximum extent feasible.
2. Encourage private investment in the rehabilitation of commercial (retail/office) and residential developments where appropriate.
3. Provide needed incentives to encourage new development.
4. Provide for mixed-income residential redevelopment and rehabilitation.
5. Provide necessary right-of-way improvements or adjustments to facilitate and improve traffic flow and to facilitate coordinated development.
6. Provide public and private infrastructure and streetscape improvements and other assistance necessary to promote commercial, residential and open-space development in the Redevelopment Project Area.
7. Use City and private programs and strategies to market the Redevelopment Project Area to appropriate businesses or developers.
8. Encourage the implementation of City programs that support rehabilitation of residential and commercial uses (e.g. Small Business Improvement Fund, Neighborhood Improvement Program).

DESIGN OBJECTIVES

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

1. Encourage coordinated development of parcels and structures that addresses building design and off-street parking, and is integrated both functionally and aesthetically with adjacent and nearby existing developments.
2. Encourage high standards of building rehabilitation, including façade restoration, storefront merchandising, awning and entryways, and streetscape design to ensure the quality appearance of buildings, rights-of-way and open spaces.
3. Encourage a variety of streetscape amenities, including such items as sidewalk/street planters, flower boxes, plazas, a variety of tree species and ornamental fences where appropriate.

4. Ensure safe and functional circulation patterns, adequate ingress and egress, and capacity for pedestrians and vehicles.
5. Ensure public-way improvements that encourage neighborhood usage of commercial and retail establishments, the enhancement of transit facilities and a pedestrian-friendly environment.

IV. CONSERVATION AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

A. ILLINOIS TAX INCREMENT ACT

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

As set forth in the Act, a "Conservation Area" is any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of three or more of the following factors is detrimental to public safety, health, morals or welfare and such an area may become a blighted area:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities
10. Deleterious land use or layout
11. Environmental clean-up
12. Lack of community planning
13. EAV comparison

The Act further states that the eligibility factors must be (i) present to a meaningful extent, with that presence documented so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area.

Based upon surveys, site inspections, research and analysis by Louik/Schneider & Associates, Inc., Macondo Corp. and Noitam, the Redevelopment Project Area qualifies as a Conservation Area as defined by the Act. A separate report, dated January 2001 and entitled *City of Chicago Division/Homan Area Tax Increment Finance Program - Eligibility Study* (the "Eligibility Study"), is attached as Exhibit 3 to this Plan and describes in detail the surveys and analyses undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a Conservation Area.

B. CONSERVATION AREA FACTORS

The Redevelopment Project Area is characterized by the presence of six Conservation Area eligibility factors in addition to age as listed in the Act. Summarized below are the findings of the Eligibility Report.

AGE

Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems are a function of time, temperature and moisture, structures that are 35 years or older typically exhibit more problems than more recently constructed buildings.

Major Extent

1. Obsolescence

Obsolescence is defined in the Act as "the condition or process of falling into disuse." Obsolescent structures have become ill suited for the original use.

2. Deterioration

Deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring major treatment or repair. The Act defines deterioration with respect to buildings as "defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia."

3. Deleterious Land Use or Layout

Deleterious land uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses that may be considered noxious, offensive to or unsuitable for the surrounding area.

Minor Extent

1. Dilapidation

Dilapidation is referred to in the Act as "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."

2. Presence of Structures Below Minimum Code

Structures below minimum code standards, as stated in the Act, include "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."

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

Excessive land coverage and overcrowding of structures and community facilities is defined by the Act as "the over-intensive use of property and the crowding of buildings and accessory facilities onto a site."

Conclusion

The conclusion of the consultant team is that the number, degree and distribution of Conservation Area eligibility factors as documented in the Eligibility Study warrant the designation of the Redevelopment Project Area as a Conservation Area as set forth in the Act. Specifically:

- The buildings in the Redevelopment Project Area meet the statutory criteria for age; 81% of the buildings are at least 35 years old.
- Of the 13 eligibility factors for a Conservation Area set forth in the Act in addition to age, three are present to a major extent and three are present to a minor extent. Only three are necessary for designation as a Conservation Area.
- The Conservation Area eligibility factors that are present are reasonably distributed throughout the Redevelopment Project Area.
- The Redevelopment Project Area is not yet a blighted area, but because of the factors described in the Eligibility Study, the Redevelopment Project Area may become a Blighted Area.

Additional research indicates that the Redevelopment Project Area has not benefited from growth and development as a result of investments by private enterprise, and will not be developed without action by the City.

Specifically, the total number of building permits recently requested for new construction and major renovation is lower than could be reasonably expected in an area of economic health. From January 1995 to September 2000, only ten permits for new construction or renovation were issued in an area with 592 parcels (1%). Of these, only five were for the construction of new buildings, while the others were for the building of garages (two), home additions (two), and an inactive storage shelter (one). These limited improvements have stimulated neither private investment nor economic growth within or around the Redevelopment Project Area. Significantly, during the same six years, two permits were issued for demolition (see Exhibit 1 - *Building and Demolition Permit Requests*).

Furthermore, the rate of recent building permit requests has declined severely. In 1995, five of the ten permits (50%), representing 68% of the total private investment over the last six years, were issued. Only one permit per year was issued between January 1996 and September 2000. New construction or major renovation of one building per year for the past five years is not significant enough to affect the entire Redevelopment Project Area.

From this data, together with the other eligibility factors, it can be reasonably concluded that the Redevelopment Project Area (i) has not been subject to growth through private investment, and (ii) will not be developed without municipal leadership. Adoption of the Redevelopment Plan and Project is necessary to halt deterioration of the Redevelopment Project Area.

The eligibility findings indicate that the Redevelopment Project Area contains factors that qualify it as a Conservation Area in need of revitalization and that designation as a redevelopment

project area will contribute to the long-term well being of the City.

The conclusions presented in the Eligibility Study are those of the consulting team. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution that the Redevelopment Project Area qualifies as a Conservation Area, and make the Eligibility Study a part of the public record. The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc., and Macondo Corp. The surveys, research and analysis conducted include:

1. Exterior surveys of the conditions and use of the Redevelopment Project Area;
2. Field surveys of environmental conditions, covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Comparison of current land uses to current zoning ordinance and current zoning maps;
4. Historical analysis of site uses and users;
5. Analysis of original and current platting and building size layout;
6. Review of previously prepared plans, studies and data;
7. Analysis of building permits from 1995 to September 2000 and building code violations from 1995 to September 2000 (as provided by the Department of Buildings) for all parcels in the Redevelopment Project Area; and
8. Evaluation of the EAVs in the Redevelopment Project Area from 1995 to 1999.

The Redevelopment Project Area qualifies as an improved Conservation Area and is therefore eligible for Tax Increment Financing under the Act.

V. DIVISION/HOMAN REDEVELOPMENT PROJECT

The Redevelopment Project is outlined in the following sections: *General Land Use Plan*, *Redevelopment Plan and Project* and all of its components.

A. GENERAL LAND USE PLAN

The proposed land uses for the Redevelopment Project Area reflect the goals and objectives previously identified. Map 3 - *Proposed Land Use* identifies the land use categories that will be supported by the City's TIF program upon adoption of this Plan as: residential, institutional, mixed-use residential (residential/commercial/institutional), mixed-use industrial (industrial/commercial/institutional), and open space. The proposed mixed-use residential and mixed-use industrial allows for a broad range of uses to be developed on parcels where the existing use is commercial or industrial. Therefore, the opportunities for future development of the Redevelopment Project Area will not be limited to commercial uses, but rather allow for flexibility to decrease commercial vacancy, provide more compatible uses with surrounding residential uses and increase existing commercial viability of the area as a whole.

The Chicago Plan Commission will approve this Plan and the proposed land uses described herein prior to its adoption by the City Council. The proposed land uses and a discussion of the rationale supporting their determination are as follows:

RESIDENTIAL

The proposed residential land use pertains to the existing residential properties located throughout the Redevelopment Project Area and allows for future single and multi-family developments such as townhomes, condominiums or apartment buildings in appropriate locations.

INSTITUTIONAL

Institutional land use includes property used by educational institutions, churches and governmental agencies. The proposed institutional land uses include the existing institutions, both public and private, within the Redevelopment Project Area. Private facilities include the Chicago Association House. Public institutional uses include Pablo Casals Public Elementary School, Cameron Public Elementary School, Grand Playlot and Humboldt Park.

MIXED-USE RESIDENTIAL (RESIDENTIAL/COMMERCIAL/INSTITUTIONAL)

The proposed mixed-use residential/commercial/institutional land use allows for any of the uses to be employed independently or in combination. This mixed-use land category allows for a variety of future development opportunities to occur in response to community needs.

MIXED-USE INDUSTRIAL (INDUSTRIAL/COMMERCIAL/INSTITUTIONAL)

The proposed mixed-use industrial/commercial/institutional land use allows for

any of the uses to be employed independently or in combination. This mixed-use land category allows for a variety of future development opportunities to occur within a site in response to community needs.

OPEN SPACE

The proposed open space land use allows for the creation and/or maintenance of Chicago Park District's playlots, parks and other facilities. The Redevelopment Project Area currently contains the Chicago Park District's Humboldt Park and Grand Playlot.

B. REDEVELOPMENT PLAN AND PROJECT

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

The proposed Division/Homan Redevelopment Plan and Project is intended to serve as a tool to implement the goals and objectives identified in the Humboldt Park Redevelopment Plan, dated January 12, 1999, which was the result of the input, vision and hard work of community residents.

Map 4 - *Land Acquisition Overview Map* indicates the parcel currently proposed to be acquired for clearance and redevelopment in the Redevelopment Project Area. Map 5 - *Land Acquisition by Block and Permanent Index Number* portrays the acquisition property in more detail.

In connection with the City exercising its power under the Act to acquire real property not currently identified on the following Acquisition Map, including the exercise of the power of eminent domain, in implementing the Plan the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Redevelopment Plan.

For properties described on Map 5 - *Land Acquisition by Block and Permanent Index Number*, the acquisition of occupied properties by the City shall commence within four years from the date of publication of the ordinance approving the Plan. Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four-year period, the City may acquire such property pursuant to this Plan under the Act according to its customary procedures.

To address private investment and public improvements, the following redevelopment strategies are recommended:

- Encourage reconfiguration and assemblage of sites to create sites with sufficient size for today's commercial, industrial and residential uses.
- Create sites for new public facilities that better serve the community.
- Provide adequate on- and off-street parking for visitors, employees and customers.
- Provide buffering of adjacent residential areas from commercial and industrial uses with aesthetic screening, landscaping and fencing.
- Provide visual continuity and a retail identity through a coordinated streetscape improvement program - trees, street planters, banners, benches and other street furniture that will improve the physical setting of the community and enhance the area's image and safety.
- Through marketing materials, promote the Redevelopment Area to a wide range of brokers, developers and tenants as a vital retail location.

The Plan for the Redevelopment Project Area incorporates the use of tax increment funds to stimulate and stabilize the Redevelopment Project Area through the planning and programming of public and private improvements. The Plan's underlying strategy is to use tax increment financing, as well as other funding sources, to reinforce and encourage further private investment. The City may enter into redevelopment agreements, which will generally provide for the City to grant funding for activities permitted by the Act. The funds for these improvements will come from the incremental increase in tax revenues generated from the Redevelopment Project Area, or the City's possible issuance of bonds to be repaid from the incremental taxes. A developer or user may undertake the responsibility for the required site improvements and may further be required to build any agreed-upon improvements required for the project. Under a redevelopment agreement, the developer may also be reimbursed from incremental tax revenues (to the extent permitted by the Act) for all or a portion of eligible costs.

C. ESTIMATED REDEVELOPMENT PROJECT ACTIVITIES AND COSTS

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

1. **ANALYSIS, ADMINISTRATION, STUDIES, LEGAL, ETC.** Funds may be used by the City to provide for activities including the long-term management of the Redevelopment Project as well as the costs of establishing the program and designing its components. Funds may be used by the City to provide for costs of studies; surveys; development of plans and specifications; marketing sites within the Redevelopment Project Area to prospective businesses, developers, and

investors; and implementation and administration of the Plan, including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning, environmental or other services (provided, however, that no charges for professional services may be based on a percentage of the tax increment collected).

2. **ASSEMBLAGE OF SITES/SITE PREPARATION.** To meet the goals and objectives of this Plan, the City may acquire and assemble property throughout the Redevelopment Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication to the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and development.

Map 4 - *Land Acquisition Overview* indicates the parcel currently proposed to be acquired for clearance and redevelopment in the Redevelopment Project Area. Map 5 - *Land Acquisition by Block and Permanent Index Number* identifies the acquisition property in more detail.

In connection with the City exercising its power under the Act to acquire real property, including the exercise of the power of eminent domain, in implementing the Plan, the City will follow its customary procedures of having each such acquisition recommended by the Community Development Commission (or any successor commission) and authorized by the City Council of the City. Acquisition of such real property as may be authorized by the City Council does not constitute a change in the nature of this Plan.

For properties described on Map 5 - *Land Acquisition by Block and Permanent Index Number*, the acquisition of occupied properties by the City shall commence within four years from the date of the publication of the ordinance approving the Plan. Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four-year period, the City may acquire such property pursuant to this Plan under the Act according to its customary procedures.

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

The Humboldt Park Redevelopment Area Plan established City authority to acquire and assemble property (see Map 6 - *Humboldt Park Redevelopment Area Acquisition Parcels*). Such acquisition and assembly under that authority is consistent with this Plan. Nothing in the Plan shall be deemed to limit or adversely affect the authority of the City under the Humboldt Park Redevelopment Plan to acquire and assemble property. Accordingly, incremental property taxes from the Redevelopment Project Area may be used to fund the acquisition and assembly of property by the City under the authority of the Humboldt Park Redevelopment Area.

3. **REHABILITATION COSTS.** The costs for rehabilitation, reconstruction, repair or remodeling of existing public or private buildings, fixtures and leasehold improvements including but not limited to provision of facade improvements for the purpose of improving the facades of privately held properties, may be funded.
4. **PROVISION OF PUBLIC IMPROVEMENTS AND FACILITIES.** Adequate public improvements and facilities may be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
 - a. Provision of streets, public rights-of-way and public transit facilities
 - b. Provision of utilities necessary to serve redevelopment
 - c. Public landscaping
 - d. Public landscape/buffer improvements, street lighting and general beautification improvements
 - e. Public facilities and buildings
 - f. Public schools
 - g. Public parks and open space
5. **JOB TRAINING AND RELATED EDUCATIONAL PROGRAMS.** Funds may be used by the City for programs to be created for Chicago residents so that they may take advantage of the employment opportunities in the Redevelopment Project Area.
6. **FINANCING COSTS.** Financing costs may be funded, including but not limited to all necessary and incidental expenses related to the issuance of obligations. This may include payment of interest on any obligations issued under the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued, not exceeding 36 months thereafter and including reasonable reserves related thereto.
7. **CAPITAL COSTS.** 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 Project and Plan may be funded. This category may also include reimbursement of capital

costs of taxing districts affected by the redevelopment of the Redevelopment Project Area, as permitted by the Act.

8. **PROVISION FOR RELOCATION COSTS.** Relocation assistance may be provided in order to facilitate redevelopment of portions of the Redevelopment Project Area and to meet other City objectives. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation, advisory and financial assistance as determined by the City. In the event that the implementation of the Redevelopment Plan results in the removal of residential housing units in the Redevelopment Project Area occupied by low-income households or very low-income households, such households shall be provided affordable housing and relocation assistance not less than that which would be provided under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder (including eligibility criteria). Affordable housing may be either existing or newly-constructed housing. The City shall make a good faith effort to ensure that the alternate affordable housing is located in or near the Redevelopment Project Area.

As used in the above paragraph, "low-income households," "very low-income households" and "affordable housing" shall have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, 310 ILCS 65/3. As of the date of this Redevelopment Plan, these statutory terms are defined as follows: (a) "low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50% but less than 80% of the median income of the area of residence, adjusted for family size, as such adjusted income and median income are determined from time to time by the United States Department of Housing and Urban Development ("HUD"), for purposes of Section 8 of the United States Housing Act of 1937; (b) "very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 50% of the median income of the area of residence, adjusted for family size, as so determined by HUD; and (c) "affordable housing" means residential housing that, so long as the same is occupied by low-income households or very low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30% of the maximum allowable income as stated for such households.

Costs of the construction of public works or improvements consistent with the Act, including 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.

9. **PAYMENT IN LIEU OF TAXES.** These will be provided in accordance with the Act.
10. **COSTS OF JOB TRAINING.** Funds may be provided for costs, incurred by one or

more taxing districts, of job training, advanced vocational education, “welfare to work” programs implemented by businesses located within the Redevelopment Project Area, or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment; provided that such costs (a) 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 companies located in the Redevelopment Project Area, and (b) 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 districts. Such an agreement must describe 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 anticipated, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs specifically include the payment to community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act (as defined in the Act) and to school districts for costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code (as defined in the Act).

11. **INTEREST COSTS.** Funds may be provided to developers or redevelopers for a portion of interest costs incurred in the construction of a redevelopment project. Interest costs incurred by a developer or redeveloper related to the construction, renovation or rehabilitation of a redevelopment project may be funded provided that:
 - a) Such costs are to be paid directly from the special tax allocation fund established pursuant to the Act;
 - b) Such payments in any one year do not exceed 30% of the annual interest costs incurred by the developer or the redeveloper with regard to the redevelopment project during that year;
 - c) If there are not sufficient funds available in the special tax allocation fund to make the payment described in this paragraph, then the amounts 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 does not exceed 30% of the total of costs paid or incurred by the developer or redeveloper for the redevelopment project plus Redevelopment Project Costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act;
 - e) Up to 75% of the interest cost incurred by a redeveloper is for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

12. **NEW CONSTRUCTION COSTS.** Unless explicitly provided for in the Act, the cost of construction of new privately-owned buildings shall not be an eligible Redevelopment Project Cost.

- 13. REDEVELOPMENT AND OTHER AGREEMENTS.** The City may enter into redevelopment agreements with private developers or redevelopers, which may include but not be limited to terms of sale, lease or conveyance of land, requirements for site improvements, public improvements, job training and interest subsidies. In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements. In addition, the City may enter into intergovernmental agreements with public entities to construct, rehabilitate, renovate or restore public improvements.
- 14. AFFORDABLE HOUSING.** Funds may be provided for up to 50% 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 this benefit under the Act.
- In addition, the City requires that developers who receive tax increment revenues for market-rate housing set aside a minimum of 20% of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means that the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 120% of the area median income, and affordable rental units should be affordable to persons earning no more than 80% of the area median income.
- 15. DAY CARE SERVICES.** Funds may be provided for day care services for children of employees from low-income families working for businesses located within the Redevelopment Project Area, and all or a portion of the cost of operation of day care centers established by Redevelopment Project Area businesses to serve employees from low-income families working in businesses located in the Redevelopment Project Area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80% of the City, county or regional median income as determined from time to time by HUD.
- 16. SCHOOLS.** An elementary, secondary, or unit school district's increased costs attributable to increased housing units may be reimbursed as provided in the Act.

To undertake these activities, redevelopment project costs will be incurred. "Redevelopment Project Costs" means the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Plan pursuant to the Act.

If a special service area has been established pursuant to the Special Service Area Tax Act, 35 ILCS 1235/0.01, 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 Redevelopment Project

Area for the purposes permitted by the Special Service Area Tax Act as well as the purposes permitted by the Act.

The City may incur Redevelopment Project Costs, which are paid from the funds of the City other than incremental taxes, and the City may then be reimbursed for such costs from incremental taxes.

The estimated Redevelopment Project Costs are shown in Table 1. The total Redevelopment Project Costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Plan. The Redevelopment Project Costs represent estimated amounts and do not represent actual City commitments or expenditures.

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

TABLE 1 – ESTIMATED REDEVELOPMENT PROJECT COSTS

	Program/Action/Improvements	Estimated Costs*
1.	Property Assembly: acquisition, site preparation and demolition, and environmental remediation	\$7,000,000
2.	Public Work and Improvements: streets and utilities, parks and open space, public facilities (schools and other public facilities) ⁽¹⁾	\$8,500,000
3.	Relocation	\$1,000,000
4.	Rehabilitation of Existing Structures, Leasehold Improvements, Affordable Housing Construction and Rehabilitation Cost	\$6,000,000
5.	Job Training, Retraining, Welfare-to-Work	\$1,300,000
6.	Interest	\$2,000,000
7.	Professional Services: studies, surveys, plans and specifications, administrative costs relating to redevelopment plan, architectural, engineering, legal, marketing, financial, planning or other services	\$1,700,000
8.	Day Care Services	\$2,000,000
	TOTAL REDEVELOPMENT COSTS ⁽²⁾⁽³⁾	\$29,500,000

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

- (1) This category may also include paying for reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts affected by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.
- (2) Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs.
- (3) The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right of way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area that are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right of way.

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

D. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Redevelopment Project Costs are to be derived principally from tax increment revenues and proceeds from municipal obligations, which are secured principally by tax increment revenues created under the Act. There may be other sources of funds that the City may elect to use to pay for Redevelopment Project Costs or other obligations issued to pay for such costs. These sources include, but are not limited to, state and federal grants, developer contributions and land disposition proceeds generated from the Redevelopment Project Area.

The tax increment revenue that may be used to secure municipal obligations or pay for eligible Redevelopment Project Costs shall be the incremental real property tax revenue. Incremental real property tax revenue is attributed to the increase in the current EAV of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the certified EAV base of each such property in the Redevelopment Project Area. Without the adoption of the Plan and the use of such tax incremental revenues, it is not reasonable to anticipate the Redevelopment Project Area would be developed.

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

The Redevelopment Project Area may become contiguous to, or 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 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 Redevelopment Project Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the Redevelopment Project Area be made available to support any other such redevelopment project areas, and vice versa. The City therefore proposes to use net incremental revenues received from the redevelopment project area to pay eligible Redevelopment Project Costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any other such areas, and vice versa. These revenues may be transferred or loaned between the redevelopment project areas.

E. ISSUANCE OF OBLIGATIONS

To finance Redevelopment Project Costs pursuant to Section 11-74.4-7, the City may issue general obligation bonds or obligations secured by the anticipated tax increment revenue

generated within the Redevelopment Project Area, or the City may permit the use of guarantees, deposits and other forms of security made available by private sector developers to secure such obligations. In addition, the City may pledge toward payment of such obligations any part or any combination of the following: 1) net revenues of all or part of any redevelopment project; 2) taxes levied and collected on any or all property in the City; 3) a mortgage on part or all of the Redevelopment Project Area.

All obligations issued by the City to finance Redevelopment Project 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 23rd calendar year following the year in which the ordinance approving this Redevelopment Project Area is adopted (by December 31, 2025). The Redevelopment 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 23rd calendar year following the year in which the ordinance approving this Redevelopment Project Area is adopted (by December 31, 2025). Also, the final maturity date of any such obligations issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Plan. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds (including ad valorem taxes) as may be provided by ordinance. Obligations may be of parity or senior/junior lien natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund or optional redemptions.

In addition to paying Redevelopment Project Costs, tax increment revenues may be used for the scheduled and/or early retirement of obligations, mandatory or optional redemptions, and for reserves and bond sinking funds and, to the extent that real property tax increment is not needed for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

F. MOST RECENT EQUALIZED ASSESSED VALUATION OF PROPERTIES

The purpose of identifying the most recent equalized assessed valuation (“EAV”) of the Redevelopment Project Area is to provide an estimate of the initial EAV which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and incremental property taxes of the Redevelopment Project Area. The 1999 EAV of all taxable parcels in the Redevelopment Project Area is approximately \$26,162,032. This total EAV amount, by PIN, is summarized in Table 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 Redevelopment Project Area will be calculated by Cook County. If the 2000 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 1999 EAV with the 2000 EAV without further City Council action.

G. ANTICIPATED EQUALIZED ASSESSED VALUATION

By the year 2008, when it is estimated that the Redevelopment Project, based on current information, will be constructed and fully assessed, the estimated EAV of real property within the Redevelopment Project Area is anticipated to be between \$37,000,000 and \$41,000,000. These estimates are based on several key assumptions, including: 1) all currently projected development will be constructed and occupied by 2008; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Plan; 3) the most recent State Multiplier of 2.1799 as applied to 1999 assessed values will remain unchanged; 4) for the duration of the Redevelopment Project Area, the tax rate for the entire area is assumed to be the same and will remain unchanged from the 1999 level; and 5) growth from reassessments of existing properties in the Redevelopment Project Area will be at a rate of 2.5% per year with a reassessment every three years. Although development in the Redevelopment Project Area could occur after 2008, it is not possible to estimate with accuracy the effect of such future development on the EAV for the Redevelopment Project Area. In addition, as described in Section N of the Plan, "Phasing and Scheduling of Redevelopment," public improvements and the expenditure of Redevelopment Project Costs may be necessary in furtherance of the Plan throughout the period that the Plan is in effect.

H. LACK OF GROWTH AND DEVELOPMENT

As described in Section IV - *Conservation Area Conditions*, the Redevelopment Project Area is adversely affected by the presence of numerous factors, and these factors are reasonably distributed throughout the Redevelopment Project Area. Additional research indicates that the Redevelopment Project Area has not benefited from growth and development as a result of private investment, and will not be developed without action by the City.

Specifically, the total number of building permits recently requested for new construction and major renovation is lower than could be reasonably expected in an area of economic health. From January 1995 to September 2000, only ten permits for new construction or renovation were issued in an area with 592 parcels (1%). Of these, only five were for the construction of new buildings, while the others were for the building of garages (two), home additions (two), and an inactive storage shelter (one). These limited improvements have stimulated neither private investment nor economic growth within or around the Redevelopment Project Area. Significantly, during the same six years, two permits were issued for demolition (see Eligibility Study - Exhibit 1 - *Building and Demolition Permit Requests*).

Furthermore, the rate of recent building permit requests has declined severely. In 1995, five of the ten permits (50%), representing 68% of the total private investment over the last six years, were issued. Only one permit per year was issued between January 1996 and September 2000. New construction or major renovation of one building per year for the past five years is not significant enough to affect the entire Redevelopment Project Area.

From this data, together with the other eligibility factors, it can be reasonably concluded that the Redevelopment Project Area (i) has not been subject to growth through private investment, and (ii) will not be developed without municipal leadership. Adoption of the Redevelopment Plan and Project is necessary to halt deterioration of the Redevelopment Project Area.

I. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT

Without the adoption of this Plan and tax increment financing, it is not reasonable to expect the Redevelopment Project Area will be redeveloped by private enterprise. There is a real prospect that the Conservation Area conditions will continue and spread, and maintenance and improvement of existing buildings and sites in the surrounding area will suffer. The possible erosion of the assessed value of property, which would result from the lack of a concerted effort by the City to stimulate revitalization and redevelopment, could lead to a reduction of real estate tax revenue to all taxing districts. The implementation of the Plan may enhance the values of properties within and adjacent to the Redevelopment Project Area.

Subsections A, B, and C of Section V of this Plan describe the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged with various developments taking place over a period of years. If the Redevelopment Project is successful, various new private projects will assist in alleviating the blighting conditions that caused the Redevelopment Project Area to qualify as a Conservation Area under the Act.

The Redevelopment Project is expected to have minor financial impacts on the taxing districts affected by the Plan. During the period when tax increment financing is used in furtherance of this Plan, real estate tax increment revenues (from the increases in EAV over and above the Certified Base EAV established at the time of adoption of this Plan) will be used to pay eligible Redevelopment Project Costs for the Redevelopment Project Area. Incremental revenues will not be available to these taxing districts during this period. After the 23-year period, when the Redevelopment Project Area is no longer in place, any remaining real estate tax revenues will be distributed to all taxing districts levying taxes on property located in the Redevelopment Project Area.

J. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes on properties located within the Redevelopment Project Area (see Map 7 - Area Map – *Parks and Public Facilities*):

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

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.

Metropolitan Water Reclamation District of Greater Chicago. This district provides the main trunk lines for the collection of wastewater from cities, villages and towns, and for the treatment and disposal thereof.

Chicago 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.

Board of Education of the City of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of educational services for kindergarten through twelfth grade. Pablo Casals Public Elementary School and Cameron Public Elementary School are located within the Redevelopment Project Area (see Map 7 - Area Map - *Schools and Parks*).

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreational programs. The Chicago Park District's Grand Playlot and Humboldt Park are within the Redevelopment Project Area (see Map 7 - Area Map - *Schools and Parks*).

City of Chicago. The City is responsible for the provision of a wide range of municipal services, including police and fire protection; capital improvements and maintenance; water supply and distribution, sanitation service; building, housing and zoning codes, etc.

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

In addition to the major taxing districts summarized above, the City of Chicago Library Fund has taxing jurisdiction over part or all of the Redevelopment Project Area. The City of Chicago Library Fund (formerly a separate taxing district from the City) no longer extends taxing levies but continues to exist for the purpose of receiving delinquent taxes.

IMPACT OF THE REDEVELOPMENT PROJECT

The replacement of vacant and underutilized properties may increase the demand for services and/or capital improvements to be provided by the Chicago Board of Education, the Metropolitan Water Reclamation District, the Chicago Park District and the City. The estimated nature of these increased demands for services on these taxing districts is described below.

Chicago Board of Education. The general community rehabilitation may increase demand for the educational services and the number of schools provided by the Chicago Board of Education. The two schools in the Redevelopment Project Area are Pablo Casals Public Elementary School and Cameron Public Elementary School, which are currently at maximum capacity. The City will work with the Board of Education to address the problem of overcrowding, if necessary.

Metropolitan Water Reclamation District of Greater Chicago. The general community rehabilitation should not substantially increase the demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

Chicago Park District. Both Grand Playlot and Humboldt Park are included within the Redevelopment Project Area. The City intends to monitor development with the cooperation of the Chicago Park District to ensure that any increase in the demand for services or future improvements will be adequately addressed.

City of Chicago. The commercial, residential, institutional and industrial rehabilitation should not increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, etc. It is expected that the appropriate City departments for the services and programs maintained and operated by the City can adequately address any increase in demand.

K. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS

As described in detail in prior sections of this Plan, the complete scale and amount of development in the Redevelopment Project Area cannot be predicted with complete certainty and the demand for services provided by the affected taxing districts cannot be quantified. As a result, the City has not developed, at present, a specific plan to address the impact of the Redevelopment Project on taxing districts.

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

L. PROVISION FOR AMENDING ACTION PLAN

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

M. FAIR EMPLOYMENT PRACTICES, AFFIRMATIVE ACTION PLAN AND PREVAILING WAGE AGREEMENT

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

1. The assurance of equal opportunity in all personnel and employment actions with respect to the Redevelopment Project, including but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.
2. Redevelopers must meet City standards for participation of 25% Minority Business Enterprises and 5% Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in Redevelopment Agreements.
3. This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
4. Redevelopers must meet City standards for the prevailing wage rate as determined by the Illinois Department of Labor for all construction employees.

N. PHASING AND SCHEDULING OF REDEVELOPMENT

A phased implementation strategy will be used to achieve a timely and orderly redevelopment of the Redevelopment Project Area. It is expected that while this Plan is in effect for the Redevelopment Project Area, numerous public/private improvements and developments can be expected to take place. The specific time frame and financial investment will be staged in a timely manner. Development within the Redevelopment Project Area intended to be used for housing, commercial and industrial purposes will be staged consistently with the funding and construction of infrastructure improvements and private sector interest. City expenditures for Redevelopment Project Costs will also be carefully staged on a reasonable and proportional basis to coincide with expenditures in redevelopment by private developers. The Redevelopment Project shall be completed, and all obligations issued to finance Redevelopment Project 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 23rd calendar year following the year in which the ordinance approving this Redevelopment Project Area is adopted (by December 31, 2025).

O. HOUSING IMPACT STUDY

As set forth in the Act, "if the redevelopment plan for a redevelopment project area would result in the displacement of residents from ten 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 plan."

The Redevelopment Project Area contains approximately 489 residential units. The Redevelopment Plan contemplates that some areas within the Redevelopment Project Area that contain inhabited residential units could be redeveloped for uses other than residential uses, which may result in the displacement of ten or more inhabited residential units.

The results of the housing impact study section are described in a separate report that presents the factual information required by the Act. The report, prepared by Louik/Schneider & Associates, Inc. and Macondo Corp., its subconsultant, is entitled *Division/Homan Housing Impact Study*, and is attached as Exhibit 4 to this Redevelopment Plan.

APPENDIX

TABLE 1 - ESTIMATED REDEVELOPMENT PROJECT COSTS

	Program/Action/Improvements	Estimated Costs*
1.	Property Assembly: acquisition, site preparation and demolition, and environmental remediation	\$7,000,000
2.	Public Work and Improvements: streets and utilities, parks and open space, public facilities (schools and other public facilities) ⁽¹⁾	\$8,500,000
3.	Relocation	\$1,000,000
4.	Rehabilitation of Existing Structures, Leasehold Improvements, and Affordable Housing Construction and Rehabilitation Cost	\$6,000,000
5.	Job Training, Retraining, Welfare-to-Work	\$1,300,000
6.	Interest	\$2,000,000
7.	Professional Services: studies, surveys, plans and specifications, administrative costs relating to redevelopment plan, architectural, engineering, legal, marketing, financial, planning or other services	\$1,700,000
8.	Day Care Services	\$2,000,000
	TOTAL REDEVELOPMENT COSTS ⁽²⁾⁽³⁾	\$29,500,000

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

- (1) This category may also include paying for reimbursing (i) an elementary, secondary or unit school district's increased costs attributed to assisted housing units, and (ii) capital costs of taxing districts affected by the redevelopment of the Project Area. As permitted by the Act, to the extent the City by written agreement accepts and approves the same, the City may pay, or reimburse all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Redevelopment Plan.
- (2) Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Project Costs.
- (3) The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right of way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area that are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right of way.

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

TABLE 2 - 1999 EQUALIZED ASSESSED VALUATION

#	PIN NUMBER	EAV ' 99
1	16-01-300-001	EXEMPT
2	16-01-300-002	EXEMPT
3	16-01-313-001	\$ 55,094
4	16-01-313-002	\$ 121,597
5	16-01-313-003	\$ 26,855
6	16-01-313-004	\$ 25,667
7	16-01-313-005	\$ 25,498
8	16-01-313-006	\$ 29,173
9	16-01-313-007	\$ 37,617
10	16-01-313-008	\$ 39,649
11	16-01-313-009	\$ 23,774
12	16-01-313-010	\$ 24,179
13	16-01-313-011	\$ 37,068
14	16-01-313-012	\$ 33,532
15	16-01-313-013	\$ 29,972
16	16-01-313-014	\$ 29,324
17	16-01-313-015	\$ 26,468
18	16-01-313-016	\$ 33,121
19	16-01-313-017	\$ 30,494
20	16-01-313-018	EXEMPT
21	16-01-313-019	\$ 74,771
22	16-01-313-020	\$ 100,577
23	16-01-313-022	\$ 30,017
24	16-01-313-023	\$ 9,704
25	16-01-313-024	\$ 8,727
26	16-01-313-025	\$ 9,704
27	16-01-313-027	\$ 74,289
28	16-01-313-028	\$ 23,173
29	16-01-313-029	\$ 20,518
30	16-01-313-030	\$ 27,614
31	16-01-313-031	\$ 83,905
32	16-01-313-032	\$ 61,679
33	16-01-313-033	EXEMPT
34	16-01-313-034	\$ 23,934
35	16-01-313-035	\$ 21,812
36	16-01-313-036	\$ 2,330
37	16-01-313-037	\$ 9,637

38	16-02-129-001	\$ 50,290
39	16-02-129-002	\$ 39,147
40	16-02-129-003	\$ 6,331
41	16-02-129-004	\$ 20,435
42	16-02-129-005	\$ 25,894
43	16-02-129-006	\$ 25,899
44	16-02-129-007	\$ 25,899
45	16-02-129-008	\$ 28,079
46	16-02-129-009	\$ 25,899
47	16-02-129-010	\$ 18,407
48	16-02-129-011	\$ 19,552
49	16-02-129-012	\$ 37,687
50	16-02-129-013	EXEMPT
51	16-02-129-014	\$ 4,141
52	16-02-129-015	\$ 18,204
53	16-02-129-016	\$ 16,528
54	16-02-129-017	\$ 25,973
55	16-02-129-018	\$ 30,323
56	16-02-130-001	\$ 54,993
57	16-02-130-002	\$ 49,063
58	16-02-130-003	\$ 58,659
59	16-02-130-004	\$ 33,042
60	16-02-130-005	\$ 46,297
61	16-02-130-008	\$ 73,134
62	16-02-130-009	\$ 119,141
63	16-02-130-010	\$ 53,776
64	16-02-130-011	\$ 53,776
65	16-02-130-012	\$ 53,776
66	16-02-130-013	\$ 53,776
67	16-02-130-014	\$ 99,398
68	16-02-130-015	\$ 29,486
69	16-02-130-016	\$ 65,915
70	16-02-130-017	\$ 20,014
71	16-02-130-018	EXEMPT
72	16-02-130-041	\$ 285,922
73	16-02-130-042	\$ 44,650
74	16-02-130-043	\$ 30,105
75	16-02-131-001	EXEMPT

76	16-02-131-002	\$	29,799
77	16-02-131-003	\$	15,958
78	16-02-131-004	\$	14,306
79	16-02-131-005	\$	16,206
80	16-02-131-006	\$	15,139
81	16-02-131-007	\$	14,061
82	16-02-131-008	\$	15,558
83	16-02-131-009	\$	15,472
84	16-02-131-010	\$	18,162
85	16-02-131-011	\$	16,458
86	16-02-131-012	\$	6,189
87	16-02-131-013	\$	19,325
88	16-02-131-014	\$	22,910
89	16-02-131-015	\$	23,169
90	16-02-131-016	\$	22,654
91	16-02-131-017	\$	21,328
92	16-02-131-018	\$	23,452
93	16-02-131-019	\$	6,189
94	16-02-131-020	\$	17,770
95	16-02-132-001	\$	16,294
96	16-02-132-002	\$	18,888
97	16-02-132-003	\$	22,086
98	16-02-132-004	\$	3,074
99	16-02-132-005	\$	3,074
100	16-02-132-006	\$	3,074
101	16-02-132-007	\$	18,004
102	16-02-132-008	\$	21,229
103	16-02-132-009	\$	2,953
104	16-02-132-010	\$	18,963
105	16-02-132-011	\$	2,953
106	16-02-132-012	\$	18,234
107	16-02-132-013	\$	2,953
108	16-02-132-015	\$	2,953
109	16-02-132-016		EXEMPT
110	16-02-132-017	\$	16,424
111	16-02-132-018	\$	2,953
112	16-02-132-019	\$	31,728
113	16-02-132-020	\$	28,725
114	16-02-132-021	\$	81,587
115	16-02-132-022	\$	4,375
116	16-02-132-025	\$	56,251
117	16-02-132-026	\$	63,205

118	16-02-132-027	\$	3,695
119	16-02-132-028	\$	18,744
120	16-02-132-029	\$	16,453
121	16-02-132-030	\$	18,308
122	16-02-132-031	\$	18,308
123	16-02-132-032	\$	23,128
124	16-02-132-040	\$	23,700
125	16-02-132-041	\$	132,854
126	16-02-132-042	\$	94,800
127	16-02-132-043	\$	62,955
128	16-02-132-044	\$	18,715
129	16-02-132-045	\$	24,521
130	16-02-220-020	\$	58,016
131	16-02-220-021	\$	39,780
132	16-02-220-022	\$	28,039
133	16-02-220-023	\$	28,039
134	16-02-220-024	\$	95,354
135	16-02-220-025	\$	18,911
136	16-02-220-026	\$	17,408
137	16-02-220-027	\$	16,762
138	16-02-220-028	\$	16,762
139	16-02-220-029	\$	16,762
140	16-02-220-030	\$	16,858
141	16-02-220-031	\$	24,839
142	16-02-220-032	\$	32,918
143	16-02-224-001	\$	1,120,220
144	16-02-224-002		RAIL ROAD
145	16-02-224-004		EXEMPT
146	16-02-224-005	\$	184,647
147	16-02-224-006	\$	420,337
148	16-02-224-007	\$	768,861
149	16-02-224-008	\$	193,520
150	16-02-224-010	\$	121,527
151	16-02-224-011		EXEMPT
152	16-02-227-023	\$	28,644
153	16-02-227-024	\$	23,630
154	16-02-227-025	\$	2,845
155	16-02-227-026	\$	24,202
156	16-02-227-027	\$	22,446
157	16-02-227-028	\$	22,019
158	16-02-227-029	\$	3,074
159	16-02-227-030	\$	22,140

160	16-02-227-031	EXEMPT
161	16-02-227-032	EXEMPT
162	16-02-227-033	\$ 29,234
163	16-02-227-034	\$ 24,116
164	16-02-227-035	\$ 17,995
165	16-02-227-036	\$ 24,918
166	16-02-227-037	\$ 22,903
167	16-02-227-039	\$ 19,532
168	16-02-227-040	\$ 45,849
169	16-02-227-041	\$ 6,070
170	16-02-228-018	\$ 3,779
171	16-02-228-019	\$ 3,691
172	16-02-228-020	\$ 3,691
173	16-02-228-021	EXEMPT
174	16-02-228-022	EXEMPT
175	16-02-228-023	\$ 3,691
176	16-02-228-024	\$ 19,800
177	16-02-228-025	\$ 58,581
178	16-02-228-026	\$ 32,434
179	16-02-228-027	\$ 7,382
180	16-02-228-028	\$ 3,691
181	16-02-228-029	\$ 3,691
182	16-02-228-030	\$ 3,691
183	16-02-228-031	\$ 3,691
184	16-02-228-032	\$ 37,009
185	16-02-228-033	\$ 20,032
186	16-02-228-034	\$ 8,480
187	16-02-228-035	\$ 13,924
188	16-02-228-036	\$ 34,284
189	16-02-228-039	\$ 45,118
190	16-02-228-040	\$ 60,462
191	16-02-307-001	\$ 33,926
192	16-02-307-002	\$ 35,639
193	16-02-307-003	\$ 42,521
194	16-02-307-004	\$ 37,521
195	16-02-308-038	\$ 362,324
196	16-02-308-011	\$ 25,021
197	16-02-400-017	\$ 75,576
198	16-02-400-027	\$ 519,933
199	16-02-400-028	\$ 78,002
200	16-02-400-032	\$ 268,658
201	16-02-400-033	\$ 661,579

202	16-02-401-002	EXEMPT
203	16-02-401-004	\$ 450,100
204	16-02-401-005	\$ 449,207
205	16-02-402-001	\$ 244,859
206	16-02-402-002	\$ 10,314
207	16-02-402-003	\$ 10,314
208	16-02-402-004	\$ 57,395
209	16-02-402-005	\$ 164,068
210	16-02-402-006	\$ 82,033
211	16-02-402-007	\$ 82,033
212	16-02-402-008	\$ 82,033
213	16-02-402-009	\$ 111,659
214	16-02-402-017	\$ 3,079
215	16-02-402-018	\$ 20,340
216	16-02-402-019	\$ 20,558
217	16-02-402-020	\$ 2,757
218	16-02-403-001	EXEMPT
219	16-02-403-003	EXEMPT
220	16-02-403-004	EXEMPT
221	16-02-403-005	EXEMPT
222	16-02-407-001	\$ 75,644
223	16-02-407-002	\$ 19,379
224	16-02-407-003	\$ 22,865
225	16-02-407-004	\$ 21,387
226	16-02-407-005	\$ 16,739
227	16-02-407-006	\$ 13,368
228	16-02-407-007	\$ 13,399
229	16-02-407-008	\$ 3,830
230	16-02-407-009	\$ 220,423
231	16-02-407-015	EXEMPT
232	16-02-408-001	\$ 5,696
233	16-02-408-002	\$ 29,189
234	16-02-408-003	\$ 13,888
235	16-02-408-004	\$ 24,209
236	16-02-408-005	\$ 11,552
237	16-02-408-006	\$ 2,824
238	16-02-408-007	\$ 216,550
239	16-02-408-008	\$ 2,341
240	16-02-408-009	\$ 8,923
241	16-02-408-010	\$ 10,841
242	16-02-408-011	\$ 2,347
243	16-02-408-012	\$ 14,682

244	16-02-408-013	\$	10,915
245	16-02-408-014	\$	17,552
246	16-02-408-015	\$	14,302
247	16-02-408-016	\$	5,653
248	16-02-408-017	\$	5,874
249	16-02-408-018	\$	5,610
250	16-02-408-019	\$	6,178
251	16-02-408-020	\$	9,103
252	16-02-408-021	\$	13,980
253	16-02-408-022	\$	10,467
254	16-02-408-023	\$	14,196
255	16-02-408-024	\$	2,674
256	16-02-408-025	\$	1,944
257	16-02-408-026	\$	9,736
258	16-02-408-027	\$	2,674
259	16-02-408-028	\$	16,937
260	16-02-408-029	\$	33,364
261	16-02-408-030	\$	14,277
262	16-02-408-031	\$	5,298
263	16-02-408-032		EXEMPT
264	16-02-408-033	\$	2,674
265	16-02-408-034	\$	2,674
266	16-02-408-035	\$	10,573
267	16-02-408-036	\$	10,625
268	16-02-408-037	\$	2,674
269	16-02-408-038	\$	2,674
270	16-02-408-041	\$	2,674
271	16-02-408-042	\$	2,674
272	16-02-408-043	\$	2,674
273	16-02-408-044	\$	10,694
274	16-02-408-045	\$	2,674
275	16-02-408-046	\$	2,674
276	16-02-408-047	\$	2,674
277	16-02-408-048	\$	2,674
278	16-02-408-049	\$	2,674
279	16-02-408-050	\$	3,238
280	16-02-408-051	\$	19,795
281	16-02-408-052	\$	9,918
282	16-02-408-053	\$	2,401
283	16-02-408-054	\$	1,634
284	16-02-408-055	\$	15,949
285	16-02-408-056	\$	6,997

286	16-02-408-057	\$	4,753
287	16-02-408-058	\$	34,255
288	16-02-408-059	\$	8,192
289	16-02-408-060	\$	8,691
290	16-02-408-061	\$	11,608
291	16-02-408-062	\$	6,011
292	16-02-408-063	\$	5,685
293	16-02-408-064	\$	15,101
294	16-02-409-001		EXEMPT
295	16-02-409-002	\$	2,824
296	16-02-409-003	\$	16,573
297	16-02-409-004	\$	23,898
298	16-02-409-005		EXEMPT
299	16-02-409-006		EXEMPT
300	16-02-409-007		EXEMPT
301	16-02-409-008	\$	48,696
302	16-02-409-009	\$	2,719
303	16-02-409-010		EXEMPT
304	16-02-409-011	\$	9,925
305	16-02-409-012	\$	17,144
306	16-02-409-013	\$	15,195
307	16-02-409-014	\$	2,730
308	16-02-409-015	\$	10,071
309	16-02-409-016	\$	12,504
310	16-02-409-017	\$	30,067
311	16-02-409-018	\$	33,447
312	16-02-409-019	\$	33,058
313	16-02-409-020	\$	4,098
314	16-02-409-021	\$	12,607
315	16-02-409-022	\$	9,927
316	16-02-409-023	\$	16,933
317	16-02-409-024	\$	9,277
318	16-02-409-025	\$	15,945
319	16-02-409-026	\$	15,945
320	16-02-409-027	\$	18,634
321	16-02-409-028	\$	15,817
322	16-02-409-029	\$	2,730
323	16-02-409-030	\$	14,621
324	16-02-409-031	\$	10,692
325	16-02-409-032	\$	11,599
326	16-02-409-033	\$	21,065
327	16-02-409-034	\$	21,065

328	16-02-409-035	\$	18,330
329	16-02-409-036	\$	12,758
330	16-02-409-037	\$	3,022
331	16-02-409-038	\$	14,401
332	16-02-409-040	\$	15,209
333	16-02-409-041	\$	16,460
334	16-02-409-042	\$	11,878
335	16-02-409-043	\$	13,336
336	16-02-409-044	\$	11,714
337	16-02-409-045	\$	16,775
338	16-02-409-046	\$	12,430
339	16-02-409-047	\$	13,526
340	16-02-409-048	\$	18,753
341	16-02-409-049	\$	19,168
342	16-02-409-050	\$	19,314
343	16-02-409-051	\$	17,387
344	16-02-409-052	\$	19,314
345	16-02-409-053	\$	24,341
346	16-02-409-054	\$	115,273
347	16-02-409-055	\$	98,284
348	16-02-409-056	\$	3,779
349	16-02-409-057	\$	3,779
350	16-02-409-058	\$	15,774
351	16-02-409-059	\$	15,794
352	16-02-409-060	\$	16,849
353	16-02-409-061	\$	14,903
354	16-02-409-062	\$	28,395
355	16-02-409-063	\$	9,434
356	16-02-409-064	\$	21,015
357	16-02-409-065	\$	21,139
358	16-02-409-070	\$	33,652
359	16-02-409-071	\$	145,119
360	16-02-410-001	\$	19,510
361	16-02-410-002	\$	32,576
362	16-02-410-003	\$	3,018
363	16-02-410-004		EXEMPT
364	16-02-410-005	\$	14,354
365	16-02-410-006	\$	31,363
366	16-02-410-007	\$	12,526
367	16-02-410-008	\$	19,577
368	16-02-410-009	\$	18,319
369	16-02-410-010	\$	17,725

370	16-02-410-011	\$	19,577
371	16-02-410-012	\$	20,372
372	16-02-410-013	\$	18,036
373	16-02-410-014	\$	18,036
374	16-02-410-015	\$	20,372
375	16-02-410-016	\$	13,278
376	16-02-410-017	\$	13,278
377	16-02-410-018	\$	13,976
378	16-02-410-019	\$	12,659
379	16-02-410-020	\$	11,032
380	16-02-410-021	\$	14,063
381	16-02-410-022	\$	20,050
382	16-02-410-023	\$	13,278
383	16-02-410-024	\$	13,645
384	16-02-410-025	\$	13,033
385	16-02-410-026	\$	13,654
386	16-02-410-027	\$	13,742
387	16-02-410-028	\$	13,654
388	16-02-410-029	\$	13,985
389	16-02-411-001	\$	19,177
390	16-02-411-002	\$	24,580
391	16-02-411-003	\$	20,743
392	16-02-411-004	\$	4,551
393	16-02-411-005	\$	20,743
394	16-02-411-006	\$	20,743
395	16-02-411-007	\$	101,142
396	16-02-411-008	\$	107,686
397	16-02-411-009	\$	51,109
398	16-02-411-010	\$	162,808
399	16-02-411-011	\$	13,089
400	16-02-411-012	\$	13,766
401	16-02-411-013	\$	14,662
402	16-02-411-014	\$	17,050
403	16-02-411-015	\$	11,691
404	16-02-411-016	\$	11,691
405	16-02-411-017	\$	13,465
406	16-02-411-018	\$	13,584
407	16-02-411-019	\$	85,141
408	16-02-411-020	\$	209,506
409	16-02-411-021	\$	26,110
410	16-02-411-022	\$	22,158
411	16-02-411-023	\$	16,710

412	16-02-411-024	\$	18,209
413	16-02-411-025	\$	18,074
414	16-02-411-026	\$	20,977
415	16-02-412-001	\$	1,600,538
416	16-02-412-002	\$	274,714
417	16-02-412-003	\$	28,172
418	16-02-412-004	\$	13,674
419	16-02-412-005	\$	9,873
420	16-02-412-006	\$	9,763
421	16-02-412-007	\$	9,763
422	16-02-412-008	\$	22,546
423	16-02-412-009	\$	18,191
424	16-02-412-010	\$	22,307
425	16-02-412-011	\$	19,771
426	16-02-412-012	\$	20,860
427	16-02-412-013	\$	304,529
428	16-02-412-014	\$	303,491
429	16-02-412-015	\$	303,442
430	16-02-412-016	\$	302,136
431	16-02-412-019	\$	302,136
432	16-02-412-020	\$	13,564
433	16-02-412-021	\$	302,136
434	16-02-412-022	\$	302,136
435	16-02-413-001	\$	19,672
436	16-02-413-002	\$	24,465
437	16-02-413-003	\$	22,332
438	16-02-413-004	\$	19,672
439	16-02-413-005	\$	18,517
440	16-02-413-006	\$	119,075
441	16-02-413-007	\$	16,886
442	16-02-413-008	\$	19,717
443	16-02-413-009	\$	25,869
444	16-02-413-010	\$	27,787
445	16-02-413-011	\$	22,100
446	16-02-413-012	\$	22,100
447	16-02-413-013	\$	18,472
448	16-02-413-014	\$	20,574
449	16-02-413-015	\$	13,850
450	16-02-413-016	\$	18,846
451	16-02-413-017	\$	23,151
452	16-02-413-018	\$	19,460
453	16-02-413-019	\$	21,438

454	16-02-413-020	\$	21,965
455	16-02-413-021	\$	19,478
456	16-02-413-022	\$	44,528
457	16-02-413-023	\$	31,394
458	16-02-413-024	\$	18,870
459	16-02-413-025	\$	20,372
460	16-02-413-026	\$	18,119
461	16-02-413-027	\$	3,241
462	16-02-413-028	\$	20,869
463	16-02-413-029	\$	30,017
464	16-02-413-030	\$	35,436
465	16-02-414-001	\$	146,451
466	16-02-414-002	\$	201,888
467	16-02-414-004	\$	5,019
468	16-02-414-005	\$	37,048
469	16-02-414-006	\$	33,692
470	16-02-414-007	\$	22,802
471	16-02-414-008	\$	19,314
472	16-02-414-009	\$	32,243
473	16-02-414-010	\$	4,456
474	16-02-414-011	\$	29,056
475	16-02-414-012	\$	20,203
476	16-02-414-013	\$	20,574
477	16-02-414-014	\$	20,743
478	16-02-414-015	\$	20,840
479	16-02-414-016	\$	20,990
480	16-02-414-017	\$	22,928
481	16-02-414-018	\$	20,628
482	16-02-414-019	\$	22,368
483	16-02-414-020	\$	20,941
484	16-02-414-021	\$	21,441
485	16-02-414-022	\$	22,928
486	16-02-414-023	\$	19,678
487	16-02-414-024	\$	25,318
488	16-02-414-025	\$	21,071
489	16-02-414-026	\$	22,352
490	16-02-414-027	\$	7,530
491	16-02-414-028	\$	17,520
492	16-02-414-029	\$	24,458
493	16-02-414-030	\$	17,878
494	16-02-414-031	\$	17,464
495	16-02-414-032	\$	19,460

496	16-02-414-033	\$	18,501
497	16-02-414-035	\$	5,001
498	16-02-414-036		EXEMPT
499	16-02-423-011	\$	4,713
500	16-02-423-012	\$	4,713
501	16-02-423-013	\$	4,713
502	16-02-423-014	\$	4,825
503	16-02-423-015	\$	4,713
504	16-02-423-016	\$	4,713
505	16-02-423-017	\$	4,713
506	16-02-423-018	\$	4,825
507	16-02-424-012	\$	98,093
508	16-02-427-001	\$	95,576
509	16-02-427-011	\$	5,106
510	16-02-427-038	\$	1,598
511	16-02-427-039	\$	3,146
512	16-02-427-040		EXEMPT
513	16-02-427-042	\$	15,929
514	16-02-428-001		RAIL ROAD
515	16-02-428-002	\$	48,019
516	16-02-428-003	\$	2,088
517	16-02-428-005		RAIL ROAD
518	16-02-428-006	\$	974
519	16-02-428-007	\$	93,166
520	16-02-428-008	\$	147,415
521	16-02-428-009	\$	375,422
522	16-02-428-010	\$	43,966
523	16-02-428-011	\$	15,144
524	16-02-428-012	\$	15,144
525	16-02-428-013	\$	12,844
526	16-02-428-014	\$	7,667
527	16-02-428-015	\$	7,667
528	16-02-428-016	\$	7,667
529	16-02-428-017	\$	7,667
530	16-02-428-018	\$	7,667
531	16-02-428-019	\$	7,667
532	16-02-428-020	\$	8,536
533	16-02-428-031	\$	7,654
534	16-02-428-032	\$	7,654
535	16-02-428-040	\$	8,622
536	16-02-428-041	\$	5,338
537	16-02-428-042	\$	75,943

538	16-02-428-043	\$	86,660
539	16-02-428-044	\$	779
540	16-02-428-045	\$	6,391
541	16-02-428-046	\$	11,511
542	16-02-428-047	\$	12,301
543	16-02-428-048	\$	12,301
544	16-02-428-051	\$	32,569
545	16-02-428-054	\$	52,842
546	16-02-428-059	\$	13,730
547	16-02-428-060	\$	8,428
548	16-02-428-061	\$	8,190
549	16-02-428-062	\$	8,190
550	16-02-428-063	\$	17,178
551	16-02-428-064	\$	7,026
552	16-02-428-067	\$	154,893
553	16-02-428-068	\$	79,683
554	16-02-428-072	\$	133,002
555	16-02-428-073	\$	51,093
556	16-02-428-074	\$	14,664
557	16-02-428-075	\$	7,676
558	16-02-429-001	\$	161,368
559	16-02-429-005	\$	112,459
560	16-02-429-009	\$	601,429
561	16-02-429-012	\$	26,898
562	16-02-429-013	\$	179,986
563	16-02-429-014	\$	81,558
564	16-02-429-015	\$	120,449
565	16-02-430-001	\$	202,167
566	16-02-430-002	\$	88,609
567	16-02-430-003	\$	95,282
568	16-02-430-005	\$	58,200
569	16-02-430-006	\$	87,029
570	16-02-431-001	\$	169,328
571	16-02-431-002	\$	24,148
572	16-02-431-003	\$	23,734
573	16-02-431-004	\$	5,725
574	16-02-431-005	\$	5,725
575	16-02-431-006	\$	5,725
576	16-02-431-007	\$	5,725
577	16-02-431-008	\$	5,725
578	16-02-431-009	\$	9,058
579	16-02-431-011	\$	226,020

580	16-02-431-012	\$ 52,074
581	16-02-431-013	\$ 35,585
582	16-02-431-014	\$ 27,935
583	16-02-431-015	\$ 17,219
584	16-02-431-016	\$ 6,580
585	16-02-500-002	EXEMPT
586	16-02-500-003	EXEMPT
587	16-02-500-005	EXEMPT

588	16-02-500-007	EXEMPT
589	16-02-500-008	EXEMPT
590	16-02-500-009	EXEMPT
591	16-02-227-038	EXEMPT
592	16-02-409-039	EXEMPT
	TOTAL	\$ 26,162,032

EXHIBIT 1 - LEGAL DESCRIPTION

ALL THAT PART OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 35 AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 36 IN TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THAT PART OF SECTIONS 1 AND 2 IN TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EAST LINE OF NORTH HAMLIN AVENUE WITH THE NORTH LINE OF WEST POTOMAC AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST POTOMAC AVENUE TO WEST LINE OF NORTH CENTRAL PARK AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH CENTRAL PARK AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOTS 1 THROUGH 18, INCLUSIVE, IN BLOCK 2 OF J. S. HAIR'S SUBDIVISION OF THE SOUTH HALF OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOTS 1 THROUGH 18, INCLUSIVE, IN BLOCK 2 OF J. S. HAIR'S SUBDIVISION BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST POTOMAC AVENUE;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH LINE OF THE ALLEY NORTH OF WEST POTOMAC AVENUE TO THE EAST LINE OF NORTH ST. LOUIS AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH ST. LOUIS AVENUE TO THE NORTH LINE OF WEST POTOMAC AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST POTOMAC AVENUE TO THE EAST LINE OF NORTH HOMAN AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH HOMAN AVENUE TO THE SOUTH LINE OF LOT 25 IN S. E. GROSS' SIXTH HUMBOLT PARK ADDITION TO CHICAGO, A SUBDIVISION OF LOTS 25 TO 48 IN BLOCK 6 AND LOTS 1 TO 48 IN BLOCK 7 IN WEAGE, EBERHARDT & BARTLETT'S SUBDIVISION IN THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 25 IN S. E. GROSS' SIXTH HUMBOLT PARK ADDITION TO CHICAGO BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST DIVISION STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY NORTH OF WEST DIVISION STREET TO THE SOUTHWESTERLY LINE OF LOT 88 IN S. E. GROSS' FIFTH HUMBOLT PARK ADDITION TO CHICAGO, A SUBDIVISION OF BLOCKS 5 AND 8 AND LOTS 1 TO 24 IN BLOCK 6 IN WEAGE, EBERHARDT & BARTLETT'S SUBDIVISION IN THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTHEASTERLY ALONG SAID SOUTHWESTERLY LINE OF LOT 88 IN S. E. GROSS' FIFTH HUMBOLT PARK ADDITION TO CHICAGO TO THE EAST LINE OF SAID LOT 88, SAID EAST LINE OF LOT 88 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF NORTH KEDZIE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY WEST OF NORTH KEDZIE AVENUE TO THE NORTH LINE OF WEST CRYSTAL STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST CRYSTAL STREET TO THE WEST LINE OF NORTH KEDZIE AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH KEDZIE AVENUE TO THE NORTH LINE OF WEST NORTH AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF WEST NORTH AVENUE TO THE EAST LINE OF LOT 18 IN BLOCK 5 OF JOHNSTON AND COX'S SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 18 BEING ALSO THE WEST LINE OF NORTH TROY AVENUE;

THENCE SOUTH ALONG THE SOUTHERLY EXTENSION OF SAID EAST LINE OF LOT 18 IN BLOCK 5 OF JOHNSTON AND COX'S SUBDIVISION TO THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 1 AND ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1 TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 2 IN THE SUBDIVISION OF LOTS 1 TO 5 AND 43 TO 48 LYING SOUTH OF THE SOUTH LINE OF NORTH AVENUE AS WIDENED IN BLOCK 4 OF H. M. THOMPSON'S SUBDIVISION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 2 BEING ALSO THE EAST LINE OF NORTH CALIFORNIA AVENUE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF NORTH CALIFORNIA AVENUE TO THE SOUTH LINE OF WEST DIVISION STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST DIVISION STREET TO THE EAST LINE OF NORTH SACRAMENTO BOULEVARD;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH SACRAMENTO BOULEVARD TO THE SOUTH LINE OF WEST AUGUSTA BOULEVARD;

THENCE WEST ALONG SAID SOUTH LINE OF WEST AUGUSTA BOULEVARD TO THE EAST LINE OF NORTH SACRAMENTO BOULEVARD;

THENCE SOUTH ALONG SAID EAST LINE OF NORTH SACRAMENTO BOULEVARD TO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 16-01-300-002, SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 16-01-300-002 BEING ALSO THE EASTERLY EXTENSION OF THE NORTH LINE OF LOTS 53 TO 57 IN MCILROY SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 1, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 16-01-300-002 TO WEST LINE OF NORTH SACRAMENTO BOULEVARD;

THENCE NORTH ALONG SAID WEST LINE OF NORTH SACRAMENTO BOULEVARD TO THE NORTH LINE OF WEST WALTON STREET;

TENCE WEST ALONG SAID NORTH LINE OF WEST WALTON STREET TO THE WEST LINE OF NORTH KEDZIE AVENUE;

TENCE SOUTH ALONG SAID WEST LINE OF NORTH KEDZIE AVENUE TO THE SOUTHWESTERLY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD RIGHT OF WAY;

TENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD RIGHT OF WAY TO THE EAST LINE OF NORTH SPAULDING AVENUE;

TENCE SOUTH ALONG SAID EAST LINE OF NORTH SPAULDING AVENUE TO THE SOUTH LINE OF WEST CHICAGO AVENUE;

TENCE WEST ALONG SAID SOUTH LINE OF WEST CHICAGO AVENUE TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 43 IN CHRISTIANA, A SUBDIVISION OF THE EAST HALF OF LOT 5 IN SUPERIOR COURT PARTITION OF THE EAST HALF OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 43 IN CHRISTIANA BEING ALSO THE WEST LINE OF NORTH CHRISTIANA AVENUE;

TENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF NORTH CHRISTIANA AVENUE TO THE SOUTH LINE OF LOT 71 IN SAID CHRISTIANA, A SUBDIVISION OF THE EAST HALF OF LOT 5 IN SUPERIOR COURT PARTITION OF THE EAST HALF OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN;

TENCE WEST ALONG SAID SOUTH LINE OF LOT 71 IN CHRISTIANA AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOT 19 IN BLOCK 3 OF WILSON AND GOULD'S SUBDIVISION OF THE WEST HALF OF LOT 5 IN SUPERIOR COURT PARTITION OF THE EAST HALF OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 19 BEING ALSO THE WEST LINE OF THE ALLEY WEST OF NORTH CHRISTIANA AVENUE;

TENCE NORTH ALONG SAID EAST LINE OF LOT 19 IN BLOCK 3 OF WILSON AND GOULD'S SUBDIVISION TO THE NORTH LINE OF SAID LOT 19, SAID NORTH LINE OF LOT 19 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH OF WEST WALTON STREET;

TENCE WEST ALONG SAID SOUTH LINE OF THE ALLEY SOUTH OF WEST WALTON STREET AND ALONG THE WESTERLY EXTENSION THEREOF TO THE EAST LINE OF LOTS 10 AND 11 IN SAID BLOCK 3 OF WILSON AND GOULD'S SUBDIVISION, SAID EAST LINE OF LOTS 10 AND 11 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH HOMAN AVENUE;

TENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF NORTH HOMAN AVENUE TO THE SOUTH LINE OF WEST AUGUSTA BOULEVARD

TENCE WEST ALONG SAID SOUTH LINE OF WEST AUGUSTA BOULEVARD TO THE WEST LINE OF NORTH TRUMBULL AVENUE;

TENCE NORTH ALONG SAID WEST LINE OF NORTH TRUMBULL AVENUE TO THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 19 IN THE SUBDIVISION OF BLOCK 1 IN DICKEY'S FOURTH ADDITION TO CHICAGO, A SUBDIVISION OF PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTH LINE OF LOT 19 BEING ALSO THE NORTH LINE OF THE ALLEY NORTH OF WEST AUGUSTA BOULEVARD;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE SOUTH LINE OF LOT 19 IN THE SUBDIVISION OF BLOCK 1 IN DICKEY'S FOURTH ADDITION TO CHICAGO TO THE EAST LINE OF SAID LOT 19, SAID EAST LINE OF LOT 19 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH TRUMBULL AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF THE ALLEY EAST OF NORTH TRUMBULL AVENUE TO THE NORTHEASTERLY LINE OF LOT 22 IN THE SUBDIVISION OF BLOCK 1 IN DICKEY'S FOURTH ADDITION TO CHICAGO, SAID NORTHEASTERLY LINE OF LOT 22 BEING ALSO THE SOUTHWESTERLY LINE OF THE ALLEY EAST OF NORTH TRUMBULL AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE ALLEY EAST OF NORTH TRUMBULL AVENUE TO THE NORTH LINE OF LOT 23 IN SAID SUBDIVISION OF BLOCK 1 IN DICKEY'S FOURTH ADDITION TO CHICAGO, SAID NORTH LINE OF LOT 23 BEING ALSO THE SOUTH LINE OF A PUBLIC ALLEY;

THENCE WEST ALONG SAID NORTH LINE OF LOT 23 IN THE SUBDIVISION OF BLOCK 1 IN DICKEY'S FOURTH ADDITION TO CHICAGO AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF NORTH TRUMBULL AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH TRUMBULL AVENUE TO THE SOUTHWESTERLY LINE OF WEST GRAND AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF WEST GRAND AVENUE TO THE SOUTH LINE OF WEST THOMAS STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST THOMAS STREET TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 5 IN CHARLES H. KUSEL'S SUBDIVISION OF PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID EAST LINE OF LOT 5 BEING ALSO THE WEST LINE OF THE ALLEY EAST OF NORTH CENTRAL PARK AVENUE;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE WEST LINE OF THE ALLEY EAST OF NORTH CENTRAL PARK AVENUE TO THE SOUTH LINE OF LOT 10 IN SAID CHARLES H. KUSEL'S SUBDIVISION;

THENCE WEST ALONG SAID SOUTH LINE OF LOT 10 IN CHARLES H. KUSEL'S SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF NORTH CENTRAL PARK AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH CENTRAL PARK AVENUE TO THE NORTH LINE OF LOT 16 IN BLOCK 1 OF TREAT'S SUBDIVISION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF LOT 16 BEING ALSO THE SOUTH LINE OF THE ALLEY SOUTH WEST GRAND AVENUE;

THENCE WEST ALONG SAID NORTH LINE OF LOT 16 IN BLOCK 1 OF TREAT'S SUBDIVISION TO THE WEST LINE OF SAID LOT 16, SAID WEST LINE OF LOT 16 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF NORTH CENTRAL PARK AVENUE;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 16 TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 42 IN SAID BLOCK 1 OF TREAT'S SUBDIVISION;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 42 IN BLOCK 1 OF TREAT'S SUBDIVISION AND ALONG THE WESTERLY EXTENSION THEREOF TO THE WEST LINE OF NORTH MONTICELLO AVENUE;

THENCE NORTH ALONG SAID WEST LINE OF NORTH MONTICELLO AVENUE TO THE SOUTH LINE OF WEST DIVISION STREET;

THENCE WEST ALONG SAID SOUTH LINE OF WEST DIVISION STREET TO A LINE PERPENDICULAR TO THE SOUTH LINE OF WEST DIVISION STREET, SAID PERPENDICULAR LINE HAVING A SOUTHERLY TERMINUS ON THE SOUTH LINE OF WEST DIVISION STREET AND A NORTHERLY TERMINUS AT THE POINT OF INTERSECTION OF THE NORTH LINE OF WEST DIVISION STREET WITH THE NORTHEASTERLY LINE OF LOT 46 IN BLOCK 15 OF BEEBE'S SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT 5 ACRES IN THE NORTHEAST QUARTER THEREOF), SAID NORTHEASTERLY LINE OF LOT 46 BEING ALSO THE SOUTHWESTERLY LINE OF THE ALLEY SOUTHWEST OF WEST GRAND AVENUE;

THENCE NORTH ALONG SAID PERPENDICULAR LINE TO SAID POINT OF INTERSECTION OF THE NORTH LINE OF WEST DIVISION STREET WITH THE SOUTHWESTERLY LINE OF THE ALLEY SOUTHWEST OF WEST GRAND AVENUE;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE ALLEY SOUTHWEST OF WEST GRAND AVENUE TO THE EAST LINE OF NORTH HAMLIN AVENUE;

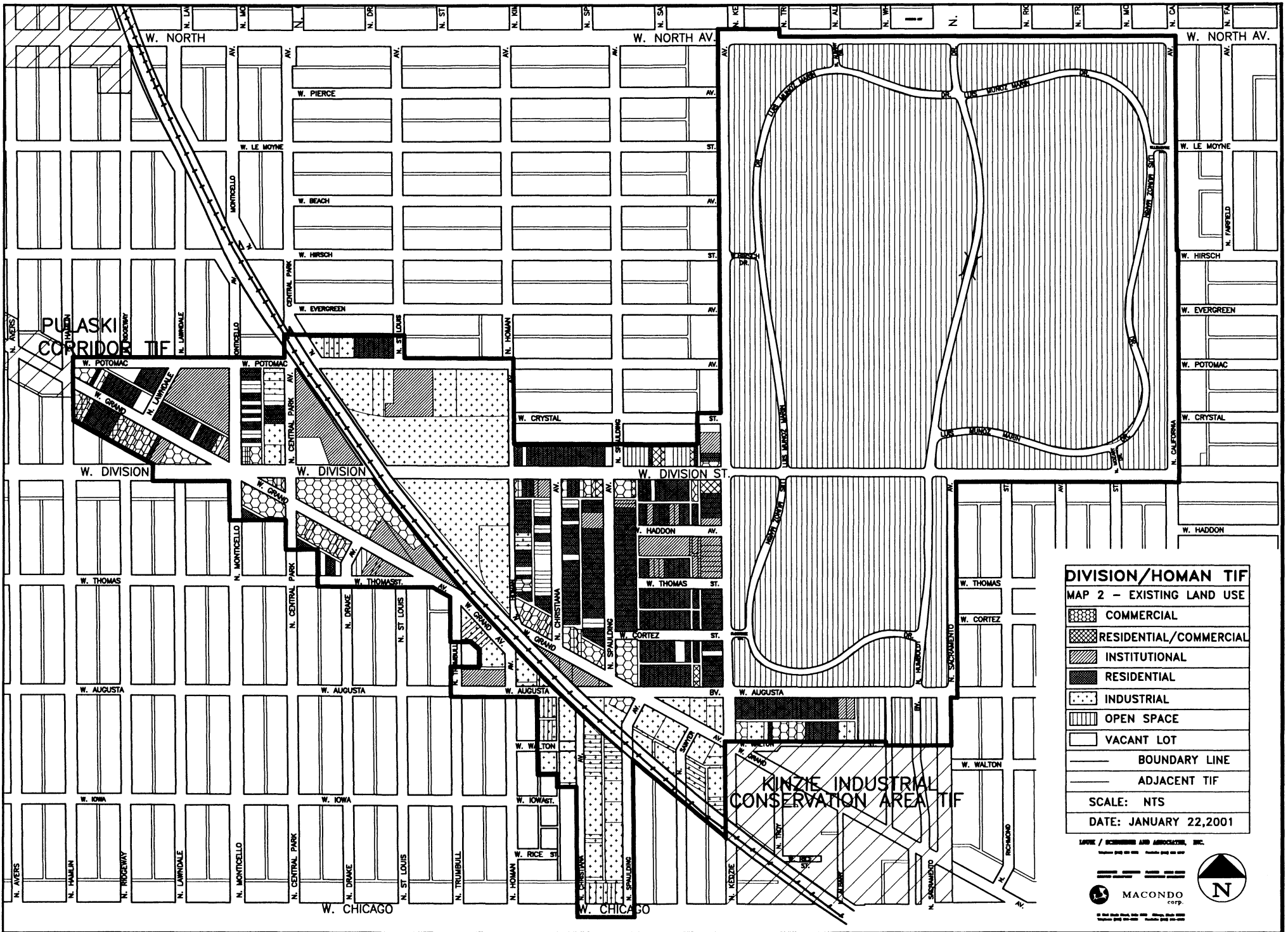
THENCE NORTH ALONG SAID EAST LINE OF NORTH HAMLIN AVENUE TO THE POINT OF BEGINNING AT THE NORTH LINE OF WEST POTOMAC AVENUE;

EXHIBIT 2 - MAP LEGEND

MAP 1	REDEVELOPMENT PROJECT BOUNDARY
MAP 2	EXISTING LAND USE
MAP 3	PROPOSED LAND USE
MAP 4	ACQUISITION OVERVIEW MAP
MAP 5	ACQUISITION BLOCK AND PARCEL
MAP 6	HUMBOLDT PARK REDEVELOPMENT AREA ACQUISITION
MAP 7	AREA MAP – SCHOOLS AND PARKS

EXHIBIT 3 - ELIGIBILITY STUDY

EXHIBIT 4 - HOUSING IMPACT STUDY



DIVISION/HOMAN TIF
MAP 2 - EXISTING LAND USE

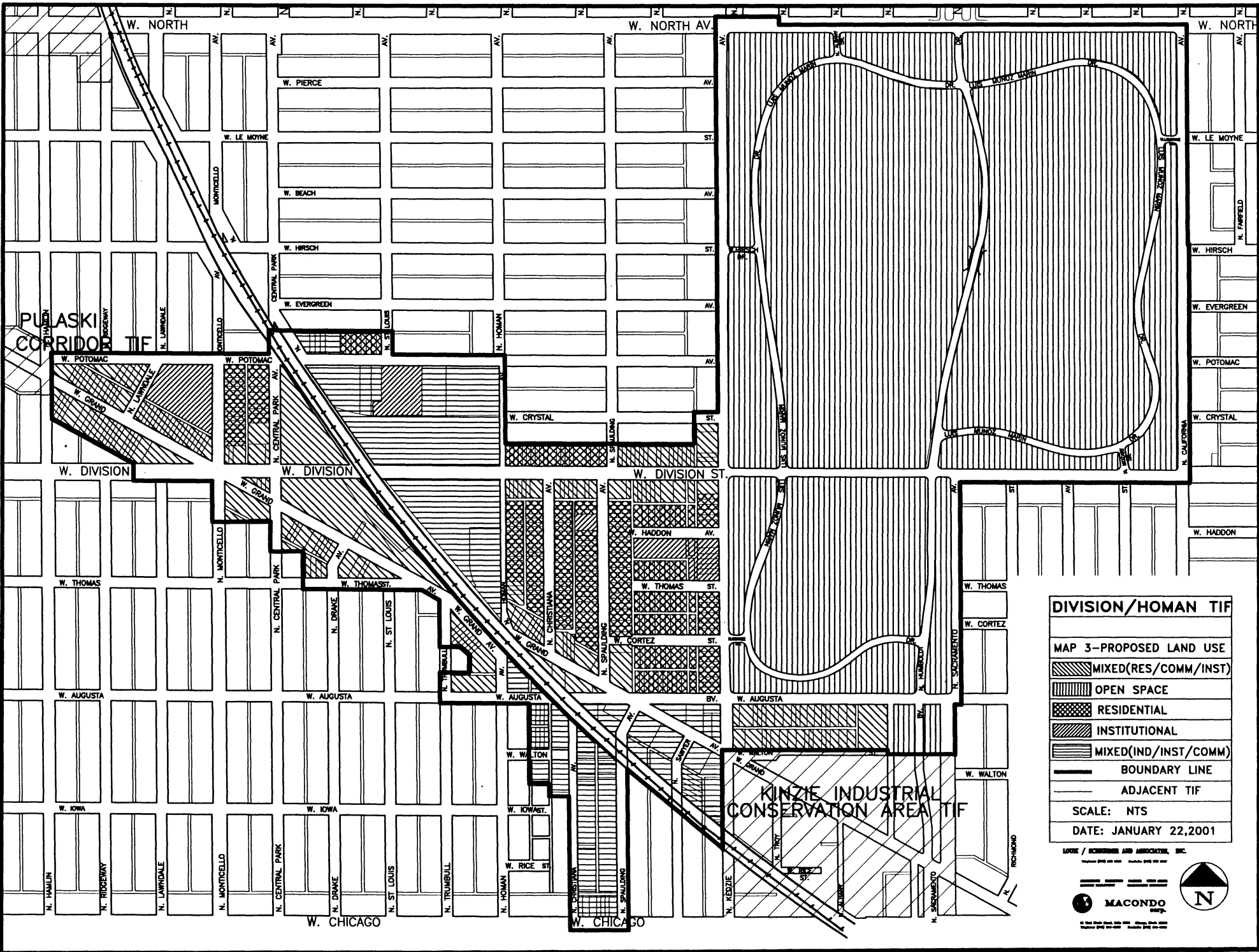
- COMMERCIAL
- RESIDENTIAL/COMMERCIAL
- INSTITUTIONAL
- RESIDENTIAL
- INDUSTRIAL
- OPEN SPACE
- VACANT LOT
- BOUNDARY LINE
- ADJACENT TIF

SCALE: NTS
 DATE: JANUARY 22,2001

MAQUETTE / SCHMIDT AND ASSOCIATES, INC.
 1111 N. LAUREL ST. CHICAGO, IL 60610
 TEL: 312.467.1000 FAX: 312.467.1001
 WWW.MAQUETTE-SCHMIDT.COM






MACONDO corp.
 1111 N. LAUREL ST. CHICAGO, IL 60610
 TEL: 312.467.1000 FAX: 312.467.1001
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
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


DIVISION/HOMAN TIF

MAP 3-PROPOSED LAND USE

-  MIXED(RES/COMM/INST)
-  OPEN SPACE
-  RESIDENTIAL
-  INSTITUTIONAL
-  MIXED(IND/INST/COMM)

 BOUNDARY LINE

 ADJACENT TIF

SCALE: NTS

DATE: JANUARY 22, 2001

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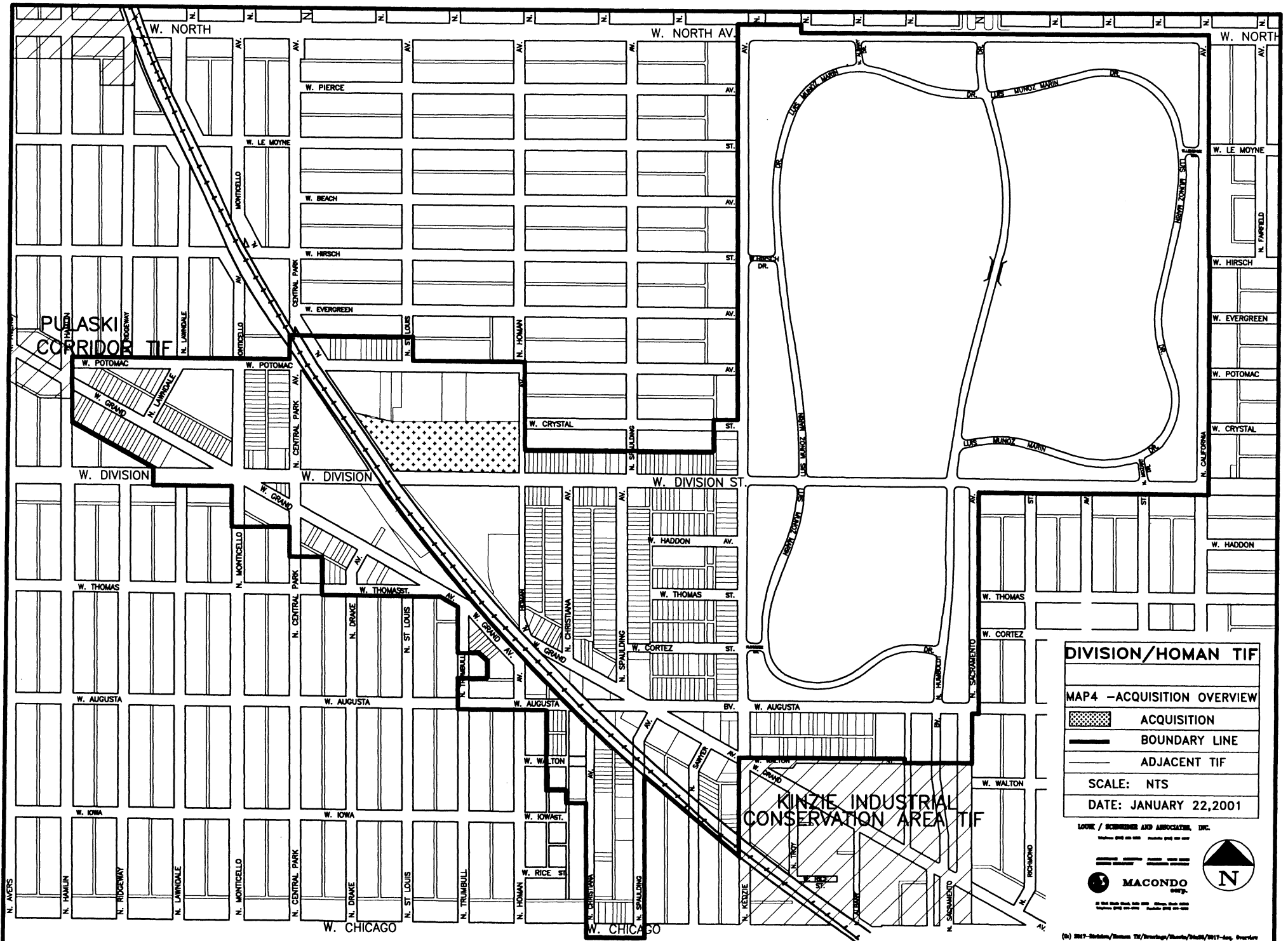
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DIVISION/HOMAN TIF


MAP4 - ACQUISITION OVERVIEW

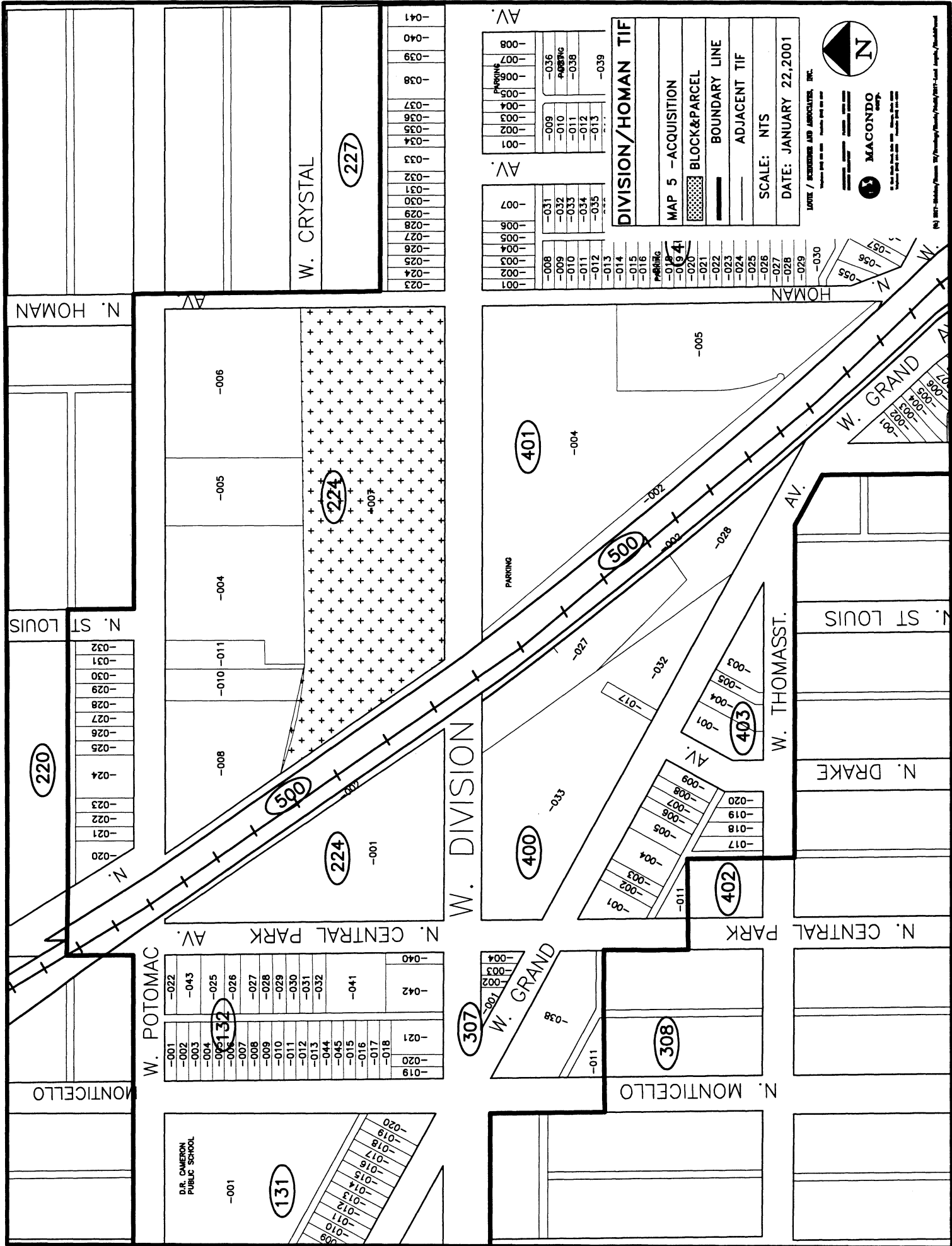
-  ACQUISITION
-  BOUNDARY LINE
-  ADJACENT TIF

SCALE: NTS
DATE: JANUARY 22, 2001

LOOK / SCHMIDT AND ASSOCIATES, INC.

 **MACONDO** corp.





DIVISION/HOMAN TIF

MAP 5 - ACQUISITION

BOUNDARY LINE

ADJACENT TIF

SCALE: NTS

DATE: JANUARY 22, 2001



MACONDO

INC.

10000 10th Ave. N. #1000

St. Louis, MO 63141

DATE: JANUARY 22, 2001

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400	-011
300	-012
200	-013
100	-039

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CITY OF CHICAGO
HUMBOLDT PARK REDEVELOPMENT AREA
ACQUISITION MAP
LEGEND
REDEVELOPMENT BOUNDARY
ACQUISITION PANELS

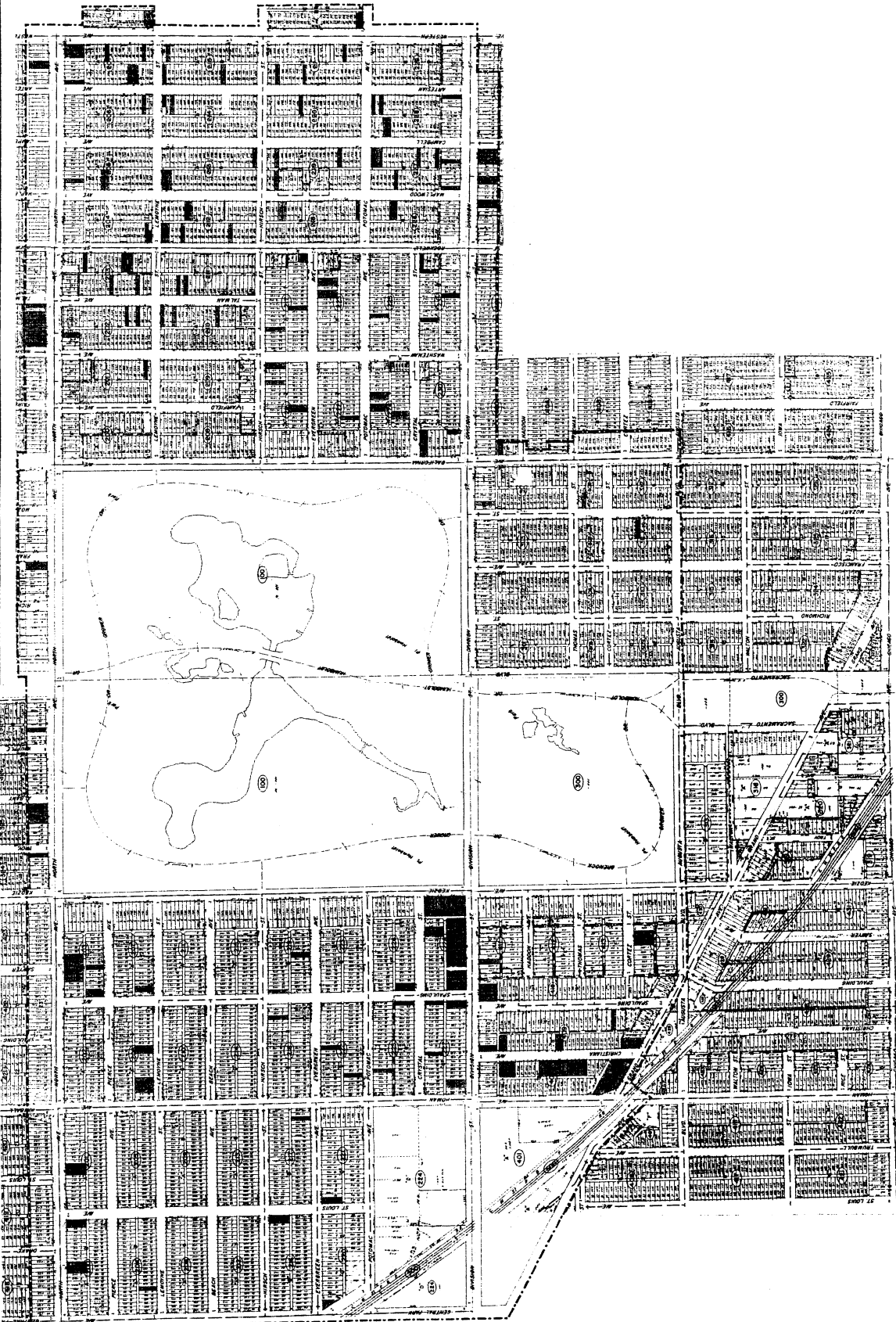


EXHIBIT 3 - ELIGIBILITY STUDY

CITY OF CHICAGO
DIVISION/HOMAN AREA

TAX INCREMENT FINANCE PROGRAM

ELIGIBILITY STUDY

CITY OF CHICAGO
RICHARD M. DALEY
MAYOR

JANUARY 2001

PREPARED BY:

LOUIK/SCHNEIDER & ASSOCIATES, INC.
MACONDO CORP.
NOITAM, INC.

DIVISION/HOMAN AREA
TAX INCREMENT FINANCE PROGRAM
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I. INTRODUCTION

Louik/Schneider & Associates, Inc. has been retained by the City of Chicago (the "City") to conduct an independent initial study and survey of the proposed redevelopment area known as Division/Homan Area, Chicago, Illinois (hereafter referred to as the "Study Area"). The purpose of this study is to determine whether the 33 blocks of the Study Area qualify for designation as a "Conservation Area" for the purpose of establishing a tax increment financing district, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act").

This report summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider & Associates, Inc., and its subconsultants – Macondo Corp, and Noitam, Inc. Louik/Schneider & Associates, Inc.'s subconsultants have provided assistance in preparing the following information: field surveys were conducted by Macondo Corp.; taxpayer and EAV information was collected by Noitam, Inc; owner of record and delinquency was collected by Noitam, Inc.; and maps, surveys and legal descriptions were prepared by Macondo Corp.

Louik/Schneider & Associates, Inc. has prepared this report with the understanding that the City would rely 1) on the findings and conclusions of this report in proceeding with the designation of the Study Area as a redevelopment project area under the Act, and 2) on the fact that Louik/Schneider & Associates, Inc. has obtained the necessary information to conclude that the Study Area can be designated as a redevelopment project area in compliance with the Act.

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

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

1. Exterior surveys of the conditions and use of the Study Area;
2. Field surveys of environmental conditions, including streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Comparison of current land uses to current zoning ordinance and current zoning maps;
4. Historical analysis of site uses and users;

5. Analysis of original and current platting and building size layout;
6. Review of previously prepared plans, studies and data;
7. Analysis of building permits from 1995 - 2000 and building code violations from 1995 - 2000 (as provided by the Department of Buildings), for all parcels in the Study Area; and
8. Evaluation of the EAVs in the Study Area from 1995 to 1999.

This report was jointly prepared by Myron D. Louik, John P. Schneider, Tricia Marino Ruffolo and Luke J. Molloy of Louik/Schneider & Associates, Inc., and its subconsultants.

II. BACKGROUND INFORMATION

A. LOCATION

The Study Area is located in the City, approximately three miles northwest of the central business district within the Humboldt Park and West Town community areas. The Study Area is 358 acres and generally bounded by West Potomac and West North Avenues on the north; North Sacramento and North California Avenues on the east; West Walton Street and West Chicago Avenue on the south; and North Hamlin Avenue on the west.

B. EXISTING LAND USE

The Study Area currently contains residential, commercial, light industrial and institutional uses (see Map 2 - *Existing Land Use*). It is well suited to all current uses due to the strong community base within the surrounding neighborhoods and close proximity to good local and regional public transportation networks.

The current condition for the Study Area is one of obsolescence, deterioration and dilapidation. These conditions are prevalent throughout the Study Area and can be associated with all types of residential, commercial, industrial and institutional properties.

The highest concentration of residential uses is generally contained south of West Division Street, north of West Augusta Avenue, west of North Homan Avenue and east of North Kedzie Avenue. While there is a solid stock of lower-middle income homes in this area, many of the structures suffer from neglect and deterioration. Another significant pocket of residential homes is the area generally bounded by the west alley of North Monticello Avenue, North Hamlin Street, West Potomac Avenue, and the southern alley of West Grand Avenue. Vacant storefronts and commercial facilities are also scattered throughout the area and without significant help from the City, private investment is unlikely to occur.

There are several institutional uses, both public and private, within the Study Area. The private use is the Chicago Association House, located on North Kedzie Avenue. Public institutional uses include Pablo Casals Public Elementary School, Cameron Public Elementary School, Grand Playlot and Humboldt Park (“the Park”).

While the Park’s roads have been recently renovated, the remaining infrastructure is in disrepair. Dilapidated curbs, broken park lights, underutilized and aging buildings, and vandalism are contributing factors to the overall deterioration of both Humboldt Park and the Study Area.

The majority of the industrial uses within the Study Area lie off the West Grand Avenue corridor beginning at the Study Area’s southeastern boundary, running northwest until West Potomac Avenue. Many of the industrial facilities suffer from obsolescence and have been unable to expand or thrive due to the constriction of their existing locations.

A commercial corridor is formed by West Division Street, West Grand Avenue and North Homan Avenue. Underutilized and poorly maintained buildings line most of the corridor, and lack of maintenance to sidewalks and street fixtures exists. Many of the commercial buildings in the area have succumbed to obsolescence, deterioration and dilapidation, and in some cases all three conditions.

C. DESCRIPTION OF CURRENT CONDITIONS

The Study Area consists of 33 (full and partial) blocks, 592 parcels and 369 buildings. The Study Area is in need of major revitalization, which should include the rehabilitation of existing buildings and the development of unimproved parcels. The Study Area is characterized by high levels of:

- dilapidated and deteriorated buildings;
- underutilized and obsolete buildings; and
- other deteriorating characteristics.

Additional research indicates that the Study Area has not benefited from growth and development as a result of investments by private enterprise, and will not be developed without action by the City.

Specifically, the total number of building permits recently requested for new construction and major renovation is lower than could be reasonably expected in an area of economic health. From January 1995 to September 2000, only ten permits for new construction or renovation were issued in an area with 592 parcels (1%). Of these, only five were for the construction of new buildings, while the others were for the building of garages (two), home additions (two), and an inactive storage shelter (one). These limited improvements have stimulated neither private investment nor economic growth within or around the Study Area. Significantly, during the same six years, two permits were issued for demolition (see Exhibit 1 - *Building and Demolition Permit Requests*).

Furthermore, the rate of recent building permit requests has declined severely. In 1995, five of the ten permits (50%), representing 68% of the total private investment over the last six years, were issued. Only one permit per year was issued between January 1996 and September 2000. New construction or major renovation of one building per year for the past five years is not significant enough to affect the entire Study Area.

From this data, together with the other eligibility factors, it can be reasonably concluded that the Study Area 1) has not been subject to growth through private investment, and 2) will not be developed without municipal leadership. Adoption of the Redevelopment Plan and Project is necessary to halt deterioration of the Study Area.

D. HUMBOLDT PARK REDEVELOPMENT AREA

In 1999, the Community Development Commission designated the Humboldt Park Redevelopment Area in the Humboldt Park Redevelopment Plan and Designation Report. The Humboldt Park Redevelopment Area is a larger area that is generally bounded by the northern alley of West North Avenue on the north, West Division Street and West Augusta Street on the south, the east side of Western Avenue on the east, and North Central Park Avenue on the west. This larger area encompasses the Redevelopment Project Area that is the subject of this Plan.

The majority of the Study Area, except for the blocks south of Grand Avenue and west of Monticello Avenue, is included as part of the Humboldt Park Redevelopment Area. According to the report, the Humboldt Park Redevelopment Area exhibits the factors necessary for designation based on the criteria set forth under Chapter 2-124-010 of the Municipal Code of Chicago, including: obsolescence, overcrowding, failure to generate a proper share of tax revenues and housing opportunities, deleterious land use, physical dilapidation and deterioration, and excessive land coverage.

E. ADJACENT TIF DISTRICTS

The Study Area is adjacent to the Pulaski Corridor Tax Increment Financing Redevelopment Project Area, established by the City on June 9, 1999. The 383-acre Pulaski Corridor Tax Increment Financing Redevelopment Project Area is generally linear in shape and parallels the former Chicago, Minneapolis, St. Paul and Pacific (CMSP&P) railroad right-of-way between Belmont and North Avenue along its north/south axis. There are also two linear sections in the Redevelopment Project Area aligned in east/west orientations that stretch westward along Fullerton and North Avenue. This adjacent TIF District contains 114 full and partial blocks, 512 buildings and 883 parcels and was designated as a conservation area. The following factors were present to a major extent: age, obsolescence, excessive land coverage, depreciation of physical maintenance and lack of community planning.

The Study Area is also adjacent to the Kinzie Industrial Conservation Area Tax Increment Redevelopment Project Area, established by the City on June 10, 1998, which is generally bounded as follows: West Walton Street, West Chicago Avenue, West Ohio Street and West Hubbard Street on the north; West Lake Street, West Washington Boulevard, West Randolph Street and West Maypole Avenue on the south; North Halsted Street, North Union Avenue and North Peoria Street on the east; and North Kedzie Avenue on the west. This adjacent TIF District contains 3,685 parcels, of which 2,975 are improved and 710 are vacant. The area was designated as a combination vacant blighted area and improved conservation area. The following factors were present to a major extent in the improved conservation area: obsolescence, presence of structures below minimum code, lack of community planning, deleterious land use and layout, and depreciation of physical maintenance. In the vacant blighted area, the following factors were found: deterioration of structures or site improvements in neighboring area, diversity of ownership, obsolete platting and the presence of an unused disposal site.

The lack of growth and investment by the private sector in the surrounding community is evidenced by the designation of the adjacent TIF districts. The blighting conditions of the adjacent TIF areas have a negative effect and contribute to the existing conservation factors of the Study Area.

F. ZONING CHARACTERISTICS

Based on the 2000 Title 17 Municipal Code of Chicago Zoning Ordinance, the Study Area includes zoning classifications for commercial, business, residential and manufacturing districts. Permitted uses for the Study Area include residential uses zoned R4 and R5; business districts zoned B2-2, B2-3, B2-5 and B4-1; commercial uses zoned C1-2 and C3-3; and manufacturing uses zoned M1-1, M1-2 and M2-1. The Park is also zoned R-5.

III. QUALIFICATION AS CONSERVATION AREA

A. ILLINOIS TAX INCREMENT ACT

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

As set forth in the Act, a "Conservation Area" means any improved area within the boundaries of a redevelopment project area in which 50% or more of the structures have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of three or more of the following factors is detrimental to public safety, health, morals or welfare and such an area may become a blighted area:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light, or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities.
10. Deleterious land use or layout
11. Environmental clean-up
12. Lack of community planning
13. EAV comparison

The Act further states that the eligibility factors must be (i) present to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the redevelopment project area to which it pertains.

On the basis of this approach, the Study Area is eligible for designation as a Conservation Area within the requirements of the Act.

B. SURVEY, ANALYSIS AND DISTRIBUTION OF ELIGIBILITY FACTORS

Comprehensive exterior surveys of the Study Area's 592 parcels were conducted by Macondo Corp., which also conducted an analysis of each of the Conservation Area eligibility factors contained in the Act to determine its presence. The exterior surveys examined not only the condition and use of buildings, but also included conditions of streets, sidewalks, curbs, gutters, lighting, vacant land, underutilized land, parking

facilities, landscaping, fences and walls, and general maintenance. In addition, an analysis was conducted of existing site coverage and parking, land uses, and zoning and its relationship to the surrounding area.

A block-by-block analysis of the 33 blocks was conducted by Macondo Corp. to identify the eligibility factors and their degree of presence. The following four levels are identified:

- **Not present** - indicates that either the condition does not exist or that no evidence could be found or documented during the survey or analysis.
- **Limited extent** - indicates that the condition exists, but distribution was limited to in a small percentage of parcels and/or blocks.
- **Present to a minor extent** - indicates that the condition exists and is substantial in distribution or impact.
- **Present to a major extent** - indicates that the condition does exist and is present throughout the area at a level that affects the Study Area as well as adjacent and nearby parcels of property.

C. BUILDING EVALUATION PROCEDURE

This section will describe how the buildings within the Study Area were evaluated.

HOW BUILDING COMPONENTS AND IMPROVEMENTS WERE EVALUATED

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

Building components and improvements examined were of two types:

PRIMARY STRUCTURAL COMPONENTS

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

SECONDARY COMPONENTS

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

Each primary and secondary component and improvement was evaluated separately as a basis for determining the overall condition of the building and surrounding area. This

evaluation considered the relative importance of specific components within the building and the effect that deficiencies in components and improvements have on the remainder of the building.

Subsequent to the buildings being evaluated, they were classified, as described in the following section.

BUILDING COMPONENT AND IMPROVEMENT CLASSIFICATIONS

Four major categories were used in classifying the structural condition of the building components and improvements. The categories and criteria used are described below:

1. SOUND

Building components and improvements that contain no defects are adequately maintained and require no treatment besides normal ongoing maintenance.

2. REQUIRING MINOR REPAIR - DEPRECIATION OF PHYSICAL MAINTENANCE

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

3. REQUIRING MAJOR REPAIR - DETERIORATION

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

4. CRITICAL - DILAPIDATED

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

D. CONSERVATION AREA ELIGIBILITY FACTORS

A finding may be made that the Study Area is a Conservation Area based on the fact that 50% or more of the structures are 35 years of age or older, and the area exhibits the presence of three (3) or more of the Conservation Area eligibility factors described above in Section III, Paragraph A, and that the area may become a Blighted Area because of these factors. Based on our survey and analyses, the Study Area meets

the Act's requirement as a Conservation Area: in addition to Age, six of the eligibility factors were found. This section examines each of the Conservation Area eligibility factors.

AGE

Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems are a function of time, temperature and moisture, structures that are 35 years or older typically exhibit more problems than recently constructed buildings.

CONCLUSION

Age is present to a major extent in 299 of the 369 buildings (81%) in 32 blocks of the Study Area. It is present to a major extent in 30 blocks and to a minor extent in two of the 33 blocks. The results of the age survey are presented in Map 3.

1. DILAPIDATION

Dilapidation is described in the Act as "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."

An exterior survey was conducted of all the structures in the Study Area. The analysis of building dilapidation is based on the survey methodology and criteria described in the preceding section, *How Building Components and Improvements are Evaluated*.

Based on exterior building surveys, it was determined that many buildings are dilapidated and exhibit major structural problems, making them structurally substandard. These buildings are all in an advanced state of disrepair. Major masonry wall work is required where water and lack of maintenance have allowed buildings to incur structural damage. Cracked foundations and missing structural elements were found, particularly in the backs of the buildings. Since wood elements require the most maintenance of all exterior materials, they show the greatest signs of deterioration.

CONCLUSION

Dilapidation is present to a minor extent in the Study Area. Dilapidation is present in 44 of the 369 buildings (12%) and in 17 of the 33 blocks (52%). It is present to a major extent in five blocks and to a minor extent in ten of the 33 blocks.

2. OBSOLESCENCE

Obsolescence is defined in the Act as "the condition or process of falling into disuse." Obsolescent structures have become ill suited for the original use.

Webster's New Collegiate Dictionary defines "obsolescence" as "being out of use; obsolete." "Obsolete" is further defined as "no longer in use; disused" or "of a type or

fashion no longer current.” These definitions are helpful in describing the general obsolescence of buildings or site improvements in the Study Area. In making findings with respect to buildings and improvements, it is important to distinguish between *functional obsolescence*, which relates to the physical utility of a structure, and *economic obsolescence*, which relates to a property's ability to compete in the marketplace.

FUNCTIONAL OBSOLESCENCE

Historically, structures have been built for specific uses or purposes. The design, location, height and space arrangements are intended for a specific occupancy at a given time. Buildings and improvements become obsolete when they contain characteristics or deficiencies that limit their use and marketability after the original use ceases. The characteristics may include loss in value to a property resulting from poor design or layout; or the improper orientation of the building on its site, which detracts from the overall usefulness or desirability of a property.

ECONOMIC OBSOLESCENCE

Economic obsolescence is normally a result of adverse conditions that may cause some degree of market rejection and, hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings that contain vacant space are characterized by problem conditions that may not be economically curable, resulting in net rental losses and/or depreciation in market value.

Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also be obsolete in relation to contemporary development standards for such improvements. Factors of obsolescence may include inadequate utility capacities or outdated designs.

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

OBSOLETE BUILDING TYPES

Obsolete buildings contain characteristics or deficiencies that limit their long-term sound use or reuse for the purpose for which they were built. Obsolescence in such buildings is typically difficult and expensive to correct. Obsolete building types have an adverse effect on nearby and surrounding developments and detract from the physical, functional and economic vitality of the area. These structures are characterized by conditions indicating the structure is incapable of efficient or economic use according to contemporary standards.

OBSOLETE PLATTING

Obsolete platting includes parcels of irregular shape, narrow or small size, and parcels improperly platted within the Study Area blocks. Some of the commercial blocks at the western edge of the Study Area have smaller and/or irregularly sized parcels.

OBSOLETE SITE IMPROVEMENTS

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

CONCLUSION

Obsolescence is present to a major extent in the Study Area. Obsolescence is present in 124 of the 369 buildings (34%), in 309 of the 592 parcels (52%) and in 27 of the 33 blocks (82%). It is present to a major extent in 19 blocks and to a minor extent in eight of the 33 blocks. The results of the obsolescence analysis are presented in Map 4.

3. DETERIORATION

Deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring major treatment or repair. The Act defines deterioration with respect to buildings as "defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia." The Act also identifies the deterioration of surface improvements when "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."

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

DETERIORATION OF BUILDINGS

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section, *How Building Components and Improvements Are Evaluated*. Of the 369 buildings in the Study Area, 340 buildings (97%) are deteriorated.

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

Deteriorated structures exist throughout the Study Area due to the combination of their age and the advanced state of disrepairs. The need for masonry repairs and tuckpointing is predominant, closely followed by deteriorating doors, facades and secondary elements in the buildings. The majority of the buildings in the Study Area are deteriorated.

DETERIORATION OF PARKING AND SURFACE AREAS

Field surveys were also conducted to identify the condition of parcels without structures but classified as deteriorated. These parcels are characterized by uneven surfaces with insufficient gravel, vegetation growing through the parking surface, depressions and standing water, absence of curbs or guardrails, fallen or broken fences and extensive debris.

CONCLUSION

Deterioration is present to a major extent in the Study Area. Deterioration is present in 359 of the 369 buildings (97%), in 473 of the 592 parcels (80%), and to a major extent in 31 of the 33 blocks (94%). Deterioration is present to a major extent in 26 blocks and to minor extent in 5 of the 33 blocks. The results of the deterioration analysis are presented in Map 5.

4. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS

The presence of structures below minimum code standards, as stated in the Act, includes "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." The principal purposes of such codes are to: 1) require buildings to be constructed in such a way as to sustain safety of loads expected from the type of occupancy; 2) make buildings safe for occupancy against fire and similar hazards; and 3) establish minimum standards essential for safe and sanitary habitation.

From January 1995 through August 2000, 123 of the 369 buildings (33%) have been cited for building code violations by the City Department of Buildings (see Exhibit 2 - *Building Code Violations*).

CONCLUSION

Structures below minimum code standards are present to a minor extent. Structures below minimum code standards have been identified in 123 of the 369 buildings (33%)

and in 22 of the 33 blocks (67%) within in the Study Area over the last five years. It is present to a major extent in 8 blocks and to a minor extent in 14 of the 33 blocks.

5. ILLEGAL USE OF INDIVIDUAL STRUCTURES

Illegal use of individual structures is defined in the Act as "the use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards."

CONCLUSION

Based on exterior surveys and a review of the Chicago Zoning Ordinance there is no evidence of illegal use of the structures or improvements in the Study Area.

6. EXCESSIVE VACANCIES

Excessive vacancy, according to the Act, is "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." Excessive vacancies include improved properties where it appears no effort has been made to occupy the buildings.

There is a limited amount of excessive vacancies present in the Study Area. A building is considered to have excessive vacancies if at least 50% of the building is vacant or underutilized.

CONCLUSION

Excessive vacancies are present to a limited extent in the Study Area. Excessive vacancies can be found in 29 of the 369 buildings (8%) and to a minor extent in 7 of the 33 blocks.

7. LACK OF VENTILATION, LIGHT OR SANITARY FACILITIES

The Act refers to the lack of ventilation, light or sanitary facilities as "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 is defined as the absence or inadequacy 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 are referred to in the Act as "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."

CONCLUSION

Based on exterior surveys and analyses undertaken, lack of ventilation, light and/or sanitary facilities was not found in the Study Area.

8. INADEQUATE UTILITIES

Inadequate utilities refer to underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers and water lines; and gas, telephone and electrical services that are shown to be inadequate. The Act defines inadequate utilities as "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."

CONCLUSION

Based on the exterior surveys and analyses undertaken, inadequate utilities were not found in the Study Area.

9. EXCESSIVE LAND COVERAGE AND OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES

Excessive land coverage and overcrowding of structures and community facilities is defined by the Act as "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.

The majority of the commercial parcels in the Study Area have excessive land coverage. This condition is present when a building occupies nearly the entire parcel, leaving little or no room for loading or parking. The size of the buildings restricts the amount of available open space, loading facilities and parking spaces. Due to the smaller nature of the commercial structures, many of the buildings are not equipped with necessary loading docks nor do they have parking lots.

Overcrowding of structures and community facilities refers to use of public or private buildings, facilities or properties beyond their reasonable or legally permitted capacity. Overcrowding is frequently found in buildings and improvements originally designed for a specific use and later converted to accommodate a more intensive use of activities, inadequately providing for minimum floor area requirements, privacy, ingress and egress, loading and services, capacity of building systems, etc.

CONCLUSION

Excessive land coverage and overcrowding of structures and community facilities is present to a minor extent in the Study Area. Excessive land coverage is present in 91 of the 369 buildings (25%) and in 147 of the 592 parcels (25%) and in 28 of the 33 blocks (85%). Excessive land coverage and overcrowding of structures and community facilities is present to a major extent in 20 blocks and to a minor extent in eight blocks

The results of the excessive land coverage and overcrowding of structures and community facilities analysis are presented in Map 6.

10. DELETERIOUS LAND USE OR LAYOUT

According to the Act, deleterious land use or layout includes 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.

Deleterious layout includes evidence of improper or obsolete platting of the land, inadequate street layout, and parcels of inadequate size or shape to meet contemporary development standards. It also includes evidence of poor layout of buildings on parcels and in relation to other buildings.

In the Study Area, deleterious land use or layout is identified in 367 of the 592 parcels (62%), with 25% of the buildings exhibiting excessive land coverage with insufficient room for parking and/or loading. The Study Area includes a number of small irregularly sized parcels centered on Grand Avenue.

CONCLUSION

Deleterious land use and layout is present to a major extent in the Study Area. Deleterious land use and layout is present in 367 of the 592 parcels (62%) and in 29 of the 33 blocks (88%). Deleterious land use and layout is present to a major extent in 23 blocks and to a minor extent in six blocks. The results of the deleterious land use and layout analysis are presented in Map 7.

11. ENVIRONMENTAL CLEAN-UP

As set forth by the Act, this factor is present if 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).

CONCLUSION

Based on the exterior surveys and analyses, no environmental clean-up issues have been determined in the Study Area.

12. LACK OF COMMUNITY PLANNING

Lack of community planning may be a factor if the proposed Study Area was developed prior to or without the benefit or guidance of a community plan. According to the Act, this means "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." Furthermore, the Act states that 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.

The community has a history of identifying development needs and developing action plans, evidenced by these reports:

- Humboldt Park Redevelopment Plan Designation Report
- Humboldt Park Redevelopment Plan Redevelopment Plan
- Humboldt Park Community Land Use Plan
- Humboldt Park Supermarket Feasibility Study

The Study Area has also been the subject of a variety of other studies and plans.

CONCLUSION

As a result of this ongoing community activity, lack of community planning is not present in the Study Area.

13. LACK OF GROWTH IN EAV COMPARISON

The Act requires that an EAV comparison of the total equalized assessed values of the proposed Study Area shows decline for three of the last five calendar years prior to the year in which the Study Area is designated, or shows an increase 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 shows an increase 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.

CONCLUSION

Based on the analyses undertaken, lack of growth in EAV comparison is not present within the Study Area.

E. CONSERVATION AREA ELIGIBILITY FACTORS SUMMARY

The Conservation Area eligibility factors are present in varying degrees throughout the Study Area: in addition to age, three factors are present to a major extent and three are present to a minor extent. The Conservation Area eligibility factors that have been identified are as follows:

MAJOR EXTENT

1. Obsolescence
2. Deterioration
3. Deleterious land use or layout

MINOR EXTENT

1. Structure below minimum code
2. Dilapidation
3. Excessive land coverage and overcrowding of structures and community facilities

IV. SUMMARY AND CONCLUSION

The conclusion of the Louik/Schneider & Associates, Inc. is that the number, degree and distribution of Conservation Area eligibility factors, as documented in this report, warrant the designation of the Study Area as a Conservation Area as set forth in the Act. Specifically:

- Of the 13 eligibility factors for a Conservation Area set forth in the Act, in addition to age, six are present: three to a major extent and three to a minor extent. In addition to age, only three are necessary for designation as a Conservation Area to qualify for a TIF District.
- The Conservation Area eligibility factors that are present are reasonably distributed throughout the Study Area.
- The Study Area is not yet a blighted area, but because of the factors described in this report, the Study Area may become a Blighted Area.

The eligibility findings indicate that the Study Area contains factors that qualify it as a Conservation Area in need of revitalization, and that designation as a redevelopment project area will contribute to the long-term enhancement of the City.

Additional research indicates that the Study Area has not benefited from growth and development as a result of investments by private enterprise, and will not be developed without action by the City.

Specifically, the total number of building permits recently requested for new construction and major renovation is lower than could be reasonably expected in an area of economic health. From January 1995 to September 2000, only ten permits for new construction or renovation were issued in an area with 592 parcels (1%). Of these, only five were for the construction of new buildings, while the others were for the building of garages (two), home additions (two), and an inactive storage shelter (one). These limited improvements have stimulated neither private investment nor economic growth within or around the Study Area. Significantly, during the same six years, two permits were issued for demolition (see Exhibit 1 - *Building and Demolition Permit Requests*).

Furthermore, the rate of recent building permit requests has declined severely. In 1995, five of the ten permits (50%), representing 68% of the total private investment over the last six years, were issued. Only one permit per year was issued between January 1996 and September 2000. New construction or major renovation of one building per year for the past five years is not significant enough to affect the entire Study Area.

From this data, together with the other eligibility factors, it can be reasonably concluded that the Study Area 1) has not been subject to growth through private investment, and 2) will not be developed without municipal leadership. Adoption of the Redevelopment Plan and Project is necessary to halt deterioration of the Study Area.

The conclusions presented in this report are those of the consulting team. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution that the Study Area qualifies as a Conservation Area and make this report a part of the public record.

The Study Area qualifies as a Conservation Area and is therefore eligible for Tax Increment Financing under the Act.

APPENDIX

EXHIBIT 1 - BUILDING AND DEMOLITION PERMIT REQUESTS

NEW CONSTRUCTION/INVESTMENT PERMITS

	Permit #	Date	Address	Investment
1.	801186	3/21/95	3336 W. Division St	\$100,000
2.	801187	3/21/95	3338 W. Division St	\$100,000
3.	806304	6/20/95	3314 W. Division St	\$100,000
4.	806305	6/20/95	3312 W. Division St	\$100,000
5.	808379	7/26/95	1236 N. Central Park Av	\$12,000
6.	96006438	5/31/96	1310 N. Monticello Av	\$13,700
7.	838542	1/3/97	3730 W. Grand Av	\$7,000
8.	864655	1/9/98	1222 N. Hamlin Av	\$6,000
9.	891105	1/25/99	3005 W. Division St	\$160,000
10.	916046	1/4/00	3676 W. Grand Av	\$7,500
			Total Permits	\$606,200

DEMOLITION PERMITS

	Permit #	Date	Address	Investment
1.	96006438	5/31/96	1310 N. Monticello Av	\$13,700
2.	881559	9/9/98	1214 N. Hamlin Av	\$13,000
			Total Permits	\$26,700

EXHIBIT 2 - BUILDING CODE VIOLATIONS

1	3737 W GRAND AV	5/27/93	44	3317 W DIVISION ST	6/14/96
2	947 N KEDZIE AV	1/26/95	45	3401 W DIVISION ST	6/14/96
3.	1219 N SPAULDING AV	2/15/95	46	3145 W AUGUSTA BV	6/16/96
4.	3109 W AUGUSTA BV	2/16/95	47	3214 W HADDON AV	6/17/96
5	1127 N CHRISTIANA AV	3/3/95	48	3705 W GRAND AV	6/17/96
6	3247 W DIVISION ST	3/3/95	49	1040 N KEDZIE AV	6/20/96
7	3234 W DIVISION ST	3/13/95	50	3748 W DIVISION ST	6/27/96
8	3235 W DIVISION ST	3/13/95	51	1240 N CENTRAL PARK AV	6/28/96
9	3242 W DIVISION ST	3/13/95	52	3251 W DIVISION ST	7/30/96
10	3153 W AUGUSTA BV	4/12/95	53	1224 N CENTRAL PARK AV	8/16/96
11	1043 N CHRISTIANA AV	4/13/95	54	1038 N HOMAN AV	9/18/96
12	1117 N CHRISTIANA AV	4/13/95	55	3601 W GRAND AV	9/25/96
13	1123 N CHRISTIANA AV	4/13/95	56	1000 N KEDZIE AV	11/1/96
14	3624 W DIVISION ST	4/13/95	57	3728 W DIVISION ST	11/7/96
15	3209 W GRAND AV	4/17/95	58	3685 W GRAND AV	11/26/96
16	1004 N KEDZIE AV	4/19/95	59	3689 W GRAND AV	11/26/96
17	1016 N KEDZIE AV	4/19/95	60	3228 W THOMAS ST	3/17/97
18	1060 N KEDZIE AV	4/19/95	61	3677 W GRAND AV	3/24/97
19	3350 W DIVISION ST	4/21/95	62	3320 W GRAND AV	4/24/97
20	1117 N HOMAN AV	5/1/95	63	3720 W GRAND AV	4/24/97
21	1234 N MONTICELLO AV	5/19/95	64	3604 W GRAND AV	4/29/97
22	1226 N CENTRAL PARK AV	5/22/95	65	3657 W DIVISION ST	5/27/97
23	802 N CHRISTIANA AV	6/2/95	66	3300 W GRAND AV	5/29/97
24	3687 W GRAND AV	6/12/95	67	3301 W GRAND AV	5/29/97
25	3726 W DIVISION ST	6/26/95	68	3352 W GRAND AV	5/29/97
26	3622 W DIVISION ST	7/19/95	69	1048 N CHRISTIANA AV	5/30/97
27	3218 W DIVISION ST	9/15/95	70	1026 N KEDZIE AV	6/11/97
28	1135 N SPAULDING AV	9/19/95	71	1240 N HOMAN AV	6/18/97
29	3708 W GRAND AV	9/20/95	72	3331 W DIVISION ST	7/1/97
30	3242 W AUGUSTA BV	10/2/95	73	3349 W DIVISION ST	8/4/97
31	3242 W HADDON AV	10/3/95	74	3712 W GRAND AV	8/13/97
32	3337 W DIVISION ST	12/11/95	75	3143 W AUGUSTA BV	8/21/97
33	1152 N KEDZIE AV	1/18/96	76	3340 W DIVISION ST	11/29/97
34	1200 N KEDZIE AV	2/15/96	77	3438 W GRAND AV	1/21/98
35	3518 W DIVISION ST	2/15/96	78	3501 W DIVISION ST	1/21/98
36	3220 W DIVISION ST	2/16/96	79	3507 W DIVISION ST	1/21/98
37	3334 W CHICAGO AV	3/18/96	80	3650 W GRAND AV	1/21/98
38	1001 N HOMAN AV	3/27/96	81	3652 W GRAND AV	2/4/98
39	3228 W AUGUSTA BV	4/12/96	82	3344 W AUGUSTA BV	2/11/98
40	3500 W GRAND AV	6/11/96	83	1204 N SPAULDING AV	3/4/98
41	1244 N CENTRAL PARK AV	6/13/96	84	1017 N HOMAN AV	3/19/98
42	3219 W DIVISION ST	6/14/96	85	3216 W AUGUSTA BV	3/31/98
43	3306 W DIVISION ST	6/14/96	86	1248 N LAWNSDALE AV	4/24/98

87	3441 W DIVISION ST	5/19/98
88	3577 W GRAND AV	5/19/98
89	3226 W AUGUSTA BV	6/16/98
90	1116 N KEDZIE AV	7/16/98
91	3240 W AUGUSTA BV	7/16/98
92	3237 W THOMAS ST	9/18/98
93	3728 W GRAND AV	9/22/98
94	1037 N CHRISTIANA AV	10/28/98
95	1059 N HOMAN AV	1/7/99
96	1259 N MONTICELLO AV	1/29/99
97	3129 W AUGUSTA BV	4/13/99
98	3133 W AUGUSTA BV	4/13/99
99	3147 W AUGUSTA BV	4/13/99
100	816 N SPAULDING AV	4/13/99
101	944 N SPAULDING AV	4/29/99
102	1146 N CHRISTIANA AV	4/30/99
103	1061 N CHRISTIANA AV	5/10/99
104	3225 W DIVISION ST	5/14/99
105	3220 W GRAND AV	8/9/99
106	900 N KEDZIE AV	8/31/99
107	3716 W GRAND AV	9/2/99
108	1112 N HOMAN AV	11/1/99
109	3734 W GRAND AV	1/24/00
110	954 N SPAULDING AV	1/25/00
111	1238 N MONTICELLO AV	3/2/00
112	3651 W GRAND AV	3/14/00
113	3351 W DIVISION ST	3/28/00
114	1232 N MONTICELLO AV	4/20/00
115	1143 N CHRISTIANA AV	5/25/00
116	3324 W DIVISION ST	7/6/00
117	3312 W DIVISION ST	7/24/00
118	3314 W DIVISION ST	7/24/00
119	3318 W DIVISION ST	7/24/00
120	3336 W DIVISION ST	7/24/00
121	3338 W DIVISION ST	7/24/00
122	1006 N KEDZIE AV	8/3/00
123	3401 W GRAND AV	8/9/00

EXHIBIT 3 - DISTRIBUTION OF CRITERIA MATRIX

	Block	Age	1	2	3	4	5	6	7	8	9	10	11	12	13
1.	16-1-100	X			X										
2.	16-1-300	X			X										
3.	16-1-313	X	P	X	X			P			X				
4.	16-2-129	X	P	X	X	X					X	X			
5.	16-2-130	P		X	X	X		P			X	X			
6.	16-2-131	X	P	X	X	P					X	X			
7.	13-2-132	X	P	X	X	P					X	P			
8.	16-2-220	X	X	P	X						P	X			
9.	16-2-224		P	X	X	X					X	X			
10.	16-2-227	P			X	P					X	X			
11.	16-2-228	X		X	X	X		P			X	X			
12.	16-2-307			X	X	X					X	X			
13.	16-2-308	X		X	X	X						X			
14.	16-2-400		P		X	P		P			P	X			
15.	16-2-401	X		X	X	X		P			X	X			
16.	16-2-402			P	X						X	P			
17.	16-2-403		X	X	X	X					X	X			
18.	16-2-407	X	X	X	X						X	X			
19.	16-2-408	X	P	P	X	P		P			P	P			
20.	16-2-409	X	P	P	X	P		P			P	P			
21.	16-2-410	X	P	P	X						P	P			

Key
 X Present to a Major Extent
 P Present
 Not Present

- Criteria**
1. Dilapidation
 2. Obsolescence
 3. Deterioration
 4. Presence of structures below minimum code standards
 5. Illegal use of individual structures
 6. Excessive vacancies
 7. Lack of ventilation, light, or sanitary facilities
 8. Inadequate utilities
 9. Excessive land coverage and overcrowding of structures and community facilities.
 10. Deleterious land use or layout
 11. Environmental clean-up
 12. Lack of community planning
 13. EAV comparison

EXHIBIT 3 - DISTRIBUTION OF CRITERIA MATRIX (CONT.)

	Block	Age	1	2	3	4	5	6	7	8	9	10	11	12	13
22.	16-2-411	X	X	P	X	X					P	X			
23.	16-2-412	X	P	P	X	X					X	X			
24.	16-2-413	X			X	X						P			
25.	16-2-414	X		P	X	X					X	X			
26.	16-2-423	X		X	X	X					X	X			
27.	16-2-424	X		X	X	X						X			
28.	16-2-427	X		X	X	X					P	X			
29.	16-2-428	X	P	X	X	X					X	X			
30.	16-2-429	X		X	X	X					X	X			
31.	16-2-430	X		X	X	X					X	X			
32.	16-2-431	X	X	X	X	X					X	X			
33.	16-2-500				X										

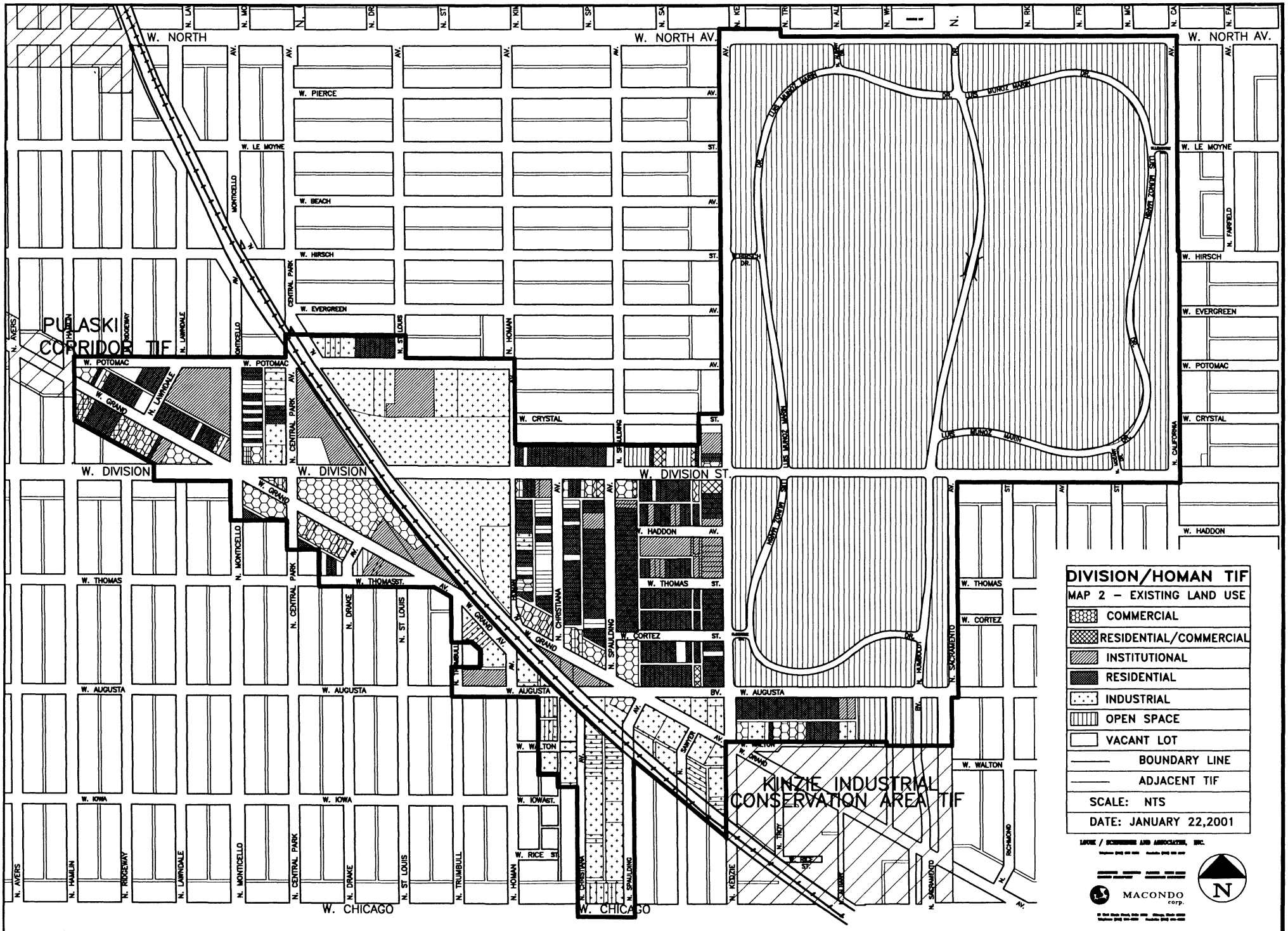
Key X Present to a Major Extent
 P Present
 Not Present

Criteria

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light, or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities.
10. Deleterious land use or layout
11. Environmental clean-up
12. Lack of community planning
13. EAV comparison

EXHIBIT 4 - MAP LEGEND

- MAP 1 PROJECT BOUNDARY
- MAP 2 EXISTING LAND USE
- MAP 3 AGE
- MAP 4 OBSOLESCENCE
- MAP 5 DETERIORATION
- MAP 6 EXCESSIVE COVERAGE
- MAP 7 DELETERIOUS LAND USE/LAYOUT



DIVISION/HOMAN TIF

MAP 2 - EXISTING LAND USE

- COMMERCIAL
- RESIDENTIAL/COMMERCIAL
- INSTITUTIONAL
- RESIDENTIAL
- INDUSTRIAL
- OPEN SPACE
- VACANT LOT

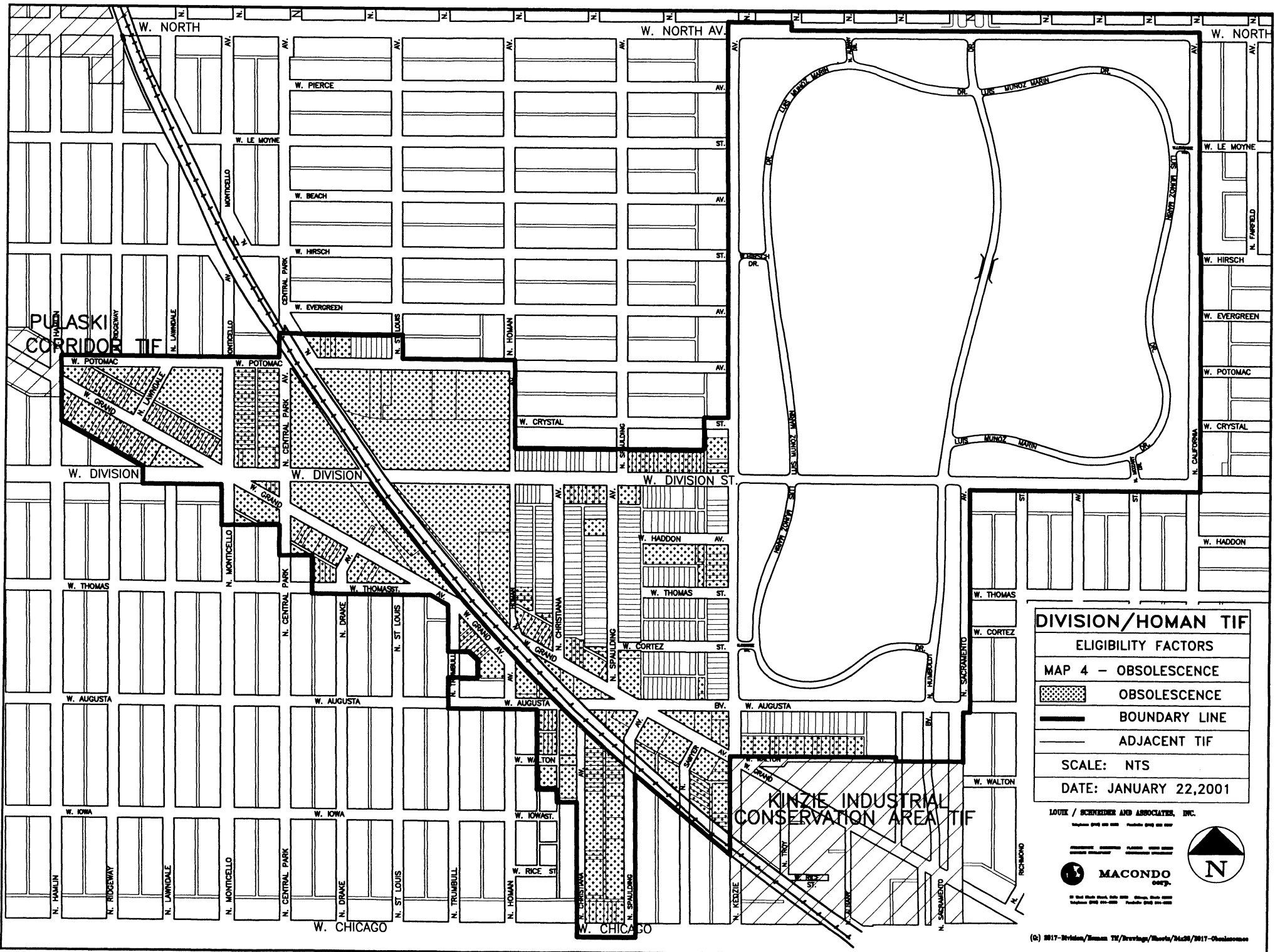
- BOUNDARY LINE
- ADJACENT TIF

SCALE: NTS

DATE: JANUARY 22, 2001

MAISON / ARCHITECTURE AND ASSOCIATES, INC.




MAISON
CORP.



DIVISION/HOMAN TIF

ELIGIBILITY FACTORS

MAP 4 - OBsolescence

-  OBsolescence
-  BOUNDARY LINE
-  ADJACENT TIF

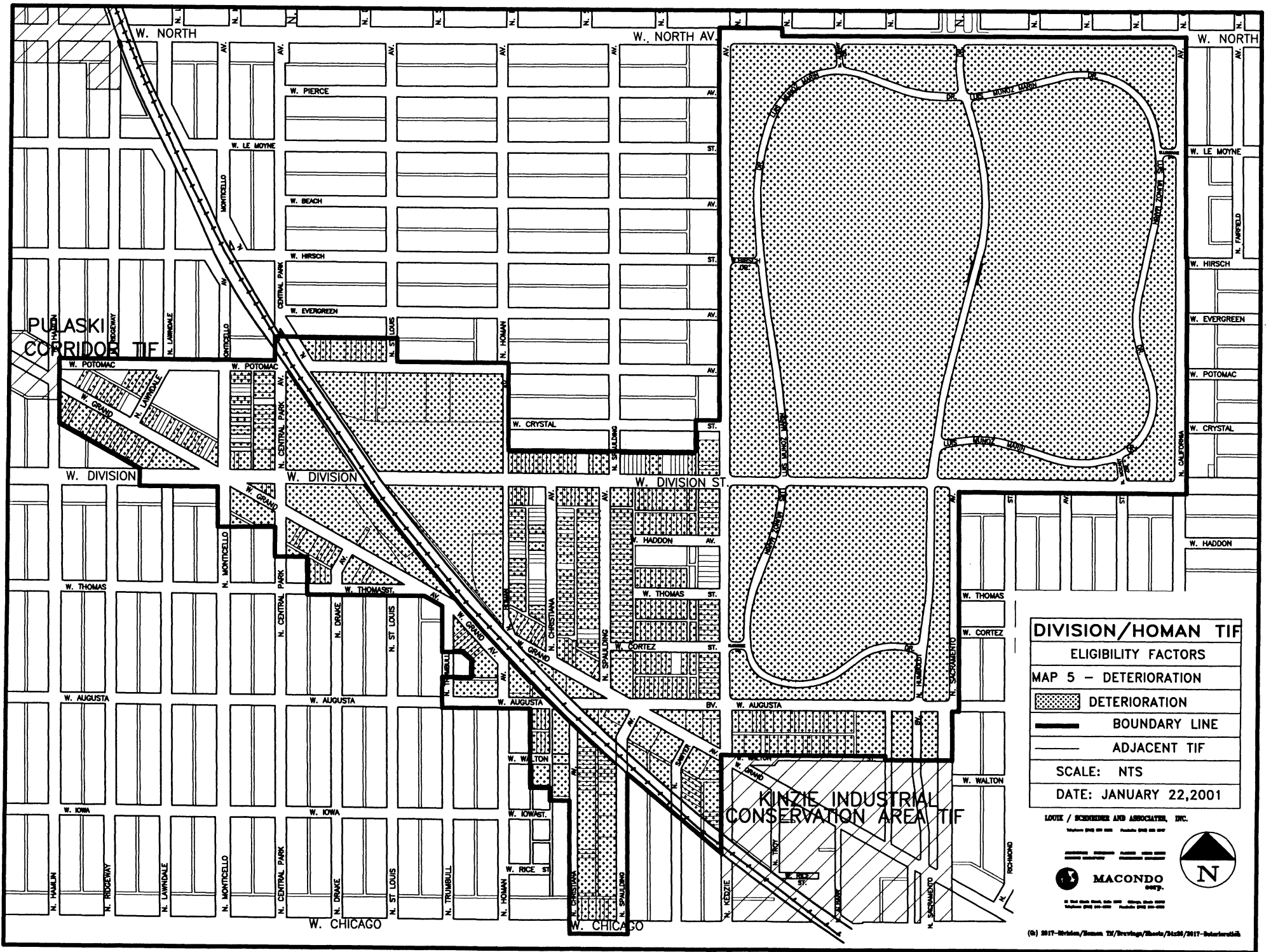
SCALE: NTS

DATE: JANUARY 22, 2001

LOUIE / SCHNEIDER AND ASSOCIATES, INC.
Map Date 01/22/01 Plot Date 01/22/01



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DIVISION/HOMAN TIF

ELIGIBILITY FACTORS

MAP 5 - DETERIORATION

 DETERIORATION

 BOUNDARY LINE

 ADJACENT TIF

SCALE: NTS

DATE: JANUARY 22, 2001

LOUJE / SCHNEIDER AND ASSOCIATES, INC.

Map Date: 01/22/01 Plot Date: 01/22/01



(B) 2017-Division/Homan TIF/Eligibility/Map5/Map5-2017-01-22-01

EXHIBIT 4 - HOUSING IMPACT STUDY

CITY OF CHICAGO

DIVISION/HOMAN

TAX INCREMENT FINANCE PROGRAM

HOUSING IMPACT STUDY

**CITY OF CHICAGO
RICHARD M. DALEY
MAYOR**

JANUARY 2001

**PREPARED BY:
LOUIK/SCHNEIDER & ASSOCIATES, INC.
MACONDO CORP.
CAGIS, UNIVERSITY OF ILLINOIS AT CHICAGO**

**DIVISION/HOMAN
HOUSING IMPACT STUDY**

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INTRODUCTION

Louik/Schneider and Associates, Inc. has been retained by the City of Chicago (the "City") to conduct a Housing Impact Study for the Division/Homan Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan and Project (the "Plan") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, in the Illinois Compiled Statutes, Chapter 65, Article 5, Section 11-74.4-1, et. seq., as amended (the "Act"). The Division/Homan Redevelopment Project Area is irregularly shaped and generally bounded by West Potomac and West North Avenues on the north; North Sacramento and North California Avenues on the east; West Walton Street and West Chicago Avenue on the south; and North Hamlin Avenue on the west.

This report summarizes the analyses and findings of the consultants' work, which is the responsibility of Louik/Schneider and Associates, Inc., Macondo Corp. and CAGIS (Chicago Area Geographical Information Study), an organization located within the University of Illinois at Chicago.

The Redevelopment Project Area is located within the Humboldt Park and West Town community areas of the City. The demographical and statistical information presented in this study was obtained from 1990 United States Census data compiled by CAGIS. CAGIS is a reliable source of small area data, having established working agreements with the US Bureau of the Census, the Illinois State Data Center Cooperative and agencies of State and local government. The demographic data report used was *Division/Homan TIF Census Data Report*, prepared by CAGIS in December 2000.

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 the City does not certify at that time that no displacement of residents will occur, the municipality shall prepare a housing impact study and incorporate the study in the Plan.

The number and type of residential buildings in the Redevelopment Project Area potentially affected by this Plan were identified during the survey of building conditions and land use conducted as part of the eligibility analysis for the Redevelopment Project Area. An estimate of the number of residential units within each building, and whether such residential units were inhabited or uninhabited, was based on a number of analytical tools including, where appropriate, physical building surveys, Cook County tax assessment records and census data. As of December 9, 2000, the Redevelopment Project Area contained 489 residential units, of which 459 are inhabited and 30 uninhabited.

The goal of the Plan is not to displace existing residents. The primary goal of the Plan is to promote rehabilitation and new development of all existing land uses, which include residential, commercial, institutional and open space uses. However, the City is unable to certify that no displacement of residents will occur throughout the 23-year life of the Redevelopment Project

Area. Therefore, based on the requirement of the Act, this housing impact study contains the following parts:

Part I herein identifies the residential units in number and type, indicating whether they are inhabited or uninhabited and the racial and ethnic composition of the residents. Specifically, the housing impact study shall provide the following:

- 1) Information from field surveys and census data regarding residential units, to establish if they are single-family or multi-family units;
- 2) documentation of the number and type of rooms within the units, provided that information is available;
- 3) documentation of whether the units are inhabited or uninhabited (as determined not less than 45 days before the Plan is considered by the Community Development Commission); and
- 4) data regarding the racial and ethnic composition of the residents in the inhabited residential units. (This data requirement shall be deemed fully satisfied if it is based on data from the recent federal census.)

Part II herein identifies the inhabited residential units in the proposed redevelopment project area that may be removed, including:

- 1) The number and location of those units that may be removed;
- 2) the municipality's plans for relocation assistance for those residents in the proposed redevelopment project area whose residences may be removed;
- 3) the availability of replacement housing for those residents whose residences may be removed, and the type, location, and cost of the housing; and
- 4) the type and extent of relocation assistance to be provided.

PART I - RESIDENTIAL UNITS

Part I of this study provides the type, size and number of residential units within the Redevelopment Project Area; the number of inhabited and uninhabited units; and the racial and ethnic composition of the residents in the inhabited residential units.

A. RESIDENTIAL UNIT NUMBER AND TYPE

Field studies conducted by Macondo Corp. indicate the Redevelopment Project Area contains both residential-only and mixed-use residential/commercial buildings, primarily second- and third-floor residential units above commercial uses. Within the area, there are 121 buildings with one residential unit and 138 buildings with more than one residential unit, for a total of 259 buildings with 489 residential units.

B. RESIDENTIAL UNIT DETAIL

The distribution within the Redevelopment Project Area of the 489 residential units by number of rooms, by number of bedrooms and with kitchen and plumbing facilities is identified in the following Tables 1-3, respectively. The methodology used to determine this information is described below.

METHODOLOGY

For purposes of this study, data has been gathered by CAGIS from the 1990 United States Census and is represented in Block Groups. A Block Group is a combination of census blocks (a census block is the smallest entity for which the Census Bureau collects and tabulates 100-percent data). The Block Group is the lowest level of geography for which the Census Bureau has tabulated sample, or long-form, data. In this study, we have relied on 1990 federal census sample data because it is the best available information regarding the structures and residents of the Redevelopment Project Area. We have obtained information for the four Block Groups in which the Redevelopment Project Area lies, containing total of 1,032 residential units.

Since the number of residential units within the Redevelopment Project Area represents 47.4% of the total residential units within the four Block Groups (489 units = 47.4% of 1,032 units), that percentage has been applied consistently to estimate the distributions presented in the tables below, which have been rounded to the nearest whole number. For example, the number of one-room units in all the block groups is 7. Forty-seven and four-tenths percent of this total, representing the Redevelopment Project Area, is 3 ($7 \times .474 = 3.18$).

Table 1 shows the number (rounded to the nearest whole number) of residential units in the Redevelopment Project Area by number of rooms.

TABLE 1 - RESIDENTIAL UNITS BY NUMBER OF ROOMS*

Number of Rooms	Number of Units within All Block Groups	Number of Units within Redevelopment Project Area
1	7	3
2	10	5
3	15	7
4	228	107
5	295	140
6	375	178
7	53	25
8	16	8
9+	33	16
TOTAL	1,032	489

*Information for Table 1 was obtained from Division/Homan TIF Census Data Report, prepared by CAGIS, University of Illinois at Chicago, December 2000.

** As defined by the Census Bureau, for each unit, rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or Pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets.

TABLE 2 - RESIDENTIAL UNITS BY NUMBER OF BEDROOMS*

Number of Bedrooms	Number of Units within All Block Groups	Number of Units within Redevelopment Project Area
None	7	3
1	41	19
2	489	232
3	427	202
4	20	9
5 or more	48	24
TOTAL	1,032	489

*Information for Table 2 was obtained from Division/Homan TIF Census Data Report, prepared by CAGIS, University of Illinois at Chicago, December 2000.

**As defined by the Census Bureau, number of bedrooms includes all rooms intended for use as bedrooms even if they are currently used for some other purpose. A housing unit consisting of only one room, such as a one-room efficiency apartment, is classified, by definition, as having no bedroom.

TABLE 3 - RESIDENTIAL UNITS WITH KITCHEN AND PLUMBING FACILITIES*

Facility	Number of Units within All Block Groups	Number of Units within Redevelopment Project Area
Kitchen	1026	486
Plumbing	1032	489

*Information for Table 3 was obtained from Division/Homan TIF Census Data Report, prepared by CAGIS, University of Illinois at Chicago, December 2000.

**As defined by the Census Bureau, a unit has complete kitchen facilities when it has all of the following: (1) an installed sink with piped water, (2) a range, cook top and convection or microwave oven, or cookstove, and (3) a refrigerator. All kitchen facilities must be located in the structure. They need not be in the same room. Portable cooking equipment is not considered a range or cookstove. An ice box is not considered to be a refrigerator.

***As defined by the Census Bureau, complete plumbing facilities include hot and cold piped water, a flush toilet, and a bathtub or shower. All three facilities must be located inside the house, apartment, or mobile home, but not necessarily in the same room. Housing units are classified as lacking complete plumbing facilities when any of the three facilities are not present.

C. NUMBER OF INHABITED UNITS

Field surveys were completed on a building-by-building basis by Macondo Corp. to determine the total number of inhabited and uninhabited residential units within the Redevelopment Project Area. As required by the Act, this information was ascertained as of December 9, 2000, which is not less than 45 days before the date that the resolution, required by Subsection (a) of Section 11-74.4-5, is or will be passed.

Field surveys indicate that of 489 residential units, 459 are inhabited and 30 uninhabited.

D. DEMOGRAPHICS

As required by the Act, the racial and ethnic composition of the residents in the inhabited residential units was determined according to the most recent federal census data, as compiled by CAGIS. Table 4 identifies the estimated number of residents in the Redevelopment Project Area, according to the methodology stated below.

METHODOLOGY

The United States Department of Housing and Urban Development (HUD) has determined a family size adjustment rate based on the number of bedrooms in a unit. This rate was applied to unit totals, in order to estimate the number of persons living in the Redevelopment Project Area. Estimates are indicated in Table 4 below. Currently, 1,864 persons reside in the Redevelopment Project Area.

TABLE 4 – NUMBER OF RESIDENTS *

Number of Bedrooms	Units in Redevelopment Project Area	Family Size Adjustment (persons per unit)*	Estimated Number of Residents within Redevelopment Project Area (Number of Units x Family Size Adjustment)
None	3	1	3
1	19	1.5	29
2	232	3	696
3	202	4.5	909
4	9	6	54
5 or more	23	7.5	173
TOTAL	489	N/A	1,864

*Information for Table 4 was obtained from the Family Size Adjustment Rate, provided by the United States Department of Housing and Urban Development, 1990.

Racial and ethnic composition data has been gathered by CAGIS from the 1990 United States Census for the four Block Groups in which the Redevelopment Project Area lies, or a total of 3,472 residents. Tables 5 and 6 further identify the 3,472 residents of the four Block Groups by racial and ethnic composition, based upon federal census data, and estimate the racial and ethnic composition of the 1,864 residents of the Redevelopment Project Area.

For example, census data indicates there are 1066 African-Americans, or 30.7% of the total number of residents, in all four Block Groups. By applying this percentage to 1,864 and rounding the total to the nearest whole number, we can estimate there are 572 African-Americans among the 1,864 residents of the Redevelopment Project Area ($1864 \times .307 = 572.268$).

TABLE 5 - RACIAL COMPOSITION*

Race	1990 Census Percentage	2000 Estimated Number of Residents within Redevelopment Project Area
African-American	30.7%	572
Asian	3.6%	67
Native American	0%	0
White	29.4%	548
Other Race	36.3%	677
TOTAL	100%	1,864

TABLE 6 - ETHNIC COMPOSITION*

Ethnicity	1990 Census Percentage	2000 Estimated Number of Residents within Redevelopment Project Area
Hispanic Origin	61%	1137
Non-Hispanic Origin	39%	727

* Information for Tables 5 and 6 was obtained from Division/Homan TIF Census Data, CAGIS, University of Illinois at Chicago, December 2000

PART II – UNITS THAT MAY BE REMOVED
(OVER THE 23-YEAR LIFE OF THE REDEVELOPMENT PROJECT AREA)

Part II contains, as required by the Act, information on any acquisition, relocation program, replacement housing and relocation assistance.

A. NUMBER AND LOCATION OF UNITS THAT MAY BE REMOVED

The primary goal of the Plan is to encourage maintenance, restoration and reuse of existing structures, to the maximum extent feasible. The establishment of the Division/Homan Redevelopment Project Area is intended to foster the growth of the current community, and build upon existing stable businesses. Although the Plan does not anticipate removing any of the Redevelopment Project Area's 489 inhabited residential units, the Redevelopment Project Area does contain a number of dilapidated buildings, some with residential uses that are on blocks that also exhibit at least six other blighting factors. Dilapidation can gravely affect a building's safety and desirability and is the most severe of blighting factors. Accordingly, it is reasonable to conclude that dilapidated buildings may be targeted for redevelopment by developers, which may result in the removal of inhabited residential units.

Since no development proposals for the Redevelopment Project Area have been submitted to the City, it is impossible to determine whether the redevelopment or demolition of these buildings and the removal of any of their inhabited residential units would stem from projects that receive tax increment assistance (or other public projects that are implemented in furtherance of this Plan).

Hence, there is a possibility that over the 23-year life of the Redevelopment Project Area, some inhabited residential units may be removed as a result of implementing this Plan. In order to meet the statutory requirement of defining the number and location of inhabited residential units that may be removed, a methodology was derived that would provide a rough, yet reasonable, estimate. This methodology is described below.

METHODOLOGY

The methodology used to fulfill the statutory requirements of defining the number and location of inhabited residential units that may be removed involves three steps.

1. Step one counts all inhabited residential units previously identified on any underlying acquisition maps. For this purpose, the Humboldt Park Redevelopment Area (as described in Section II-C of the Plan) was reviewed. Therefore, the number of inhabited residential units that may be removed in this step is 13.

2. Step two counts the number of inhabited residential units contained on parcels that are dilapidated as defined by the Act. From field surveys conducted by Macondo Corp., we have identified parcels on which: 1) dilapidation is present so that, within 23 years, existing structures may be demolished or rehabilitated, and therefore may result in the removal of inhabited residential

units; and 2) there also exists six or more eligibility factors in addition to age and dilapidation (representing the highest number of eligibility factors on blocks in the Redevelopment Project Area). Because of their location, we do not contemplate City assisted redevelopment of five scattered residential family buildings that were found to be dilapidated and therefore are being excepted from this count. Therefore, the number of inhabited residential units that may be removed in this step is 6.

3. Step three counts the number of inhabited residential units that exist where the future land use indicated by the Plan will not include residential uses. In the Redevelopment Project Area, the future land use in the Plan for the existing inhabited residential units will not change. Therefore, the number of units inhabited residential units that may be removed in this step is 0.

Exhibit 2 - *Map of Units That May Be Removed* identifies the 19 occupied units (that is the sum of the units found in Steps 1-3 above), in 9 buildings on two blocks of the Redevelopment Project Area, that could potentially be removed during the 23-year life of the Redevelopment Project Area. In addition, the specific parcels by PIN, are listed in Exhibit 1 of this study.

B. RELOCATION PROGRAM

If, during the life of the 23-year tax increment financing district, the acquisition plans change, the City's plans for relocation assistance for qualified residents in the proposed Redevelopment Project Area shall be consistent with the requirements set forth in Section 11-74.4-3(n)(7) of the Act. The terms and conditions of such assistance are described in Section D below. The City, as of the date of this report, has prepared no specific relocation plan because it is not the intent of the City to acquire any occupied residential units within the Redevelopment Project Area.

C. REPLACEMENT HOUSING

In accordance with Section 11-74.4-3(n)(7) of the Act, the City shall make a good faith effort to ensure that affordable replacement housing for any qualified displaced residents whose residence is removed is located in or near the Redevelopment Project Area.

To promote development of affordable housing, the Redevelopment Plan requires that developers who receive tax increment financing assistance for market-rate housing are to set aside at least 20 percent of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale units should be priced at a level that is affordable to households earning no more than 120 percent of the area median income (adjusted for family size), and affordable rental units should be affordable to households earning no more than 80 percent of the area median income (adjusted for family size).

If, during the life of the 23-year TIF District, the acquisition plans change, appropriate replacement housing can be found in either the Redevelopment Project Area or the surrounding West Town/Humboldt Park community area.

The location, type, cost and availability of a sample of possible replacement housing units located in the City's West Town/Humboldt Park community area are listed in Table 7. The West Town/Humboldt Park community area is generally bounded by Bloomingdale Avenue on the

north, Grand Avenue on the south, the North Branch of the Chicago River on the east and Cicero Avenue on the west. The information presented is based on classified advertisements and Internet listings from the *Chicago Tribune*, *Chicago Reader* and *Apartments.com*, the Northern Illinois Multiple Listing Service and a telephone verification survey conducted during the week of January 15, 2001. It is important to note, however, that Chicago has a rental cycle that turns over in greater volume on May 1 and October 1 of each year. The majority of apartments in the City are available during the months prior to those dates. Therefore, housing ads placed at these times would likely reflect a wider variety of rental rates, unit sizes and locations.

TABLE 7 - LOCATION, TYPE, COST AND AVAILABILITY OF REPLACEMENT HOUSING UNITS*

	Address	Type	Approximate Size (sq. ft.)	Utilities included in rental price	Rental Price	Availability	Community Area
1.	1653 N. Fairfield	One-bedroom	NA		\$750	ASAP	Humboldt Park
2.	1653 N. Fairfield	Two-bedroom	NA		\$825	ASAP	Humboldt Park
3.	1421 N. California	Two-bedroom	1,200		\$1,600	ASAP	Humboldt Park
4.	2000 N. California	Two-bedroom	1,250	Gas	\$1,300	ASAP	Humboldt Park
5.	2100 N. Campbell	Two-bedroom	1,400		\$1,450	Feb. 1	Humboldt Park
6.	1306 W. Spaulding	Two-bedroom	750		\$795	ASAP	Humboldt Park
7.	3303 W. Crystal	Three-bedroom	1,200		\$1,100	ASAP	Humboldt Park
8.	1108 N. Wolcott	Three-bedroom	NA		\$950	ASAP	West Town
9.	3000 W. Grand	Three-bedroom	1,500		\$1,000	ASAP	West Town
10.	1713 N. Albany	Three-bedroom	2,000		\$1,200	ASAP	Humboldt Park
11.	2119 W. North	Four bedroom	NA		\$775	ASAP	Humboldt Park
12.	2028 W. Potomac	Four-bedroom	2,000	Heat/Gas	\$1,700	ASAP	Humboldt Park
13.	929 N. Fairfield	Four-bedroom	1,600		\$1,800	ASAP	Humboldt Park
14.	1402 N. Bell	Four-bedroom	NA		\$1,600	ASAP	Humboldt Park

*Information is based on an *Apartments.com*, *Chicago Tribune* and *Chicago Reader* classified sample, the Northern Illinois Multiple Listing Service and a telephone verification survey, conducted during the week of January 15, 2001.

D. RELOCATION ASSISTANCE

At the present time, there are no plans to acquire residential housing units as part of the Plan. However, if the removal or displacement of low-income or very low-income residential housing units is required, such residents will be provided with affordable housing and relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the regulations thereunder, including the eligibility criteria. The City shall make a good-faith effort to ensure that affordable replacement housing for the aforementioned households is located in or near the Redevelopment Project Area.

As used in the paragraph above, "low-income household," "very low-income household" and "affordable housing" have the meanings set forth in Section 3 of the Illinois Affordable Housing Act, 310 ILCS 65/3. As of the date of this study, these statutory terms have the following meanings:

- (i) "Low-income household" means a single person, family or unrelated persons living together whose adjusted income is more than 50 percent but less than 80 percent of the median income of the area of residence, adjusted for family size, as such adjusted and median incomes are determined from time to time by the United States Department of Housing and Urban Development ("HUD") for purposes of Section 8 of the United States Housing Act of 1937;
- (ii) "very low-income household" means a single person, family or unrelated persons living together whose adjusted income is not more than 50 percent of the median income of the area of residence, adjusted for family size, as so determined by HUD; and
- (iii) "affordable housing" is residential housing that, so long as the same is occupied by a low-income or very low-income household, requires payment of monthly housing costs, including utilities other than telephone, of no more than 30 percent of the maximum allowable income for such households as applicable.

In order to determine the number of households in the Redevelopment Project Area that are moderate-, low-, and very low-income, we have based such estimates on data gathered by CAGIS from the 1990 United States Census, represented in Block Groups. We have obtained information for the four Block Groups in which the Redevelopment Project Area lies, containing a total of 1,032 residential units. We have determined numbers for the 489 residential units in the Redevelopment Project Area, representing 47.4% of the Block Group Totals.

Census information applied to the Redevelopment Project Area reveals:

- 178 households (45.2%) have an income under \$17,500.
- 143 households (36.4%) have an income between \$17,500 and \$34,999.
- 72 households (18.4%) have an income of \$35,000 or more.

Census information applied to the Redevelopment Project Area also reveals:

- 23 occupied residential units (5%) have 1 or no bedrooms, or an adjusted family size of 1-1.5 persons. (We can assume a household of 1 to 2.)

<i>To be considered:</i>	<i>A household of this size will have an annual income of:</i>
very low-income	\$14,600 to \$16,700
low-income	\$23,350 to \$26,700
moderate-income	\$35,050 to \$40,050

- 434 occupied residential units (89%) have 2 or 3 bedrooms, or an adjusted family size of 3-4.5 persons. (We can assume a family of 3 to 5.)

<i>To be considered:</i>	<i>A household of this size will have an annual income of:</i>
very low-income	\$18,750 to \$22,500
low-income	\$30,000 to \$35,450
moderate-income	\$45,050 to \$54,050

- 32 occupied residential units (7%) have 4 or more bedrooms, or an adjusted family size of 6-7.5 persons. (We can assume a household of 6 to 8.)

<i>To be considered:</i>	<i>A household of this size will have an annual income of:</i>
very low-income	\$24,200 to \$27,500
low-income	\$37,500 to \$41,700
moderate-income	\$58,050 to \$66,050

APPENDIX

EXHIBIT 1 - UNITS THAT MAY BE REMOVED

The following is a list of PINs of the buildings that contain residential units that could possibly be removed over the 23-year life of the Redevelopment Project Area.

1. 16-02-228-024
2. 16-02-228-025
3. 16-02-228-026
4. 16-02-228-033
5. 16-02-228-036
6. 16-02-228-039
7. 16-02-411-001
8. 16-02-411-005
9. 16-02-411-021

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(2) AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)

During 2001, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(3) MAYOR'S CERTIFICATION - 65 ILCS 5/11-74.4-5(d)(3)

Please see attached.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

CERTIFICATION

TO:

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Carol Reckamp, Director of Local
Government

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Rm. 1149
Chicago, Illinois 60606

Gwendolyn Clemons, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602
Attn: Kay Kosmal

Dean L. Viverito, Comptroller
Forest Preserve District of Cook County
536 North Harlem Avenue
River Forest, Illinois 60305
Attn: Barbara McKinzie

Michael Koldyke, Chairman
Chicago School Finance Authority
135 S. LaSalle Street, Suite 3800
Chicago, Illinois 60603

David Doig, General Superintendent & CEO
Chicago Park District
541 N. Fairbanks Court, 7th Floor
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603
Attn: Linda Wrightsell

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

Lawrence Gulotta, Treasurer
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. K. Lime, Manager

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

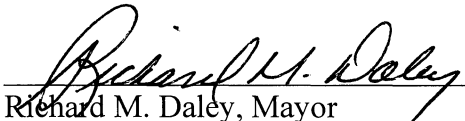
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2001, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

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

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

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 28th day of June, 2002.


Richard M. Daley, Mayor
City of Chicago, Illinois

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(4) OPINION OF LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)

Please see attached.



City of Chicago
Richard M. Daley, Mayor

Department of Law

Mara S. Georges
Corporation Counsel

City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-6900
(312) 744-8538 (FAX)
(312) 744-2963 (TTY)

<http://www.ci.chi.il.us>

June 28, 2002

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Carol Reckamp, Director of Local
Government

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Rm. 1149
Chicago, Illinois 60606

Gwendolyn Clemons, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602
Attn: Kay Kosmal

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Forest Preserve District of Cook County
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125 South Clark Street, 5th Floor
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Lawrence Gulotta, Treasurer
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. K. Lime, Manager

Re: Division/Homan Redevelopment Project Area (the
"Redevelopment Project Area")

Dear Addressees:

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



June 28, 2002

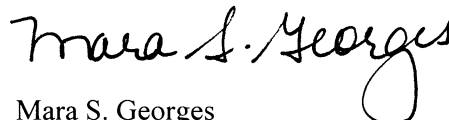
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following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

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

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

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

Very truly yours,



Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

During 2001, there was no financial activity in the Special Tax Allocation Fund.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

TABLE 6
DESCRIPTION OF PROPERTY PURCHASED BY THE CITY WITHIN THE REDEVELOPMENT PROJECT AREA

STREET ADDRESS	APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY	PURCHASE PRICE	SELLER OF PROPERTY
3244 W. DIVISION ¹	N/A	N/A	N/A
3536 W. THOMAS ¹	N/A	N/A	N/A

¹This property was acquired through the Tax Reactivation Program (“TRP”), under which the City instructs the County of Cook to make a no cash bid on certain tax-delinquent parcels. The City then pursues the acquisition in a court proceeding and receives a tax deed from the County after a court order is issued. The City pays court costs and certain incidental expenses for each parcel, which average between \$2,000 and \$2,500. The size and description of each parcel is not available.

Division/Homan Redevelopment Project Area 2001 Annual Report

(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)

- (A)** Projects implemented in the preceding fiscal year.
- (B)** A description of the redevelopment activities undertaken.
- (C)** Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/00 to 12/31/01, and of such investments expected to be undertaken in Year 2002; also, a project-by-project ratio of private investment to public investment from 11/1/00 to 12/31/01, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

Division/Homan Redevelopment Project Area 2001 Annual Report

(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2001, no projects were implemented.

(7)(B) - 65 ILCS 5/11-74.4-5(d)(7)(B)

Redevelopment activities undertaken within this Project Area during the year 2001, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

(7)(C) - 65 ILCS 5/11-74.4-5(d)(7)(C)

During 2001, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(7)(D) - 65 ILCS 5/11-74.4-5(d)(7)(D)

The Project Area has not yet received any increment.

(7)(E) - 65 ILCS 5/11-74.4-5(d)(7)(E)

During 2001, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(7)(F) - 65 ILCS 5/11-74.4-5(d)(7)(F)

Joint Review Board Reports were submitted to the City. See attached.

(7)(G) - 65 ILCS 5/11-74.4-5(d)(7)(G)

During 2001, no public investment was undertaken in the Project Area. As of December 31, 2001, no public investment is estimated to be undertaken for 2002.

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CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on March 16, 2001, at 10:00 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Mr. Gary Gordon, Chairman.

PRESENT:

- MR. GARY GORDON, CHAIRMAN
- MS. SUSAN MAREK
- MS. KAY KOSMAL
- MR. MATT WOS
- MS. IVETTE CAO ROMERO
- MR. EDUARDO AROCHO

REPORTED BY: Accurate Reporting Service
200 N. LaSalle Street
Chicago, Illinois

By: Jack Artstein, C.S.R.

1 CHAIRMAN GORDON: Let me begin by
2 introducing the Members of the Board. I'm Gary
3 Gordon from Chicago Park District.

4 MS. KOSMAL: Kay Kosmal, representing
5 Gwendolyn Clemmons, Cook County.

6 MS. MAREK: Susan Marek representing Ken
7 Gotsch from Chicago Board of Education.

8 MR. WOS: Matt Wos, representing John
9 McCormick for the City of Chicago.

10 MS. CAO ROMERO: Ivette Cao Romero,
11 representing -- position from --

12 CHAIRMAN GORDON: For the record my name
13 is Gary Gordon, I'm the representative of the
14 Chicago Park District, which under Section 11-74.4-
15 5 of the Tax Increment Allocation Redevelopment Act
16 is one of the statutorily designated members of the
17 Joint Review Board.

18 Until election of the Chairperson, I
19 will moderate the Joint Review Board meetings. For
20 the record there will be two meetings of the Joint
21 Review Board. One to review the Proposed
22 Division/Homan Tax Increment Financing District and
23 one to review the Proposed Humboldt Park Commercial
24 Tax Increment Financing District.

1 The date of this meeting was announced
2 at and set by the Community Development Commission
3 of the City of Chicago at its January 23rd, 2001
4 meeting.

5 Notice of this meeting of the Joint
6 Review Board was also provided by Certified Mail to
7 each taxing district represented on the Board which
8 includes the Chicago Board of Education, the
9 Chicago Community College District 508, the Chicago
10 Park District, Cook County, and the City of
11 Chicago, and the Public Member.

12 Public notice of this meetings was
13 also posted as of Wednesday, March 14th, 2001, in
14 various locations throughout City Hall. When a
15 Proposed Redevelopment Plan would result in the
16 displacement of residents of ten or more inhabited
17 residential units or would include 75 or more
18 inhabited residential units, the TIF Act requires
19 that the Public Member of the Joint Review Board
20 must reside in the Proposed Redevelopment Project
21 Area.

22 In addition if a Municipality Housing
23 Impact Study determines that the majority of
24 residential units in the Proposed Redevelopment

1 Project Area are occupied by very low, low, or
2 moderate income households as defined in Section 3
3 of the Illinois Affordable Housing Act, the Public
4 Member must be a person who resides in a very low,
5 low, or moderate income housing within the Proposed
6 Redevelopment Area.

7 Although the City of Chicago's
8 Proposed Redevelopment Plans for Division/Homan and
9 Humboldt Park Commercial District do not include
10 the Housing Impact Studies because the Plan
11 certified that no displacement of inhabited
12 residential units will occur.

13 The City has attempted to find a
14 resident of each of these areas to fill the
15 position of the Public Member. With us today we
16 have a Public Member Ivette, and I apologize if I
17 say your last name incorrectly, Cao Romero?

18 MS. CAO ROMERO: Uh-huh.

19 CHAIRMAN GORDON: Can I ask you some, I
20 need to ask you some questions.

21 MS. CAO ROMERO: Yes, please.

22 CHAIRMAN GORDON: Are you familiar with
23 the boundaries of the proposed Division/Homan Tax
24 Increment Financing Redevelopment Project Area?

1 MS. CAO ROMERO: Yes, I am.

2 CHAIRMAN GORDON: What is the address of
3 your primary residence?

4 MS. CAO ROMERO: 1112 North Spaulding.

5 CHAIRMAN GORDON: And is such address
6 within the boundaries of the proposed Tax Increment
7 Financing Redevelopment Project Area?

8 MS. CAO ROMERO: Yes, sir.

9 CHAIRMAN GORDON: Have you provided
10 representatives of the City of Chicago's Department
11 of Planning and Development with accurate
12 information concerning your income and the income
13 of any other members of the household residing at
14 such address?

15 MS. CAO ROMERO: Yes, I have.

16 CHAIRMAN GORDON: Based on the information
17 provided to you by the Department of, excuse me,
18 provided to you by the Department of Planning and
19 Development regarding applicable income levels for
20 very low, low and moderate income households, do
21 you qualify as a member of a very low, low, or
22 moderate income household?

23 MS. CAO ROMERO: Yes, I do.

24 CHAIRMAN GORDON: Are you willing to serve

1 as the public member for the Joint Review Board for
2 the Division/Homan Tax Increment Financing
3 Redevelopment Project Area?

4 MS. CAO ROMERO: Yes.

5 CHAIRMAN GORDON: I'll entertain a motion
6 from the Board that she serve as the public member.

7 MR. WOS: So moved.

8 CHAIRMAN GORDON: Is there a second?

9 MS. KOSMAL: Second.

10 CHAIRMAN GORDON: All those in favor?
11 Signify by saying aye.

12 (Chorus of ayes.)

13 All those opposed say no. Let the
14 record reflect that Ivette Cao Romero has been
15 selected as the public member for the
16 Division/Homan Tax Increment Financing
17 Redevelopment Project Area.

18 Our next order of business is to
19 select a chairperson for this Joint Review Board.
20 Are there any nominations?

21 MS. MAREK: I'd like to nominate Gary
22 Gordon.

23 MS. KOSMAL: I'll second that.

24 CHAIRMAN GORDON: All those in favor vote

1 by saying aye.

2 (Chorus of ayes.)

3 All opposed vote by saying no. Let
4 the record reflect that Gary Gordon has been
5 elected as chairperson and will now serve as the
6 chairperson for the remainder of the meeting.
7 Sometimes somebody else should get that.

8 (Laughing.)

9 As I mentioned at this meeting we will
10 be reviewing a plan for the Division/Homan TIF
11 District proposed by the City of Chicago. Staff of
12 the City's Department of Planning and Development
13 and Law and other Departments have reviewed this
14 plan which was introduced at the City's Community
15 Development Commission on January 23rd, 2001.

16 We will listen to a presentation by
17 the consultant on the plan. Following the
18 presentation we can address any questions that the
19 members might have to the consultant or City Staff.
20 The recent amendment to the TIF Act requires us to
21 base our recommendations to approve or disapprove
22 the Division/Homan Plan and the designation of the
23 Division/Homan TIF Area on the basis of the Area
24 and the Plan satisfying the Plan requirements, the

1 Eligibility Criteria defined in the TIF Act, and
2 the Objectives of the TIF Act.

3 If the Board approves the Plan and the
4 designation of the Area, the Board will then issue
5 an advisory non-binding recommendation by the vote
6 of majority of those members present and voting.
7 Such recommendation will be submitted to the City
8 within 30 days after the Board meeting.

9 Failure to submit such recommendation
10 shall be deemed to constitute approval by the
11 Board. If the Board disapproves the Plan and the
12 designation of the Area the Board must issue a
13 written report describing why the Plan and Area
14 failed to meet one or more of the Objectives of the
15 TIF Act and both the Plan Requirements and the
16 Eligibility Criteria of the TIF Act.

17 The City will then have 30 days to
18 resubmit a revised plan. The Board and the City
19 must also confer during this time to try to resolve
20 the issues that led to the Board's disapproval. If
21 such issues cannot be resolved or if the revised
22 Plan is disapproved, the City may proceed with the
23 Plan, but the Plan can be approved only with a
24 three fifths vote of the City Council, excluding

1 positions of members that are vacant and those
2 members that are ineligible to vote because of
3 conflicts of interest.

4 With that I turn it over to the
5 Department of Planning and Development for
6 presentation on this TIF Plan.

7 MR. SCHNEIDER: My name is John Schneider.
8 I'm Executive Vice President of Louik/Schneider &
9 Associates and we were the firm that was hired to
10 work on this particular plan. Before we get into
11 the Eligibility Criteria I thought it was important
12 for everyone to know the process which we went into
13 with this particular Plan and also the Humboldt
14 Park Plan.

15 It's been a six year process that was
16 basically community led with Near Northwest
17 Neighborhood Network being the umbrella
18 organization representing about 80 community
19 organizations.

20 The process started about six years
21 ago, when the community through the Department of
22 Planning and the Alderman's Office went and looked
23 at the land uses that were existing within the
24 Humboldt Park general area. Then they came up with

1 a Humboldt Park Commercial Land Use Plan dated June
2 1996.

3 As an off-broke of that the Planning
4 Department working with the Community Groups looked
5 at how did they end up making, to pass up some
6 plans that were their work and through an effort of
7 about two years they went through and they
8 designated a much larger than we're going to talk
9 about today as the Humboldt Park Redevelopment Plan
10 and Designation. That was in done January 12th,
11 1999.

12 What you're going to see here are
13 segments of that larger, those areas that
14 qualified. They need to be qualified. And this is
15 an area that's on the southwest part of the
16 original plan. The area is bounded by North Avenue
17 at Potomac on the north. It goes west to Hamlin
18 and goes east to California.

19 And you'll see that in terms of public
20 space that we've added we have Humboldt Park. That
21 was added because it's an important part of this
22 community. Additionally two schools were, are
23 within the area, one is Cameron Elementary School,
24 the other one is Pablo Casal's Elementary School.

1 This particular area is a mix. It's a
2 mixed use area. It has residential, it has
3 industrial, it has some commercial. The process
4 has been long. There's been four public notified
5 TIF meetings out in the community. And probably on
6 the TIF process alone I think we've had an
7 additional four to five meetings with different,
8 six meetings with different neighborhood groups.
9 And the latest one having been about three nights
10 ago.

11 You have a copy of our Plan. I think
12 what I'd like to do now is have Rodrigo Del Conto
13 from Macondo Corp. (phonetic) who is our Sub and
14 did the Eligibility Study, present the Eligibility
15 Findings, and then if you have specific questions
16 about that or the Plan in general we can discuss
17 that. With that Rodrigo?

18 MR. DEL CONDO: Good morning. The
19 Eligibility Study coming out in this area followed
20 the typical requirements of the legislation. In
21 this particular area we found most of the factors
22 that may qualify this area as a redevelopment area
23 are present. However, the major elements present
24 that led us to believe that this area qualifies as

1 a redevelopment area, TIF eligible area were
2 obsolescence, deterioration and deleterious land
3 use.

4 You will see from the plan that any
5 time that we have diagonal streets in the City that
6 is very much of a pentagram is north/south,
7 east/west streets. The diagonal streets do break
8 up land parcels and shapes that are odd for
9 redevelopment.

10 We also found in this brown area that
11 you see here, sort of at the center right, center
12 left, center west of the area, all these brown
13 areas are industrial areas. The industries located
14 in these particular areas are really, they lack
15 expansion possibilities, they are landlocked, and
16 they again are situated adjacent to parcels that
17 cannot be developed properly for the current
18 requirements of modern industry.

19 There is a very strong need in this
20 area for additional large commercial enterprise
21 that will furnish this community with goods and
22 services that we don't have presently. Therefore,
23 the area to the west of the railroad tracks there
24 that is in ground is a very much underdeveloped

1 commercial area.

2 There are two shop, two large grocery
3 stores that have closed over the last few years and
4 one of them has been turned into a state office.
5 We believe that this area will provide the
6 potential for redevelopment as there are no other
7 parcels of that size in the community.

8 MS. MAREK: Excuse me, would you mind --

9 MR. DEL CONTO: Sure.

10 MS. MAREK: Thank you.

11 MR. DEL CONTO: In blue you see some of
12 the most important institutional users. John just
13 talked about the two schools. We also have a very
14 large social service agency here, Association
15 House, they've got almost 100,000 square feet of
16 office space that we lease to other not-for-profit
17 organizations that provide social services to this
18 community.

19 It is important that we are able to
20 maintain that kind of facilities present in the
21 area. The park has been undergoing some
22 improvements that have been strong and long present
23 desire to rehabilitate the stables of this park as
24 well as do something with the state armory in this

1 corner.

2 And this we hope will be possible to
3 really study the potential for redevelopment of
4 those parcels through the TIF plan. Any questions?

5 MS. MAREK: When you talked about
6 redeveloping those park facilities are you talking
7 about using them as public use, still, or?

8 MR. DEL CONTO: Well that's still to be
9 determined. The stable has been -- on the
10 exterior, however, materials have -- There has been
11 a strong interest for some time as part of this
12 process in the community to have a cultural center,
13 and that's still part of the plan and part of the
14 possible uses for this --

15 CHAIRMAN GORDON: These are park district
16 facilities --

17 MS. CAO ROMERO: Sir, and with the armory
18 hall is that the same kind of plan?

19 MR. DEL CONTO: The same kind of plan.
20 The -- Salvation Army -- the --

21 PARTICIPANT: National Guard.

22 MR. DEL CONTO: ROTC the --

23 PARTICIPANT: National Guard.

24 MR. DEL CONTO: National Guard. The

1 National Guard are the ones that are using this
2 building presently. It's a very large structure,
3 it's underutilized. It provides potential for a
4 facility for youth in a community that really don't
5 have many places for to go.

6 There is however the YMCA under
7 construction but that's not going to be able to
8 address all of the users in the community. It's
9 much larger -- YMCA --

10 CHAIRMAN GORDON: Another question that I
11 had, looking at the two TIF plans we're going to be
12 looking at today, what are the reasons these are
13 being presented as two separate TIFs --

14 MR. DEL CONTO: Well you have very
15 different characters. This one is as John has
16 mentioned is a very mixed used area, we have
17 residential pocket, we have industrial area that
18 needs to be taken care of, we have the commercial
19 street, and we have this very large public
20 facility.

21 You'll see as we -- it's strictly a
22 commercial strip that goes along North Avenue --
23 really a very different type of uses and the needs
24 for redevelopment are very different.

1 CHAIRMAN GORDON: Does anyone have any
2 questions on this particular piece? I have some
3 questions on the budget. I don't know if --

4 MS. MAREK: Do you have a future land use
5 proposed?

6 MR. DEL CONTO: This is the proposed --

7 MR. MAREK: Of the --

8 (Pause.)

9 And are you proposing acquiring any
10 land or any --

11 MR. SCHNEIDER: There's an acquisition
12 proposed of a industrial facility here and, that
13 you see, the gray in this map is industrial
14 buildings, straight industrial. And what we're
15 proposing is that they become both mixed industrial
16 and commercial.

17 It's one of the things this community
18 has expressed over and over again, is a need for a
19 larger grocery store. And one of the things that's
20 happened we've gone to Jewel, we've gone to
21 Dominick's and we have not been successful, we're
22 trying to get those users in here.

23 And the Alderman along with the
24 community groups have actually gone to Puerto Rico

1 to propose and try to find a chain there to maybe
2 come here and service this area. So we've got some
3 innovative ideas in terms of you know how do we get
4 commercial in here to serve the people that are
5 here now.

6 Dominick's is working for an area
7 change before they would vacant so that's the major
8 piece that's being acquired, that may be acquired.

9 MS. THOMAS: For the record, Cindy Thomas,
10 Department of Planning and Development. I just
11 wanted to clarify there's no acquisition map for
12 this plan, correct?

13 MR. SCHNEIDER: Yeah, there's a, there is
14 a property that may be acquired which is the
15 industrial.

16 MS. THOMAS: Okay.

17 MR. SCHNEIDER: I mean the intent of both
18 this plan and the next plan is to not have
19 acquisition take place. We'd much rather have the
20 things happen from within. But this is --

21 MS. KOSMAL: Is there a current operating
22 business on that one parcel?

23 MR. SCHNEIDER: There is a current
24 operating business.

1 MS. KOSMAL: And I'm assuming that they
2 would be given assistance with relocating and --

3 MR. SCHNEIDER: Absolutely. There's,
4 within the budget there's dollars for relocation.
5 There's dollars for acquisition. The Department
6 has been working with, has talked with the business
7 a couple, two, three times. -- relocation of
8 million dollars. We're not looking to relocate
9 people, so.

10 CHAIRMAN GORDON: And is this project
11 based on current increment, is this based on
12 possible bonds?

13 MR. SCHNEIDER: The plan is to basically
14 work at doing this pay as you go basis. With the
15 issuance of bonds it would have to be years out
16 because there's, we're looking at, there's no, in
17 this particular case there is a potential of having
18 an income generator, a shopping center.

19 There's vacant parcels of property
20 within the residential. And one of the things is
21 that we're looking at those properties being
22 developed for residential and so there's no big --
23 taking place right away where we could issue bonds.

24 MS. MAREK: And then the infrastructure is

1 in pretty good shape, or are there a lot of other?

2 MR. SCHNEIDER: Well I think in terms of
3 infrastructure, you know, there's an assortment. I
4 mean there are streets that need paving, that need
5 some activity, need some work done. Even on the
6 Park District property I think you know there's the
7 roadway, the roadway needs some work.

8 There's, the stable is something
9 that's, is of interest. The exterior is done, the
10 interior wasn't done. But to make any kind of site
11 available for commercial development you know,
12 probably there's going to have to be some dollars
13 expended from this TIF to kind of encourage that to
14 happen, so.

15 But for the most part the streets
16 are --

17 CHAIRMAN GORDON: Are there any other
18 questions from the Board? None, okay. That
19 completes the --

20 And if there are no further questions
21 I will entertain --

22 MS. MAREK: Oh, I do have one. You
23 mentioned that you had five or six meetings with
24 the different community members. Are they

1 supporting this TIF?

2 MR. SCHNEIDER: We had four meetings that
3 were noticed. We met with, we had one specific
4 meeting with the business people on Division Street
5 and North Avenue. We had a different meeting at
6 Roberto Clementi and I think you know, when you
7 look at this, you know, the umbrella organization
8 has done a great job in the past in terms of
9 bringing together.

10 And really when you look at the goals
11 and the objectives and the actions, they're really
12 community based. I mean these are what they want,
13 so yeah, I think having a large area like this, I
14 was pleasantly surprised at how you know groups
15 have been very supportive of this.

16 I mean I think the leading questions
17 are acquisition oriented questions. The others I
18 think things have been out and around and people
19 know a --

20 When they went through that original
21 process I think -- there were hundreds and hundreds
22 of people that showed up for, to public meetings on
23 the original redevelopment plan.

24 MR. PEREZ: For the record my name is Adel

1 Perez, City Project Manager for the Area -- We had
2 probably several hundred people show up at the
3 public meeting to, a hundred people actually showed
4 up to the public meeting to not support the
5 project. -- underlying redevelopment.

6 MS. CAO ROMERO: And I'd like to just
7 answer the question from the perspective of the
8 community. We've been quite involved in the
9 process. We've been to all the meetings and do
10 spend a lot of interest, part of the educational
11 component, the social service components, and we
12 are 80 different organizations.

13 We have -- explained and done leg work
14 so that community's members and residents
15 understand what is it that's happening in the
16 community. And we envisioned this as a very
17 positive project and we hope to see a positive
18 outcome for the residents and if new industries are
19 coming in that we can work with them, maintain and
20 elevate all those services that are given in our
21 community.

22 So we feel real good about this.
23 We've had a lot of brochures, we've done a lot of
24 flyers, gone door to door, different neighbors,

1 different ethnic backgrounds. We've gone to
2 everyone so that they can understand this.
3 Community residents are very happy with the
4 project.

5 CHAIRMAN GORDON: If there are no further
6 questions I'll entertain a motion of this Joint
7 Review Board finds that the Proposed Redevelopment
8 Plan Division/Homan Yard Tax Increment Financing
9 Redevelopment Project Area, satisfies the
10 redevelopment plan required under the TIF Act, the
11 Eligibility Criteria defined in Section 11.74.4-3
12 of the TIF Act and the Objectives of the TIF Act,
13 and that based on such findings -- said proposed
14 plan and designation of such area as a
15 Redevelopment Project Area under the TIF Act.

16 Is there a motion?

17 MR. WOS: So moved.

18 CHAIRMAN GORDON: Is there a second?

19 MS. KOSMAL: Second.

20 MS. MAREK: Second.

21 MS. CAO ROMERO: Second.

22 CHAIRMAN GORDON: All those in favor
23 please signify by saying aye.

24 (Chorus of ayes.)

1 All those opposed please vote by
2 saying no. Let the record reflect the Joint Review
3 Board's approval of the proposed Division/Homan
4 Redevelopment Plan and the designation of the
5 Division/Homan Tax Increment Financing
6 Redevelopment Project Area as a Redevelopment
7 Project Area under the TIF Act.

8 Before we can move on to the next we
9 need to adjourn this meeting. Is there a motion to
10 adjourn this meeting TIF Joint Review Board?

11 MS. MAREK: So moved.

12 CHAIRMAN GORDON: Is there a second?

13 MR. MOS: Second.

14 CHAIRMAN GORDON: All those in favor
15 signify by saying aye.

16 (Chorus of ayes.)

17 Those opposed? This meeting is
18 adjourned. Thank you very much.

19 I'd like to call a meeting for the
20 Humboldt Park Commercial Tax Increment Financing
21 District. Again we'll begin with introductions.
22 I'm Gary Gordon, representative from the Chicago
23 Park District.

24 MS. KOSMAL: Kay Kosmal, with Cook County.

1 MS. MAREK: Susan Marek, Board of
2 Education.

3 MR. WOS: Matt Wos, City of Chicago.

4 MR. AROCHO: Edwardo Arocho, Humboldt Park
5 resident.

6 CHAIRMAN GORDON: For the record my name
7 is Gary Gordon, I'm the representative of the
8 Chicago Park District, which under Section 11-74.4-
9 5 of the Tax Increment Allocation Redevelopment Act
10 is one of the statutorily designated members of the
11 Joint Review Board for the Humboldt Park Commercial
12 Tax Increment Financing District.

13 The date of this meeting was announced
14 at and set by the Community Development Commission
15 of the City of Chicago at its January 23rd, 2001
16 meeting.

17 Until election of a Chairperson for
18 the Humboldt Park Commercial Joint Review Board I
19 will moderate this meeting.

20 Notice of this meeting of the Joint
21 Review Board was also provided by Certified Mail to
22 each taxing district represented on the Board which
23 includes the Chicago Board of Education, the
24 Chicago Community College District 508, the Chicago

1 Park District, Cook County, and the City of
2 Chicago, and the Public Member.

3 Public notice of this meetings was
4 also posted as of Wednesday, March 14th, 2001, in
5 various locations throughout City Hall. When a
6 Proposed Redevelopment Plan would result in the
7 displacement of residents from ten or more
8 inhabited residential units, or would include 75 or
9 more inhabited residential units, the TIF Act
10 requires that the Public Member of the Joint Review
11 Board must reside in the Proposed Redevelopment
12 Project Area.

13 In addition if a Municipality Housing
14 Impact Study determines that the majority of
15 residential units in the Proposed Redevelopment
16 Project Area are occupied by very low, low, or
17 moderate income households as defined in Section 3
18 of the Illinois Affordable Housing Act, the Public
19 Member must be a person who resides in a very low,
20 low, or moderate income housing within the Proposed
21 Redevelopment Area.

22 Although the City of Chicago's
23 Proposed Redevelopment Plan for the Humboldt Park
24 Commercial District does not include the Housing

1 Impact Studies because the Plan certifies that no
2 displacement of inhabited residential units will
3 occur.

4 The City has attempted to find a
5 member of the Humboldt Park Commercial Area to fill
6 the position of Public Member. With us today is
7 Edwardo Arocho. Are you familiar with the
8 boundaries of the Proposed Humboldt Park Commercial
9 Tax Increment Financing Redevelopment Project Area?

10 MR. AROCHO: Yes.

11 CHAIRMAN GORDON: And what is the address
12 of your primary residence?

13 MR. AROCHO: 2638 West Division.

14 CHAIRMAN GORDON: Is such address within
15 the boundaries of the Proposed Humboldt Park
16 Commercial Tax Increment Financing Redevelopment --

17 MR. AROCHO: Yes.

18 CHAIRMAN GORDON: And have you provided a
19 representative of the City of Chicago Department
20 Planning and Development with accurate information
21 concerning your income and the income of any other
22 members of the household residing at such address?

23 MR. AROCHO: Yes.

24 CHAIRMAN GORDON: Based on the information

1 provided to you by the Department of Planning and
2 Development regarding applicable income levels for
3 very low, low and moderate income households, do
4 you qualify as a member of a very low, low or
5 moderate income household?

6 MR. AROCHO: Yes.

7 CHAIRMAN GORDON: Mr. Arocho are you
8 willing to serve as the public member for the Joint
9 Review Board for the Humboldt Park Commercial Tax
10 Increment Financing Redevelopment Project Area?

11 MR. AROCHO: Yes.

12 CHAIRMAN GORDON: I will entertain a
13 motion that Edwardo Arocho be selected as the
14 public member. Is there a motion?

15 MR. WOS: So moved.

16 CHAIRMAN GORDON: Is there a second?

17 MS. MAREK: Second.

18 CHAIRMAN GORDON: All those in favor vote
19 by saying aye.

20 (Chorus of ayes.)

21 Let the record reflect that Edwardo
22 Arocho has been selected as the public member for
23 the Humboldt Park Commercial Tax Increment
24 Financing Redevelopment Project Area.

1 Our next order of business is to
2 select a Chairperson for the Joint Review Board.
3 Are there any nominations?

4 MS. MAREK: I'll nominate Gary Gordon.

5 CHAIRMAN GORDON: Is there a second?

6 MS. KOSMAL: I'll second.

7 CHAIRMAN GORDON: All those in favor vote
8 by saying aye.

9 (Chorus of ayes.)

10 Let the record reflect that Gary
11 Gordon has been elected as the Chairperson and will
12 now serve as the Chairperson for the remainder of
13 the meeting.

14 As I mentioned at this meeting we will
15 be reviewing a plan for the Humboldt Park
16 Commercial TIF District proposed by the City of
17 Chicago. Staff of the City's Department of
18 Planning and Development and Law and other
19 Departments have reviewed this plan which was
20 introduced at the City's Community Development
21 Commission on January 23rd, 2001.

22 We will listen to a presentation by
23 the consultant on the plan. Following the
24 presentation we can address any questions that the

1 members might have to the consultant or City Staff.
2 The recent amendment to the TIF Act requires us to
3 base our recommendation to approve or disapprove
4 the Humboldt Park Commercial Plan and the
5 designation of the Humboldt Park Commercial TIF
6 Area on the basis of the Area and the Plan
7 satisfying the Plan requirements, the Eligibility
8 Criteria defined in the TIF Act, and the Objectives
9 of the TIF Act.

10 If the Board approves the Plan and the
11 designation of the Area, the Board will then issue
12 an advisory non-binding recommendation by the vote
13 of majority of those members present and voting.
14 Such a recommendation will be submitted to the City
15 within 30 days after the Board meeting.

16 Failure to submit such recommendation
17 shall be deemed to constitute approval by the
18 Board. If the Board disapproves the Plan and the
19 designation of the Area, the Board must issue a
20 written report describing why the Plan and Area
21 failed to meet one or more of the Objectives of the
22 TIF Act and both the Plan Requirements and the
23 Eligibility Criteria of the TIF Act.

24 The City will then have 30 days to

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

11 And with that I turn over the
12 presentation --

13 MR. SCHNEIDER: My name is John Schneider.
14 I'm Executive Vice President of the Louik/Schneider
15 & Associates. And we're the consulting firm that
16 was hired to look at the Humboldt Park Commercial
17 Area.

18 Along with me today is Rodrigo Del
19 Condo who is a Subconsultant that worked on, we
20 worked on the, doing the Eligibility Findings and
21 also worked on the planning for this project.

22 This project is very similar in terms
23 of how it was developed and how it occurred to a --
24 last where we talked about the Division/Homan, this

1 is an outgrowth of a land use plan that was done in
2 1996 by Near North West Neighborhood Network, an
3 organization that has 80 community members.

4 From that land use plan they wanted to
5 develop a redevelopment plan and designation that
6 went through the CDC. This basically is, the TIF
7 is actually the implementation tool to help spur
8 the development that people were looking at and
9 wanted within this area.

10 The area that we're asking you to
11 designate today is basically made for commercial.
12 It's the commercial area serving Humboldt Park. It
13 goes on the west from the railroad tracks which
14 would be Lawndale along North Avenue to the first
15 alley to the north and the first alley to the
16 south, east to Western, which would include a small
17 portion east of Western.

18 But then goes from North Avenue to
19 Division along Western Avenue which is also a
20 commercial street. And then goes west along
21 Division Street to basically California. Again for
22 the first alley north to the first alley south.

23 And included in this area is the
24 Roberto Clementi Elementary, uh, High School, St.

1 Elizabeth Hospital and a library. For the most
2 part the rest of the area is made up of, this is
3 the existing land use, is made up of commercial,
4 residential and we have industrial that is very
5 limited.

6 The difference between the existing
7 land use and the proposed land use is we brought
8 the uses down to two, a mixed land use which is a
9 residential and commercial and institutional and
10 industrial, and another one which is institutional.

11 This is very similar, almost exactly
12 the land use plan that the community proposed in
13 their study when we did the last designation.
14 Before Rodrigo speaks I'd just, I wanted to get to
15 basically what some of the goals for this plan are.

16 And basically it's to promote
17 rehabilitation. We're not looking at acquiring
18 property within this area. We're looking at, this
19 is commercial on the first floor with residential
20 above. A lot of that residential is empty. We're
21 looking at making that residential available for
22 affordable and mixed income housing.

23 There isn't a lot of vacant property
24 in the area. We're looking basically at how can

1 the community self fund itself to make improvements
2 within. And one of those concepts that's out there
3 and the community's been working on is Division
4 Street, they're looking at the, they're actually
5 working towards creating a restaurant row that's
6 predominantly Puerto Rican in nature.

7 And that's been an effort that I know
8 that there's been a lot of activity out there and
9 TIF may be one of the ways in which they can help
10 that. Now most of the goals and the objectives if
11 you look at them, they're fairly similar if not
12 identical to what the original plan was.

13 Again, this went to four public
14 meetings that were noticed and there was community
15 participation in all of those. There was also
16 community meetings with different Chambers of
17 Commerce -- call them and talked to them about this
18 plan. So this is something that's been out there,
19 and something that's well known.

20 With that I'll turn it over to Rodrigo
21 to talk about the Eligibility Criteria.

22 MR. DEL CONTO: Out of the ten factors
23 that qualifies an area as an eligible area we have
24 six factors here, five to a major extent and one to

1 a minor extent. And again they have to do with the
2 nature of the -- obsolescence -- uses parcels that
3 have not, that cannot be developed for contemporary
4 commercial use.

5 Age obviously is a major factor. We
6 have a 95 percent of the properties are over 30
7 years of age. What we found in reviewing the
8 different factors is that changes occur in
9 contemporary living standards and contemporary
10 commercial standards to not have the potential to
11 grow in this area.

12 And that's the reason that we found
13 this area to qualify for a Redevelopment Plan. As
14 John says the plan is for a Conservation Area.
15 This is not for a dilapidated area. And we believe
16 that the factors that we found in most of the
17 properties as I said, six factors out of ten
18 factors do make it qualify as a TIF District.

19 If you'd like to I can go into more
20 details on the factors. Dilapidation is one, there
21 is a lack of maintenance. It's an area that's
22 really on the borderline that if we, if it's not
23 part of this TIF District, probably will continue
24 to decline both in the terms of the users and the

1 terms of the feasible qualifications of the --

2 MS. MAREK: So are most of the property
3 owners active in the Chamber of Commerce or is it
4 a, is it a pretty strong community group?

5 MR. SCHNEIDER: You know, I, that's a
6 tough question to answer. There have been property
7 owners, there have been businesses that have come
8 to the meetings. There are Chambers of Commerce.
9 Those folks are all involved, and they've been
10 involved in this process throughout.

11 I think probably in parts of Western
12 Avenue because of the uses that are there, car
13 dealerships, we probably wouldn't see as many
14 people as we did from Division Street and North
15 Avenue. But they were all included in the process.
16 They were all invited to be there.

17 So I think on Division Street that the
18 Chamber there has been, they've been up front and
19 doing a lot of things and trying to make their
20 concepts and ideas happen. It's a very, so
21 they're, it's one of the more interesting points
22 they have worked on because there's been a lot of
23 community participation.

24 MR. PERCY: If I can just jump in. For

1 the record my name is Adel Perez, City Planner and
2 Project Manager for the Area. There are a number
3 of agencies out here at work. I mean you've got
4 the Puerto Rican Chamber of Commerce, Division
5 Street Business Association, which are two business
6 organizations right on Division Street actually
7 working with the merchants there.

8 Each of those have members that are
9 part of the organization. In addition on North
10 Avenue we have the Near Northwest Neighborhood
11 Network and the Humboldt Park Economic Development
12 Corporation as well as the North Pulaski Armitage
13 Chamber of Commerce who all three work on
14 development initiatives along North Avenue.

15 So I think the area has, all of those
16 have been part of the planning process, and so I
17 think that that's, the business community in that
18 sense have been very well represented.

19 MS. MAREK: So there really isn't like one
20 big employer or big business in this area then.

21 MR. SCHNEIDER: No these are all 25 and,
22 125 foot parcel properties that are a variety of
23 different kinds of businesses.

24 MS. KOSMAL: I had a question regarding

1 acquisitions. I guess I was unclear. I only have
2 a question mark here -- but I think the thing is
3 unclear to me from this map exactly what parcels
4 are target to be acquired because it, the
5 acquisition map is, are a larger area than just the
6 TIF District.

7 MR. SCHNEIDER: Oh, off, the map that
8 you're looking at is the Redevelopment Plan Map --

9 MS. KOSMAL: Oh, okay.

10 MR. SCHNEIDER: -- that was approved in
11 1999. We wanted to make sure that you had that so
12 you'd have information in terms of what was there.
13 Cause where again with all these reports from now
14 in is you're going to have those underlying
15 redevelopment areas here included in there so you
16 don't get, you know blind sighted and someone says
17 well they're doing this is at, that's at.

18 MS. KOSMAL: So they're actually, or
19 appear to be, or as far as I can tell, maybe not
20 more than a half dozen or so properties that are
21 identified as being targeted for acquisition.

22 MR. SCHNEIDER: Under the Redevelopment
23 Plan, not under the TIF Plan.

24 MS. KOSMAL: No I mean under the TIF. Oh,

1 so you're saying that what's targeted under the
2 Redevelopment Plan is no longer applicable in the
3 TIF District.

4 MR. SCHNEIDER: That is a separate
5 statute.

6 MS. KOSMAL: I mean that's my confusion
7 here. So it shows like that's first.

8 MR. SCHNEIDER: See cause it says the
9 Humboldt Park --

10 MS. KOSMAL: Right.

11 MR. SCHNEIDER: -- Redevelopment Area.

12 MS. KOSMAL: So you're saying that even
13 though it shows that for acquisition, which is
14 included in the TIF District, it isn't really
15 included in the TIF District for acquisition.

16 MR. SCHNEIDER: No, I think those --

17 MS. KOSMAL: Okay.

18 MR. SCHNEIDER: -- along Division Street
19 that were under the Redevelopment Plan --

20 MS. KOSMAL: Are not part of the --

21 MR. PEREZ: Right, the map that you have
22 is an amendment to the original Redevelopment Area
23 and includes those properties for acquisition. In
24 this TIF District there are -- parcel out for

1 acquisition.

2 MS. KOSMAL: That was --

3 MR. PEREZ: But we needed to reflect it to
4 make sure that it was consistent and that people
5 understood there is a difference between --

6 MS. KOSMAL: Okay.

7 MR. SCHNEIDER: And what you'll see here is
8 actually how large the area was originally and it
9 included all the residential. We took that out one
10 because we felt that parts of it wouldn't qualify
11 for TIF, and two because there's enough housing
12 programs and other kinds of programs to do those
13 kind of, meet those needs. And that wasn't the
14 case with the commercial area.

15 CHAIRMAN GORDON: Any further questions
16 from the Board? If there are no further questions
17 I will entertain a motion that this Joint Review
18 Board finds that the Proposed Redevelopment Plan
19 Humboldt Park Commercial Tax Increment Financing
20 Redevelopment Project Area satisfies the
21 Redevelopment Plan Requirements and the TIF Act and
22 the Eligibility Criteria defined in Section 11-
23 74.4-3 of the TIF Act and the Objectives of the TIF
24 Act, and that based on such findings approve said

1 Proposed Plan and the Designation of such area as a
2 Redevelopment Project under the TIF Act.

3 Is there a motion?

4 MR. WOS: So moved.

5 CHAIRMAN GORDON: Is there a second?

6 MS. MAREK: Second.

7 CHAIRMAN GORDON: All those in favor
8 please signify by saying aye.

9 (Chorus of ayes.)

10 All those opposed please vote by
11 saying no. Let the record reflect the Joint Review
12 Board's approval of the Proposed, excuse me, let
13 the record reflect the Joint Review Board's
14 approval of the Proposed Humboldt Park Commercial
15 Redevelopment Plan and the Designation of the
16 Humboldt Park Commercial Tax Increment Financing
17 Redevelopment Project Area as a Redevelopment
18 Project under the TIF Act.

19 Is there a motion to adjourn the
20 meeting?

21 MR. SCHNEIDER: Gary, can I just say one
22 more thing, I'm sorry.

23 CHAIRMAN GORDON: Sure.

24 MR. SCHNEIDER: I'd like to thank everyone

1 for being here -- but also I'd like to recognize
2 that there's people from the community that came
3 out today to see how this process works and what
4 took place and took time out of their days to come,
5 so I'd like to thank them.

6 MR. PEREZ: It's actually a very good turn
7 out, presented.

8 CHAIRMAN GORDON: Is there a motion to
9 adjourn?

10 MS. MAREK: So moved.

11 CHAIRMAN GORDON: All those in favor
12 please signify by saying aye.

13 (Chorus of ayes.)

14 The meeting is adjourned.

15 (Whereupon the meeting
16 adjourned at 10:55 a.m.)

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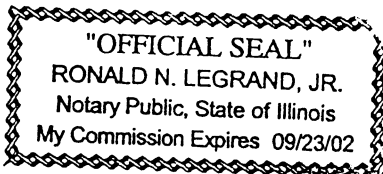
STATE OF ILLINOIS)
) SS.
 COUNTY OF C O O K)

I, JACK ARTSTEIN, depose and say
 that I am a verbatim court reporter doing business
 in the County of Cook and City of Chicago; that
 I caused to be transcribed the proceedings
 heretofore identified and that the foregoing is
 a true and correct transcript of the aforesaid
 hearing.

Jack Artstein
 JACK ARTSTEIN

SUBSCRIBED AND SWORN TO
 BEFORE ME THIS 19th DAY
 OF April,
 A.D. 2001.

Ronald N. Legrand, Jr.



**Division/Homan Redevelopment Project Area
2001 Annual Report**

**(8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE
MUNICIPALITY - 65 ILCS 5/11-74.4-5(d)(8)(A)**

During 2001, there were no obligations issued for this Project Area.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(9) ANALYSIS OF DEBT SERVICE - 65 ILCS 5/11-74.4-5(d)(8)(B)

During 2001, there were no obligations issued for the Project Area.

**Division/Homan Redevelopment Project Area
2001 Annual Report**

(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)

During 2001, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

Division/Homan Redevelopment Project Area 2001 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The Division/Homan Redevelopment Project Area is generally bounded by West Potomac and West North Avenues on the north; North Sacramento and North California Avenues on the east; West Walton Street and West Chicago Avenue on the south; and North Hamlin Avenue on the west. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

