
1998 Annual Report

**95th and Western
Redevelopment Project Area**



**Pursuant to Mayor's
Executive Order 97-2**

JUNE 30, 1999



City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Christopher R. Hill
Commissioner

121 North LaSalle Street
Chicago, Illinois 60602
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June 30, 1999

The Honorable Mayor Richard M. Daley, Members
of the City Council, and Citizens of the City of Chicago
City of Chicago
121 N. LaSalle Street
Chicago, Illinois 60602

Ladies and Gentlemen:

The attached information for the 95th and Western Redevelopment Project Area, along with 63 other individual reports, is presented pursuant to the Mayoral Executive Order 97-2 (Executive Order) regarding annual reporting on the City's tax increment financing (TIF) districts. The City's TIF program has been used to finance neighborhood and downtown improvements, leverage private investment, and create and retain jobs throughout Chicago.

Pursuant to the Executive Order, the Annual Report, presented in the form of the attached, will be filed with the City Clerk for transmittal to the City Council and be distributed in accordance with the Executive Order.

Sincerely,

Christopher R. Hill
Commissioner
Department of Planning and Development

Walter K. Knorr
Chief Financial Officer



June 30, 1999

Mr. Christopher R. Hill
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

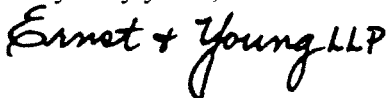
Commissioner Hill:

Enclosed is the required annual report for the 95th and Western Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to the Mayor's Executive Order 97-2. The contents are based on information provided to us by the Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed-upon procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

The report includes the City's data methodology and interpretation of Executive Order 97-2 in addition to required information. The tables in this report use the same lettering system as the Executive Order in order to allow the reader to locate needed information quickly.

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

**95th and Western Redevelopment Project Area
1998 Annual Report**

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95th and Western Redevelopment Project Area 1998 Annual Report

Purpose of Report:

The purpose of the Annual Report for the 95th and Western Redevelopment Project Area (Report) is to provide information regarding the City of Chicago (City) tax increment financing (TIF) districts in existence on December 31, 1998, as required by the Mayor's Executive Order 97-2 (Executive Order). This Report covers the 95th and Western Redevelopment Project Area (Project Area).

Methodology:

In the process of providing information about the Project Area, care was taken to follow the organization of the Executive Order to allow the reader to locate needed information in an efficient manner. The Report reflects only TIF economic activity during 1998, also referred to in this report as "the prior calendar year." As outlined below, several assumptions were made concerning certain required information.

(a) General Description

The general boundaries of the Project Area are described and illustrated in a map. However, in order to provide ease of reading, only major boundary streets are identified. For exact boundaries, the interested reader should consult the legal description of the Project Area boundaries found in the Redevelopment Plan (Attachment).

(b) Date of Designation and Termination

For purposes of this Report, the date of termination is assumed to occur 23 years from the date of designation, the maximum duration currently allowed under the Tax Increment Allocation Redevelopment Act.

(c) Copy of Redevelopment Plan

The Redevelopment Plan, as amended (if applicable), for the Project Area is provided as the Attachment at the end of the Report.

95th and Western Redevelopment Project Area 1998 Annual Report

(d) Description of Intergovernmental and Redevelopment Agreements

Table D describes agreements related to the Project Area which are either intergovernmental agreements between the City and another public entity or redevelopment agreements between the City and private sector entities interested in redeveloping all or a portion of the Project Area. The date of recording of agreements executed by the City in 1998 and filed with the Cook County Recorder of Deeds is included in Table D (if applicable).

(e) Description of TIF Projects

Table E describes each TIF project in the Project Area that has already received approval by the Community Development Commission, and which received TIF financing during 1998. Those projects in discussion, pre-proposal stage with a developer, or being reviewed by Community Development Commission staff are not "projects" for purposes of the Report. The amount budgeted for project costs and the estimated timetable were obtained from the Project Area's intergovernmental or redevelopment agreements, if such agreements exist. Table E specifically notes:

- 1) the nature of the project;
- 2) the budgeted project cost and the amount of TIF assistance allocated to the project;
- 3) the estimated timetable and a statement of any change in the estimate during the prior calendar year;
- 4) total City tax increment project expenditures during the prior calendar year and total City tax increment project expenditures to date;
- 5) a description of all TIF financing, including type, date, terms, amount, project recipient, and purpose of project financing.

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(f) Description of all TIF Debt Instruments

Table F describes all TIF debt instruments related to the Project Area in 1998. It should be noted that debt instruments issued without a security pledge of incremental taxes or direct payments from incremental taxes for principal and interest are not included in Table F, as such instruments do not qualify as TIF debt instruments as defined by the Executive Order. Table F includes:

- 1) the principal dollar amount of TIF debt instruments;
- 2) the date, dollar amount, interest rate, and security of each sale of TIF debt instruments and type of instrument sold;
- 3) the underwriters and trustees of each sale;
- 4) the amount of interest paid from tax increment during the prior calendar year (1998);
- 5) the amount of principal paid from tax increment during the prior calendar year (1998).

(g) Description of City Contracts

Table G provides a description of City contracts related to the Project Area, executed or in effect during 1998 and paid with incremental tax revenues. In addition, the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid is included in the table. Table G does not apply to any contract or contract expenditure reported under (e)(5) of Section 4 of the Executive Order.

City contracts related to the Project Area are defined as those contracts paid from TIF funds, not related to a specific TIF project, and not elsewhere reported. Items include, but are not limited to, payments for work done to acquire, dispose of, or lease property within a Project Area, or payments to appraisers, surveyors, consultants, marketing agents, and other professionals. These services may affect more than one project in a Project Area and are not otherwise reported. Table G does not report such noncontractual cost items as Recorder of Deeds filing fees, postage, telephone service, etc. City contracts include term agreements which are city-wide, multi-year contracts that provide goods or services for various City departments.

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(h) Summary of Private and Public Investment Activity

Table H describes each TIF project in the Project Area that has been executed through an intergovernmental or redevelopment agreement in 1998, or that has been approved by the Community Development Commission in 1998.

To the extent this information is available to the Commissioner of Planning and Development on a completed project basis, the table provides a summary of private investment activity, job creation, and job retention within the Project Area and a summary for each TIF project within the Project Area.

Table H contains the final ratio of private/public investment for each TIF project. The private investment activity reported includes data from the intergovernmental or redevelopment agreement(s) and any additional data available to the Commissioner of Planning and Development. Other private investment activity is estimated based on the best information available to the Commissioner of Planning and Development.

(i) Description of Property Transactions

Information regarding property transactions is provided in Table I to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. Specifically, the Executive Order requires descriptions of the following property transactions occurring within the Project Area during 1998:

- 1) every property acquisition by the City through expenditure of TIF funds, including the location, type and size of property, name of the transferor, date of transaction, the compensation paid, and a statement whether the property was acquired by purchase or by eminent domain;
- 2) every property transfer by the City as part of the redevelopment plan for the Project Area, including the location, type and size of property, name of the transferee, date of transaction, and the compensation paid;
- 3) every lease of real property to the City if the rental payments are to be made from TIF funds. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount;

95th and Western Redevelopment Project Area 1998 Annual Report

- 4) every lease of real property by the City to any other person as part of the redevelopment plan for the Project Area. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount.

(j) Financial Summary Prepared by the City Comptroller

Section (j) provides a 1998 financial summary for the Project Area audited by an independent certified public accounting firm. These statements were prepared in accordance with generally accepted accounting principles. These statements include:

- 1) the balance in the fund for the Project Area at the beginning of the prior calendar year;
- 2) cash receipts by source and transfers deposited into the fund during the prior calendar year;
- 3) transfer credits into the fund for the Project Area during the prior calendar year;
- 4) expenditures and transfers from the fund, by statutory category, for the Project Area during the prior calendar year;
- 5) the balance in the fund for the Project Area at the conclusion of the prior calendar year.

(k) Description of Tax Receipts and Assessment Increments

Table K provides the required statement of tax receipts and assessment increments for the Project Area as outlined in the Executive Order. The amount of incremental property tax equals the incremental EAV from the prior year multiplied by the applicable property tax rates. Actual receipts may vary due to delinquencies, sale of prior years' taxes, and payment of delinquencies. See the financial report for actual receipts. Table K provides the following information:

- 1) for a sales tax Project Area, the municipal sales tax increment and state sales tax increment deposited in the fund during the prior calendar year;

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- 2) for a utility tax Project Area, the municipal utility tax increment and the net state utility tax increment amount deposited in the special allocation fund during the prior calendar year;
- 3) for a property tax Project Area, (A) the total initial equalized assessed value of property within the Project Area as of the date of designation of the area, and (B) the total equalized assessed value of property within the Project Area as of the most recent property tax year;
- 4) the dollar amount of property taxes on property within the Project Area attributable to the difference between items (3)(A) and (3)(B) above.

All terms used in Table K relating to increment amounts and equalized assessed value (EAV) are construed as in Section 9 of the Illinois Tax Increment Allocation and Redevelopment Act or the Illinois Industrial Jobs Recovery Law. Unless otherwise noted, the EAV and property tax information were obtained from the Cook County Clerk's Office. All sales tax information was obtained from the City of Chicago.

(l) Certain Contracts of TIF Consultants

Table L provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Table L are based on responses to a mail survey. This survey was sent to every consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City in 1998. The Executive Order specifically applies to contracts that the City's tax increment advisors or consultants, if any, have entered into with any entity that has received or is receiving payments financed by tax revenues produced by the same Project Area.

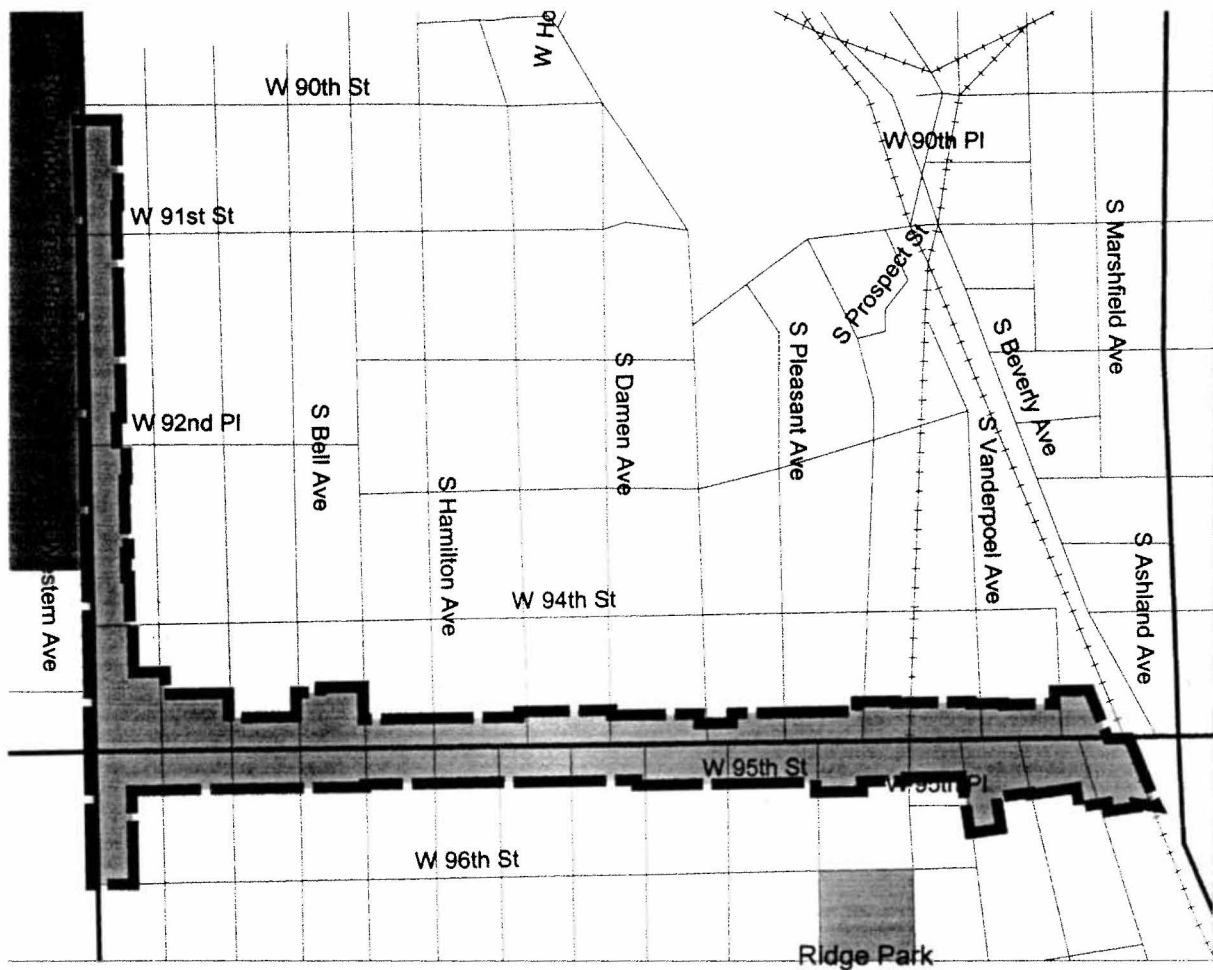
(m) Compliance Statement Prepared by an Independent Public Accountant

As part of the audit procedures performed by independent accountants, certain compliance tests were performed related to the Project Area. Included in the Annual Report is an audit opinion indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. Section (m) provides this statement.

95th and Western Redevelopment Project Area 1998 Annual Report

(a) GENERAL DESCRIPTION

The Project Area is generally bounded on the east by Ashland Avenue, on the south by the east-west alley south of 95th Street, on the west by Western Avenue, and on the north (between Western and the alley one-half a block to the east) by the Dan Ryan Woods Forest Preserve and by the east-west alley north of 95th Street. 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 (Attachment).



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1998 Annual Report**

(b) DATE OF DESIGNATION AND TERMINATION

The Project Area was designated by the Chicago City Council on July 13, 1995 and amended on March 19, 1997. The Project Area may be terminated no later than July 13, 2018.

(c) COPY OF REDEVELOPMENT PLAN

The Redevelopment Plan for the Project Area, as amended (if applicable), is contained in this Report (Attachment).

(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS

TABLE D
INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS

PARTIES TO AGREEMENT WITH CITY	DATE OF AUTHORIZATION BY CITY COUNCIL	DATE OF EXECUTION	DATE OF RECORDING IN RECORDER OF DEEDS OFFICE (if applicable)
D.B. Beverly, LLC	12/10/97	4/3/98	4/9/98

**95th and Western Redevelopment Project Area
1998 Annual Report**

(e) DESCRIPTION OF TIF PROJECT(S)

**TABLE E
DESCRIPTION OF TIF PROJECTS APPROVED BY THE COMMUNITY DEVELOPMENT COMMISSION WITH EXPENDITURES
DURING THE PRIOR CALENDAR YEAR**

<u>NATURE OF PROJECT</u>	<u>BUDGETED PROJECT COST</u>	<u>TIF ASSISTANCE ALLOCATED TO THE PROJECT</u>	<u>ESTIMATED TIMETABLE</u>	<u>PRIOR YEAR CHANGES IN TIMETABLE</u>	<u>TOTAL CITY TAX INCREMENT EXPENDITURES DURING 1998</u>	<u>TOTAL CITY TAX INCREMENT EXPENDITURES TO DATE</u>	<u>TYPE OF TIF FINANCING</u>	<u>DATE OF TIF FINANCING</u>	<u>TERM OF TIF FINANCING</u>	<u>PRINCIPAL AMOUNT OF TIF FINANCING</u>	<u>PROJECT RECIPIENT</u>	<u>PURPOSE OF PROJECT FINANCING</u>
Property Assembly Costs	\$5,922,641	\$1,600,000	open 11/98	None	\$1,492,615	\$1,492,615	1998 Taxable Note	1998	15 years	\$2,600,000	DB Beverly, L.L.C.	aquisition/demolition/ remediation

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(f) DESCRIPTION OF TIF DEBT INSTRUMENTS

**TABLE F
DESCRIPTION OF TIF DEBT INSTRUMENTS RELATED TO THE PROJECT AREA - TERMS**

<u>NAME OF DEBT INSTRUMENT</u>	<u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST RATE</u>	<u>SECURITY</u>	<u>TYPE</u>	<u>UNDERWRITERS</u>	<u>TRUSTEES</u>	<u>INTEREST PAID DURING 1998</u>	<u>PRINCIPAL PAID DURING 1998</u>
City of Chicago, Tax Increment Allocation Revenue Note (95th Street and Western Avenue Project) Taxable Series 1998	4/3/98	\$2,600,000	8.50%	Incremental Tax Revenue	Subordinate Tax Increment Allocation Note	N.A. (1)	Beverly National Bank	\$146,106	\$20,000

(1) N.A. -not applicable.

**95th and Western Redevelopment Project Area
1998 Annual Report**

(g) DESCRIPTION OF CITY CONTRACTS

**TABLE G
DESCRIPTION OF CITY CONTRACTS RELATED TO THE PROJECT AREA**

CONTRACTING PARTIES WITH THE CITY OF CHICAGO	DATE OF EXECUTION	PURPOSE	AMOUNT OF COMPENSATION PAID IN 1998	PERCENT OF COMPENSATION PAID TO DATE
Bansley & Kiener	1998	Studies/Plan/Admin.	\$1,500	100%
Ernst & Young	1998	Studies/Plan/Admin.	\$7,692	100%
City TIF Program Administration	1998	Studies/Plan/Admin.	\$7,987	100%
Beverly National Bank	1998	Financing	\$7,186	100%

**95th and Western Redevelopment Project Area
1998 Annual Report**

(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY

During 1998, there was no information available regarding public or private investment activity in the Project Area.

**95th and Western Redevelopment Project Area
1998 Annual Report**

(i) DESCRIPTION OF PROPERTY TRANSACTIONS

During 1998, the City did not take or divest title to real property within the Project Area. Additionally, the City was not a lessor or lessee of real property within the Project Area during 1998.

**95th and Western Redevelopment Project Area
1998 Annual Report**

(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 1998 AND 1997

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT

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BANSLEY AND KIENER, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

125 SOUTH WACKER DRIVE

CHICAGO, ILLINOIS 60606-4496

AREA CODE 312 263-2700

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying combined balance sheet of the 95th and Western Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998, and the related combined statements of revenues, expenditures and changes in fund balance - governmental funds for the years ended December 31, 1998 and 1997. These combined financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these combined financial statements based on our audits. We previously audited and reported upon the combined balance sheet as of December 31, 1997, totals of which are included for comparative purposes only.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the 95th and Western Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998, and the results of its governmental funds operations and changes in fund balance for the years ended December 31, 1998 and 1997 in conformity with generally accepted accounting principles.

As explained in Note 1 to the financial statements, in 1998 the 95th and Western Redevelopment Project of the City of Chicago, Illinois changed its method of accounting for investments.

The year 2000 information on pages 8 and 9 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City of Chicago is or will become year 2000 compliant, that the City of Chicago's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Chicago does business are or will become year 2000 compliant.

Our audits were conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedule of cash activities on page 10 and the schedule of expenditures by statutory code on page 11, which are also the responsibility of the City of Chicago's management, are presented for purposes of additional analysis and are not a required part of the combined financial statements of 95th and Western Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the combined financial statements taken as a whole.

Bensley and Kiener, L.L.P.

Certified Public Accountants

May 4, 1999

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT

COMBINED BALANCE SHEETS
DECEMBER 31, 1998
(With Comparative Totals for 1997)

<u>A S S E T S</u>	<u>Governmental Funds</u>	<u>General Long-term Debt Account Group</u>	<u>Total 1998</u>	<u>Total 1997</u>
Cash and investments	\$1,794,742	\$ -	\$1,794,742	\$353,395
Property taxes receivable	253,000	-	253,000	235,000
Accrued interest receivable	83,763	-	83,763	9,856
Amount available for debt service	-	135,610	135,610	-
Amount to be provided for retirement of general long-term debt	<u>-</u>	<u>2,444,390</u>	<u>2,444,390</u>	<u>-</u>
Total assets	<u>\$2,131,505</u>	<u>\$2,580,000</u>	<u>\$4,711,505</u>	<u>\$598,251</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Vouchers payable	\$ 275,397	\$ -	\$ 275,397	\$ -
Accrued interest payable	18,884	-	18,884	-
Due to other City funds	7,987	-	7,987	4,803
Deferred revenue	253,000	-	253,000	233,710
Notes payable (Note 2)	<u>-</u>	<u>2,580,000</u>	<u>2,580,000</u>	<u>-</u>
Total liabilities	<u>555,268</u>	<u>2,580,000</u>	<u>3,135,268</u>	<u>238,513</u>
Fund balance				
Reserved for debt service	135,610	-	135,610	-
Unreserved, undesignated	<u>1,440,627</u>	<u>-</u>	<u>1,440,627</u>	<u>359,738</u>
Total fund balance	<u>1,576,237</u>	<u>-</u>	<u>1,576,237</u>	<u>359,738</u>
Total liabilities and fund balance	<u>\$2,131,505</u>	<u>\$2,580,000</u>	<u>\$4,711,505</u>	<u>\$598,251</u>

The accompanying notes are an integral part of the combined financial statements.

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT

COMBINED STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Revenues		
Property tax	\$ 234,671	\$154,712
Interest	<u>83,798</u>	<u>9,883</u>
Total revenues	<u>318,469</u>	<u>164,595</u>
Expenditures		
Capital projects	1,516,980	9,776
Debt service		
Principal retirement	20,000	-
Interest	<u>164,990</u>	<u>-</u>
Total expenditures	<u>1,701,970</u>	<u>9,776</u>
Revenue over (under) expenditures	<u>(1,383,501)</u>	<u>154,819</u>
Other financing sources		
Proceeds of debt	<u>2,600,000</u>	<u>-</u>
Total other financing sources	<u>2,600,000</u>	<u>-</u>
Revenues and other financing sources over expenditures	1,216,499	154,819
Fund balance, beginning of year	<u>359,738</u>	<u>204,919</u>
Fund balance, end of year	<u>\$ 1,576,237</u>	<u>\$359,738</u>

The accompanying notes are an integral part of the combined financial statements.

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Description of Project

The 95th and Western Tax Increment Redevelopment Project Area (Project) was established in July 1995. The area has been established to finance improvements, leverage private investment and create and retain jobs. Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

Principal and interest on the notes will be paid from incremental property taxes generated by the redevelopment district.

Basis of Accounting

The Project is accounted for within the capital project, debt service and special revenue funds of the City. The Bonds Payable are recorded in the City's General Long-term Debt Account Group. The report is presented herein on a combined basis.

The financial statements are prepared on the modified accrual basis of accounting and current financial resources measurement focus with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

Fixed assets are not capitalized in the general operating funds but, instead, are charged as current expenditures when purchased. The General Fixed Asset Account Group of the City includes the capital assets, if any, of the Project.

Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

Cash and Investments

Cash belonging to the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances.

On January 1, 1998, the City adopted GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." Accordingly, the City values its investments at fair value, or amortized cost.

Property Taxes

Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end.

CITY OF CHICAGO, ILLINOIS
95TH AND WESTERN REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

Note 2 - Notes Payable

In April, 1998, the City issued \$2,600,000 of 95th and Western Redevelopment Project Tax Increment Allocation Revenue Note, taxable series. The note has an interest rate of 8.5 percent until December 12, 2012. The aggregate maturities of the notes (principal portion only) are as follows:

1999	\$ 30,000
2000	90,000
2001	130,000
2002	140,000
2003	150,000
Thereafter	<u>2,040,000</u>
	<u>\$2,580,000</u>

Note 3 - Commitments

As of December 31, 1998 the Project has entered into contracts for approximately \$107,000 for services and construction projects.

REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)

The City's operations, like those of many other business entities, may be impacted by the inability of certain computer programs and electronic systems with embedded microprocessor chips to recognize calendar dates beyond the year 1999. Unless such programs and microprocessors are modified or replaced prior to the year 2000, they may not function properly after 1999.

The City formed an executive committee in May 1998, to oversee possible City-wide year 2000 impacts. The Department of Business and Information Services has been charged with managing the City's year 2000 project. The year 2000 issue is covered within the scope of the City's year 2000 project. The year 2000 project is divided into stages as follows:

Awareness Stage - Establishing a budget and project plan for dealing with the year 2000 issue.

Assessment Stage - Identifying the mission critical systems, equipment and individual components for which year 2000 compliance is needed.

Remediation Stage - Making changes to systems and equipment.

Validation/testing Stage - Validating and testing the changes that were made during the remediation stage.

The City committed approximately \$28.2 million and \$32.0 million in 1998 and 1999, respectively, for the repair and replacement of year 2000 compromised systems. As of December 31, 1998, the City entered into contracts for approximately \$17.7 million for the test plan development, audit stages and upgrade of certain software programs.

Mission Critical Applications

The City has identified one computer application, the Chicago Accounting and Purchasing System, as critical to conducting the operations for year 2000 compliance. As of December 31, 1998, the City completed the awareness and assessment stages, and the remediation stage was in process for the above mission critical component. This mission critical component is still subject to the validation/testing stage. The City-wide completion of all stages is scheduled for September 1999.

Embedded Systems

The awareness stage, including an inventory of embedded systems has been completed. Baseline assessment of mission critical functions involving embedded systems was substantially completed by the end of the first quarter of 1999. The City has retained outside consultants to manage and implement completion of this aspect of the year 2000 project by the end of September 1999.

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)
(Continued)

Other Considerations

The City also initiated an assessment of mission critical vendors, which is being performed by a consultant with oversight from the executive committee to plan for continuity in the City's supply chain. Contingency planning for mission critical systems and other elements of the year 2000 project is scheduled to be completed by the end of September 1999.

The above description of the stages of work to address the year 2000 issues is not a guarantee those systems will be year 2000 compliant. Although the City is currently on schedule to meet its objectives for year 2000 compliance, there is no assurance that compliance will be achieved in a timely manner. Further, if the City successfully addresses its year 2000 issues, there is no assurance that any other entity or governmental agency (including governmental organizations or entities that provide essential infrastructure) with which the City electronically interacts will be year 2000 compliant. At this time, the City can not determine the potential impact of such noncompliance on the business and financial condition or the results of its operations.

SUPPLEMENTARY INFORMATION

SCHEDULE OF CASH ACTIVITIES
YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Cash flows from operating activities		
Property taxes received	\$ 235,961	\$153,613
Payments for capital projects	(1,238,399)	(8,584)
Interest received	<u>9,891</u>	<u>27</u>
Net cash provided by (used in) operating activities	<u>(992,547)</u>	<u>145,056</u>
Cash flows from financing activities		
Debt service		
Principal retirement	(20,000)	-
Interest	(146,106)	-
Proceeds of debt	<u>2,600,000</u>	<u>-</u>
Net cash provided by financing activities	<u>2,433,894</u>	<u>-</u>
Increase in cash and investments	1,441,347	145,056
Cash and investments, beginning of year	<u>353,395</u>	<u>208,339</u>
Cash and investments, end of year	<u>\$ 1,794,742</u>	<u>\$353,395</u>
Reconciliation of revenues over (under) expenditures to net cash provided by (used in) operating activities		
Revenues over (under) expenditures	\$ (1,383,501)	\$154,819
Adjustments to reconcile revenues over (under) expenditures to net cash provided by (used in) operating activities		
Financing activities	166,106	-
Changes in assets - (increase)		
Property tax receivable	(18,000)	(68,365)
Accrued interest receivable	(73,907)	(9,856)
Changes in liabilities - increase (decrease)		
Due to other City funds	3,184	4,803
Accrued interest payable	18,884	-
Vouchers payable	275,397	(3,611)
Deferred revenue	<u>19,290</u>	<u>67,266</u>
	<u>\$ (992,547)</u>	<u>\$145,056</u>

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

<u>Code Description</u>	<u>1998</u>	<u>1997</u>
Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ 17,179	\$9,776
Costs of property assembly, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land	1,492,615	-
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	<u>192,176</u>	<u>-</u>
	<u>\$1,701,970</u>	<u>\$9,776</u>

**95th and Western Redevelopment Project Area
1998 Annual Report**

(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS

**TABLE K
DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1997 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1997</u>
1998	N.A. (1)	N.A. (1)	N.A. (1)	N.A. (1)	\$15,935,773	\$18,014,290	\$252,508

(1) N.A. - not applicable.

**95th and Western Redevelopment Project Area
1998 Annual Report**

(I) CERTAIN CONTRACTS OF TIF CONSULTANTS

During 1998, no TIF consultant was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area.

**95th and Western Redevelopment Project Area
1998 Annual Report**

**(m) COMPLIANCE STATEMENT PREPARED BY AN INDEPENDENT PUBLIC
ACCOUNTANT**

BERNARD J. SULLIVAN, C.P.A.
RICHARD J. QUINN, C.P.A.
FRANK S. JACZALA, C.P.A.
PAUL A. MERKEL, C.P.A.
THOMAS A. TYLER, C.P.A.
JOHN W. SANEWAR, C.P.A.
THOMAS A. CERWIN, C.P.A.
STEPHEN R. PANFIL, C.P.A.
MICHAEL D. HUELS, C.P.A.
ROBERT J. MARSCHALK, C.P.A.
THOMAS J. CAPLICE, C.P.A.
ROBERT J. HANNIGAN, C.P.A.
GERARD J. PATER, C.P.A.
VINCENT M. GUZALDO, C.P.A.
TIMOTHY J. QUINN, C.P.A.

Bansley and Kiener, L.L.P.
Certified Public Accountants

Established 1922

125 SOUTH WACKER DRIVE CHICAGO, ILLINOIS 60606-4496 312/263-2700 FAX: 312/263-6935

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited, in accordance with generally accepted auditing standards, the balance sheet of 95th and Western Redevelopment Project of the City of Chicago, Illinois as of December 31, 1998, and the related statement of revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated May 4, 1999.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the 95th and Western Redevelopment Project of the City of Chicago, Illinois.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.

Bansley and Kiener, L.L.P.

Certified Public Accountants

May 4, 1999

**95th and Western Redevelopment Project Area
1998 Annual Report**

**ATTACHMENT
REDEVELOPMENT PLAN**

**95th & Western
REDEVELOPMENT PLAN AND PROJECT**

Prepared By:

**Public Finance Associates
and Micheal Eiban, A.I.A. and Charles Shanabruch, PhD.
for**

**City of Chicago
Richard M. Daley, Mayor
June 12, 1995**

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I. INTRODUCTION AND BACKGROUND

The 95th Street component of the 95th and Western redevelopment area roughly bisects the Beverly community area while the Western Avenue portion runs along the western boundary of this community and the City. It is situated on the far southwest side of Chicago, adjacent to the suburban community of Evergreen Park. Located about 15 miles from the Loop, Beverly enjoys excellent accessibility to Downtown Chicago via Rock Island commuter rail service and the Dan Ryan Expressway. This is most important to the economy of the community area since most of the residents work outside the area.

The area served by the proposed redevelopment area was first settled in the 1850's when the Rock Island Railroad and the predecessor of the Pennsylvania Railroad first laid tracks through the area. After the Great Chicago Fire many wealthy central city residents built homes in the area, then called Washington Heights. The area was annexed to the City of Chicago in 1900. Between 1920 and 1960 the population of the Beverly community area expanded from about 7,500 to about 25,000 with the most rapid growth occurring in the 1940's and 1950's. Between 1960 and 1990 the Beverly community area population declined from 24,814 to 22,385.

The area included in the redevelopment district consists entirely of strip commercial buildings also constructed primarily in the 1940's and 1950's. These stores originally served the diverse shopping needs of the relatively affluent residents of the Beverly community as well as the household goods needs, especially furniture, of many residents of the southwestern section of the City and suburbs. Most of the stores were housed in small, single or two story buildings with little or no provision for customer parking. These stores lined both sides of 95th Street on relatively shallow lots of about 110 feet depth.

Competition from suburban shopping malls started early for the 95th & Western retail establishments when the country's first enclosed shopping center was constructed on the southwest corner of 95th and Western in Evergreen Park in 1952. As a result the City of Chicago annually loses large amounts of sales tax revenue to Evergreen Park and other suburban locations through purchases by Beverly and other City residents, while the redevelopment area loses customers due to small, obsolete shopping facilities with inadequate parking. A recent study (1993) of the characteristics and competitiveness of Chicago South Side retailing prepared for the Department of Planning and Development by Applied Real Estate Analysis, Inc. entitled "Final Report: Retailing in Chicago's South Side Neighborhoods" stated in this regard: "The common characteristic of households throughout the area is that they do a substantial portion of their shopping in the suburbs....The age and outmoded design of the stores, lack of parking, and growing number of new stores in the area are beginning to have a negative impact on 95th Street, especially the eastern half of the strip. New strip centers on Western Avenue south of 95th Street serve both to reinforce the 95th Street shops and to provide additional competition."

That report recommended that the 95th Street portion of the redevelopment area consolidate its retail activities and improve the existing retail while stabilizing the Western Avenue sub-area. This study also pointed out that even convenience goods purchases in the vicinity were being lost to the suburbs. The problem this area experiences due to the proximity of modern suburban alternatives is emphasized by the following statement from the Report: "This (loss of convenience goods sales) is somewhat understandable in the Mount Greenwood, Beverly and Morgan Park areas, where a suburban store may actually be 'in the neighborhood'."

The "Chicago Comprehensive Neighborhood Needs Analysis" prepared for the City in 1982 by Melipheny and Associates cited the need for Business district improvements as one of the Beverly community area's "Key Community Needs". The Report noted this need in spite of the author's recognition that the community had been very active in attempting to maintain and improve the viability of this shopping area. The Report also noted the negative impact that the City's home rule sales tax has upon the ability of areas such as this to compete with lower tax stores in adjacent suburban areas.

This Report concluded with the following: "Currently, the 95th Street Business District is suffering from the ailment of many older business districts. Due to the changing habits and patterns of shoppers, the age structure, racial composition, and the mobility of the consumer, the market, once served by the merchants along 95th Street have changed drastically. The 95th Street Business District currently contains 632,660 square feet of commercial space of which 470,225 square feet is currently used for retailing. Through the analysis of various market forces, it was found that the 95th Street Business District could support 306,225 square feet of retail space. Therefore, the 95th Street Business District contains 164,000 square feet of retail space which cannot be economically supported by the present trading area of the business district."

Finally this Report recommended with respect to the Beverly area that "The Department of Economic Development should assist community efforts to encourage suburban businesses to relocate in Chicago.

In order to redevelop this area numerous and costly improvements will be necessary including the following: property acquisition and assembly costs; demolition; environmental clean-up and site preparation; rehabilitation of existing structures; and infrastructure improvements.

The purpose of the Redevelopment Plan is to create a mechanism facilitating the redevelopment of existing buildings and for the development of new commercial facilities on existing vacant and/or underutilized land. The redevelopment of 95th Street is expected to encourage economic revitalization within the community and in the surrounding area.

Tax Increment Financing (TIF)

In January, 1977, the Illinois General Assembly enacted the "Tax Increment Allocation Redevelopment Act" (hereinafter referred to as the "Act.") The Act provides authority for municipalities to finance specific public redevelopment costs with incremental tax property tax revenues after approval of a "redevelopment plan and project" incorporating plans to redevelop a "blighted", "conservation" or "industrial park conservation area" of at least 1.5 acres located within the boundaries of the municipality. Incremental property tax revenue ("tax increment revenue") is derived from the increase in the equalized assessed valuation ("EAV") of real property within the tax increment finance ("TIF") redevelopment project area over and above the certified initial EAV of the real property at the time of designation. Any subsequent increase in this EAV is then multiplied by the current tax rate of all the overlapping taxing bodies in order to determine the tax increment revenue.

Municipalities may finance eligible redevelopment project costs by paying them directly, by reimbursing private parties who have initially financed them or by issuing bonds to pay these expenses and retiring the bonds with tax increment revenues. Tax Increment Financing does not generate revenues by increasing tax rates, but rather generates revenues by allowing the municipality to capture, for a period of up to 23 years, all the new tax revenue generated by development within the TIF boundaries. Further, under TIF, all the taxing bodies continue to receive the property tax revenue they had been receiving from properties within the area prior to the establishment of the TIF. In addition, at the discretion of the municipality taxing bodies may receive distributions of excess tax increment if more revenue is received than is necessary to pay all the outstanding obligations of the district. The overlapping taxing bodies will also benefit from the TIF when the TIF is terminated and these governments then gain access to the increase in the property tax base produced by the new investment in the area.

The 95th and Western Redevelopment Plan and Project (hereinafter referred to as the Redevelopment Plan) has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of the redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives.

The Redevelopment Plan also specifically describes the 95th and Western Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area"). This area meets the eligibility requirements of the Act.

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

- 1) on a coordinated rather than a piecemeal basis to ensure that the land use, vehicular access, parking, service and urban design systems will meet with modern day principles and standards, and
- 2) on a reasonable, comprehensive and integrated basis to ensure that blighting and/or potentially 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 equal to its scale. The success of this effort will depend to a large measure on cooperation between the private sector and agencies of local government. Adoption of this Redevelopment Plan by the City will make possible implementation of a balanced, comprehensive plan for stimulating redevelopment of the RPA, an area which can not reasonably be anticipated to be developed without adoption of this Redevelopment Plan. Public investments will create the environment necessary to attract the needed private investment required for the revitalization of the area. "But for" the public investments made possible by the adoption of TIF, the necessary private investments would not be forthcoming and the area would not be revitalized.

II. REDEVELOPMENT PROJECT AREA BOUNDARY DESCRIPTION

The boundaries of the 95th and Western Redevelopment Project Area (hereinafter referred to as the "Redevelopment Project Area" or "RPA") have been carefully drawn to include only those contiguous parcels of real property and improvements thereon substantially benefited by the proposed redevelopment project improvements to be undertaken as part of this Redevelopment Plan. The proposed 95th Street and Western Avenue redevelopment project area consists of approximately 33 acres of privately owned property plus the intervening roads including the commercial portions of 28 city blocks along 95th Street extending from Ashland Avenue to Western Avenue, the commercial property on the west side of the westernmost two of these blocks and the commercial property on the east side of the next four blocks north of this area along Western Avenue. The area is generally bordered on the east by Ashland, on the south by the alley behind the stores along the south side of 95th Street, on the west by Western Avenue, which in this vicinity is the City limits, and on the north (between Western and the alley one half a block to the east) by the Dan Ryan Woods Forest Preserve and by the alley behind the stores along the north side of 95th Street until Ashland Avenue. The boundaries are more specifically shown in Chart 1, the Redevelopment Project Area Boundaries, and more precisely described by the following legal description of the area:

III. THE REDEVELOPMENT PLAN AND PROJECT

The Redevelopment Plan and Project has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private development actions within the Redevelopment Project Area. This plan also specifically describes the RPA and sets forth a summary of the "conservation" factors which qualify the RPA for designation as a "conservation" area as defined by the Act.

In addition to describing the redevelopment objectives for the area, the Redevelopment Plan sets forth the overall program to be undertaken to achieve these objectives. The "Redevelopment Project" as used herein means any redevelopment project which may, from time to time, be undertaken to accomplish the objectives of the Redevelopment Plan. By adopting this Plan the City creates an environment for private investment within the RPA, which will in turn contribute to strengthening the tax base of the City, create and retain jobs, within the City and retain firms that might otherwise migrate to the suburbs or out of state.

The goal of the City is to ensure that the entire RPA is developed on a comprehensive and planned development basis in order to provide that new development occur:

1. On a coordinated rather than a piecemeal basis so that land-use, pedestrian access, vehicular circulation, parking, service and urban design systems function together in a way that meets modern market demands and planning principles.
2. In a manner that eliminates the threat of blight and conserves the community consistent with the goals of the plan.
3. In a timely manner so that the area may soon make a meaningful contribution to the economic vitality of the City.
4. In keeping with the existing architecturally significant and historic/landmark designations of the redevelopment project area.

The RPA has not been subject to redevelopment through investment by private enterprise and is not reasonably expected to be redeveloped without the adoption of the Redevelopment Plan. During the last 25 years only five new buildings have been built in the area, while only 12 of the 121 buildings in the area, or under 10% of the total, have been significantly renovated or rehabilitated during that same 25 year period.

The adoption of this Redevelopment Plan will make possible the implementation of a comprehensive program for the redevelopment of the RPA. The availability of limited amounts of public investment funds will be used throughout the area to leverage private investment that has so long been absent from the area. This public and private investment will be forthcoming only if tax increment financing is adopted for the RPA in accordance with the provisions of the Act. The conservation conditions that have prevented private investment in the area will be eliminated through implementation of the Plan. The Plan will help the City to marshal the resources of the private sector in a true public-private redevelopment partnership.

IV. REDEVELOPMENT PLAN GOALS, OBJECTIVES AND POLICIES.

This section of the Redevelopment Plan identifies the goals and policies of the City for the RPA. A later section of the Redevelopment Plan identifies the more specific program which the City plans to undertake in achieving the redevelopment goals and policies which have been identified.

General Goals

- 1) Reduce or eliminate those conditions which qualify the RPA as a conservation area, including environmental remediation, through the implementation of this Plan.
- 2) Enhance the property tax and sales tax base of the City and other overlapping tax districts extending into the conservation area.
- 3) Strengthen the existing business community and enhance local business and employment development within the area while stimulating revitalization in the surrounding commercial and residential areas.
- 4) Retain and upgrade sound buildings that are compatible with the overall redevelopment plan.
- 5) Identify and attract new business and job growth to the area that will capitalize on the inherent strengths of the area, including the architectural significance and historic/landmark designations accorded the area.
- 6) Develop "anchor" projects that encourage retail, commercial, residential and mixed use development in the area.
- 7) Improve the marketability of vacant and other underutilized properties by encouraging private investments which strengthen the community's economic base and business environment.
- 8) Increase the quantity and quality of off-street parking and service delivery access points for commercial use so as to improve the viability of existing and new retail businesses as well as the traffic circulation of the area.

- 9) Create an environment within the RPA which will contribute to the health, safety, and general welfare of the City, and preserve and enhance the value of properties adjacent to the RPA.
- 10) Provide needed infrastructure and public improvements including utilities, lighting and other security facilities, parking, open space, landscaping and recreational facilities, sidewalks, alleys, signage and streetscapes etc. within the RPA.
- 11) Ensure the participation of the local merchants and the community in all phases of redevelopment within the area.
- 12) Provide incentives to encourage improvements that will help to create a positive perception about the security for shopping and other activities within the area.

Policies

- 1) Upgrade existing retailing and develop a program to attract quality developers of retail, commercial and mixed-use projects to the area.
- 2) Implement traffic and pedestrian circulation improvements and policies, including the provision of well located off-street parking and improved access for pick-up and delivery of goods.
- 3) Institute an exterior commercial rehabilitation program which upgrades properties and provides a unifying design theme for all or relevant parts of the area consistent with the historical nature of the community.
- 4) Acquire underutilized sites for redevelopment by the private sector, particularly those that will encourage other unassisted development.
- 5) Encourage concentration of retail into nodes around major intersections while assisting the transition of retail properties in other areas to more appropriate uses.
- 6) Assist existing retailers to relocate into the most viable retail areas with adequate parking within the RPA.
- 7) Finance the aforementioned improvements through the use of tax increment finance (TIF) and other applicable financing sources.
- 8) Ensure effective community input by establishing a Redevelopment Project Area Community Advisory Committee to review and make recommendations regarding all projects seeking tax increment funding. This Committee shall consist of merchants and property owners from within the area and other community representatives, all appointed by the Mayor and approved by the City Council from a list provided by the Alderman of the 19th Ward and the community. The review of each project shall be completed prior to the project's consideration by the Department of Planning and Development and the City Council. The recommendations of the Committee shall be advisory.

V. CONSERVATION CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

As set forth in the Act a "conservation area" means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 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 3 or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area.

The area that is the subject of this study consists almost exclusively of improved land. According to the Act, for such an area to be designated as a "Conservation Area", the municipality must demonstrate that because 50% or more of the structures in the area have an age of 35 years or more and because of the presence of a combination of three or more of the factors described in the Act, the area is detrimental to the public safety, health, morals or welfare and such area may become a blighted area.

While it may be concluded that the mere presence of the minimum number of stated factors is sufficient to make a finding of eligibility as a "conservation area", the following evaluation was made on the basis that the eligibility factors must be present to an extent which would lead reasonable people to conclude that public intervention is appropriate or necessary. In addition, the distribution of conservation factors throughout the study area must be reasonable so that basically good areas are not arbitrarily found to satisfy the conservation requirements simply because they are adjacent to a blighted or conservation area.

Based upon a windshield survey supervised by the research team, development of other information and documents pertaining to the eligibility factors as they applied to each parcel of property in the area and analysis of the survey results, the Redevelopment Project Area qualifies as a "Conservation Area" as defined in the Act. A separate report, entitled "95th and Western Tax Increment Financing Eligibility Report", describes in detail the surveys and analysis undertaken by the research team and the basis for finding that the Redevelopment Project Area qualifies as a "conservation area" as defined by the Act.

Summarized below are the findings of the Eligibility Report:

- of the fourteen factors set forth in the Act for improved areas, six are present to a major extent in the Redevelopment Project Area.
- the eligibility factors which are present are reasonably distributed throughout the Area.
- all blocks within the Area show the presence of some eligibility factors.
- the Area includes only those contiguous parcels of real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

The following six "conservation" factors are present to a **major extent** throughout the Area:

Age

Age as a factor is a requirement for a "conservation area" and is present to a major extent. A total of 95 of the 121 buildings in the redevelopment area, or 79 percent, are 35 years of age or older. Fifty percent or more of the buildings are 35 years of age or older in 26 of the 33 blocks that comprise the redevelopment area.

1. Obsolescence

Obsolescence is present to a major extent with the area. Of the 121 buildings in the area, 105, or 87 per cent, are obsolete. Obsolete buildings are present to a major extent on 30 of the 33 blocks in the redevelopment area. This factor was observed with respect to obsolete buildings, obsolete platting and obsolete parcels.

2. Deterioration

Deterioration is present to a major extent with the area. Of the 121 buildings in the area, 75, or 62 per cent, are deteriorated. Deteriorated buildings are present to a major extent on 27 of the 33 blocks in the redevelopment area. In addition many parking areas and alleys, streets, curbs and gutters and sidewalks in the area are deteriorated. As a result deterioration was found to be associated with 94 of the 121 buildings in the RPA.

3. Excessive Land Coverage

Excessive land coverage is present to a major extent in the redevelopment area. A total of 97 of the 121 buildings in the area, or 80 per cent, exhibited this factor. This factor is present to a major extent on 28 of the 33 blocks in the redevelopment area.

4. Deleterious Land-Use or Layout

Deleterious land-use or layout is present to a major extent in the area. Of the 121 buildings in the area, 95, or nearly 79 per cent suffered from deleterious land-use or layout. This factor is present to a major extent on 28 of the 33 blocks. Conditions contributing to this finding include parcels of limited depth and width, parcels of irregular shape and incompatible uses.

5. Depreciation of Physical Maintenance

Depreciation of physical maintenance is present to a major extent throughout the area. Of the 121 buildings in the area, 95, or 79 per cent, satisfied this criteria. This factor is present to a major extent on 30 of the 33 blocks included in the area.

6. Lack of Community Planning

Lack of community planning is present to a major extent throughout the area. The area generally developed before the City implemented effective community planning guidelines and standards, and thus developed without their benefit. Other conditions contributing to this finding are parcels of inadequate size or depth for contemporary development and the lack of reasonable controls for building setbacks and off-street parking.

In addition the following two "conservation" factors are present to a **minor extent** within the Area:

1. Excessive Vacancies

Excessive vacancies exist to a limited extent within the area. A total of 15 of the 121 buildings in the area are currently vacant. Excessive vacancies are present to a major extent on 5 of the 33 blocks in the area and to a limited extent on 7 blocks.

2. Overcrowding of Structures and Community Facilities

Overcrowding of Structures and Community Facilities exists to a limited extent within the area. Only 7 of the 121 buildings included in the area are currently overcrowded.

The above analysis is based upon information provided by the research team based upon the following surveys and analyses.

- 1) Exterior surveys of the condition and use of each building.
- 2) Field survey of the condition of the streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls and general property maintenance within the area.
- 3) Analysis of existing uses and their relationship to one another.
- 4) Comparison of current land use to current zoning and the current zoning map.
- 5) Comparison of surveyed buildings to property maintenance and other codes of the City.
- 6) Analysis of original and current platting and building size and layout.
- 7) Analysis of building floor area and site coverage.
- 8) Review of previously prepared plans, studies and data on the area.

95TH AND WESTERN REDEVELOPMENT PROJECT

This section presents the overall program to be undertaken by the City of Chicago or by private developers acting under redevelopment agreements with the City. It includes a description of the redevelopment plan and project objectives; the redevelopment activities necessary to implement the plan; a general land use plan, estimated redevelopment project costs, any obligations that may be issued in order to achieve the objectives of the plan, identification of the most recent equalized assessed valuation of properties within the RPA and an estimate of the anticipated equalized assessed value of the area after implementation of the plan.

In the event the City determines that implementation of some or all of the activities or improvements is not feasible, the City may reduce the scope of the overall program and Redevelopment Project.

Redevelopment Objectives

- Reduce or eliminate those conditions which qualify the RPA as a conservation area described in the preceding section of this Plan.
- Strengthen the economic well-being of the City and the RPA by increasing business activity, taxable values and job opportunities in the area.
- Create an environment which stimulates private investment in new construction, expansion and rehabilitation projects throughout the area.
- Assemble land into parcels functionally adaptable with respect to shape and size for disposition and redevelopment in accordance with the needs of the area, the limitations on the size of sites in the area and the uses demanded by the market for property in the area.
- Achieve development which is integrated both functionally and aesthetically with nearby existing development, which contains a complementary mix of uses and meets shopping needs not currently served by existing businesses.

- Encourage a high quality appearance of buildings, thoroughfares, public facilities and open spaces, and promote high standards of design in keeping with the architecturally significant and historic/landmark designations of the RPA.
- Provide incentives needed to encourage private investment in rehabilitation, reconversion and redevelopment projects within the area.
- Organize the necessary beautification and facade improvement programs that will give the area an identity and once again become an area where people will desire to shop.
- Make the infrastructure and public improvement investments that are needed in order to stimulate private investment in the area, including those that will improve the public's perception about the security of the area.
- Encourage the participation of minorities and women in professional and investment opportunities involved in the redevelopment of the RPA.
- Ensure the participation of the local merchants and the community in all phases of redevelopment within the area through the establishment of a Redevelopment Project Area Community Advisory Committee.
- Implement the RPA goals and policies set forth in Section IV of this Redevelopment Plan.

Redevelopment Activities

The City proposes to achieve its redevelopment goals, policies and objectives for the RPA through public financing techniques including , but not limited to, tax increment financing and by undertaking redevelopment activities including, but not limited to the following:

1. Use of Incentives for Property Assembly

Use tax increment incentives to solicit and encourage qualified private redevelopment entities to undertake property acquisition and assembly of obsolete properties and the redevelopment of those consolidated parcels into projects that satisfy current market needs. Other properties in the RPA may be acquired by purchase, exchange or long-term lease by the City of Chicago and cleared of all improvements and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements. The City may determine that to meet the goals, policies or objectives of this Redevelopment Plan property may be acquired where a) the current use of the property is not permitted under this Redevelopment Plan; b) the exclusion of the property from acquisition would have a detrimental effect on the disposition and development of adjacent and nearby properties; or c) the owner or owners are unwilling or unable to conform the property to the land-use and development objectives of this Redevelopment Plan. Further, the City may require written redevelopment agreements with developers before acquiring any properties. The City may devote property which it has acquired to alternative temporary uses until such property is scheduled for disposition and redevelopment.

2. Demolition, Site Preparation and Redevelopment

Clearance and demolition activities will include demolition of buildings, breaking-up and removal of old foundations, excavation and removal of soil and other materials, including sources of environmental contamination to create suitable sites for new development. Clearance and demolition activities will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods of time and so that the adverse effects of clearance activities may be minimized.

3. Incentives for Rehabilitation, Renovation and Adaptive Reuse of Existing Buildings

The City will encourage the rehabilitation, renovation and adaptive reuse of buildings in need of such expenditures by paying the redevelopers of these properties for some of the TIF eligible costs incurred by the developer in the rehabilitation, etc. In most instances the City will reimburse the redeveloper for some of the TIF eligible costs incurred on the project from property tax increment produced by the project upon receipt of those tax revenues under terms of a redevelopment agreement between these two parties. In a few instances the City may decide to pay these expenses from the proceeds of bonds to be secured, at least partially, and serviced by the tax increment of the RPA, all in accordance with the terms of a redevelopment agreement.

4. Infrastructure, Parking, Utilities and Other Public Improvements

Adequate public improvements are necessary for the conservation of the RPA. In order to improve the present condition of the area's infrastructure some of the tax increment produced by properties and projects within the area will be used to leverage other public funds available from other City sources, the State and the Federal government. These funds will be used to improve the perception of personal security in the area through improved lighting and other security-related facilities. Other types of public improvements activities include: acquisition of parcels for creation of off-street parking to facilitate development by qualified redevelopment entities and provide convenient access for delivery service; increase the amount of open space, improved landscaping and recreational facilities; improve streets, curbs, alleys, medians, sidewalks and streetscape improvements to foster pedestrian and public safety; water, sanitary and storm sewer improvements.

5. Beautification and Facade Improvement Programs

In addition to rehabilitation of individual buildings, some tax increment revenues will also be used for facade and landscaping rebate programs designed to encourage the improved appearance of adjacent groups of properties with a consistent and/or coordinated design. This may include the promotion of facade renovation programs such as shared public /private funding of facade improvements or low/no interest loans for this purpose and or incentives for sign/structure removal and incentives for uniform signage, certain landscaping and beautification projects, to the extent that their costs are TIF eligible costs, may also be funded in order to enhance the appearance of the area, the medians or to provide more green/open space between private land uses. These efforts may require the City to retain some architectural and design services in order to encourage participation by existing and new retailers within the area.

6. Relocation Assistance

Relocation costs will be incurred by the City to the extent that the City determines that relocation costs shall be paid or the City is required to make payment of relocation costs by federal or state law.

7. Job Training

In order to increase the effectiveness of the redevelopment program some tax increment resources will be allocated to create opportunities for job training at local colleges, through workshops and seminars needed by employees or businessmen of existing and new businesses within the area. Training designed to increase the skills of the labor force within the community to take advantage of the employment opportunities created within the area will be implemented.

8. Planning, Administration, Architectural, Studies & Surveys, Legal and Other Professional Services

These activities include the management of the TIF program throughout its duration, research needed to assure that the program is effective in reaching the goals and objectives of this Redevelopment Plan, architectural and engineering support for facade improvement and land disposition programs and legal and other kinds of services necessary to acquire and dispose of property obtained for redevelopment.

General Land Use Plan

Existing land uses consist almost entirely of small retail and commercial facilities, except for a railroad station, its related parking and several other public buildings. Exhibit 5, attached hereto and made a part of this plan, designates intended general land uses in the RPA. It is anticipated that the existing zoning classification will be amended from time to time to reflect the conversion of existing commercial areas to mixed or possibly residential use. The following area characteristics of the future land use plan for the RPA:

Retail Uses

Retail uses should be developed in order to better serve the convenience shopping needs of the surrounding neighborhood, to provide appropriate goods and services to commuters using the train station and to complement the regional mall at the western end of the RPA. Some of the shopping needs not currently served by existing merchants include full service book stores, bakeries, family restaurants, family clothing and shoe stores, home improvement centers, sporting goods stores etc. The City retains the discretion to provide TIF assistance or not to provide assistance to specific businesses of these types desiring to locate in the area and shall not be barred from providing assistance to other types of businesses as well throughout the life of the district.

The concept of an "Ethnic Village" as originally proposed by Jack Pettigrew of Trkla, Pettigrew, Allyn & Payne, Inc. is a model which this Redevelopment Plan may follow for a portion of the RPA, market forces permitting. It is expected that implementation of such a model would add to the diversity of the retail product offerings, and therefore to the long run viability of the area.

Parking Uses

Full realization of economic development potential of the RPA is directly related to the availability of sufficient automobile parking that is conveniently located together with appropriate pedestrian linkages and amenities to allow and encourage patrons to combine their errands into a one-stop, multi-purpose trip.

Commercial and Mixed Uses

As the economy becomes more and more service oriented, it is expected that some of the existing retail space in the area will be converted to office and other commercial uses, particularly in the area of the train station.

As more and more of the retail activity within the area is concentrated into more effective clusters, the replacement redevelopments are likely to consist of all or some of the following mixed uses: commercial, service, retail and residential.

Estimated Redevelopment Project Costs

According to the Act redevelopment project costs mean the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and include any such costs incidental to this Redevelopment Plan. Private investments which supplement "Redevelopment Project Costs" are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act may include, without limitation, the following:

1. Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected.
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing buildings and fixtures;
4. Costs of the construction of public works or improvements;
5. Costs of job training and retraining projects;
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be in furtherance of the objectives of the redevelopment plan and project, to the extent the City by written agreement accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to make payment of relocation costs by federal or state law;
9. Payment in lieu of taxes as defined in the Act.
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.
11. Interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of the redevelopment project provided that:
 - (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
 - (b) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - (d) the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the municipality pursuant to this Act.

A wide variety of activities and improvements will be required to implement the Redevelopment Project. The necessary improvements and their costs are shown in Appendix 5, Estimated Redevelopment Project Costs. The total Redevelopment Project Costs are intended to provide an upper limit on tax increment expenditures in the area. Within this limit, adjustments may be made in line items, including provision for capitalized interest and other costs of financing associated with the issuance of obligations, without amendment of this Redevelopment Plan. The costs represent estimated amounts and do not represent actual City commitments or expenditures. Additional funding in the form of State and Federal grants, and private developer contributions may be pursued by the City as means of financing improvements and facilities which are of a general community benefit.

Estimated project costs eligible under Illinois TIF statute are listed below. These are potential costs to be expended over the maximum 23 year life of the RPA and their expenditure is subject to the availability of redevelopment projects and the willingness of the City to fund them at a level of need to be determined by the City. (Note: This summary does not include private expenditures for redevelopment within the area)

Sources of Funds to Pay Eligible Redevelopment Project Costs

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

The tax increment revenue which will be used to fund tax increment obligations and redevelopment project costs shall be the incremental real property tax revenue. Incremental real property tax revenue is attributable to the increase in the current EAV of each taxable lot, block, tract, or parcel of real property in the RPA over and above the initial EAV of each parcel of real property in the RPA. Other sources of funds which may be used to pay for redevelopment costs and obligations issued, the proceeds of which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the City may from time to time deem appropriate.

Nature and Term of Obligations to be Issued

The City may issue obligations secured by the Tax Increment Special Tax Allocation Fund established for the Redevelopment Project Area pursuant to the Act. Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving Amended Redevelopment Plan and Project, such ultimate retirement date occurring in the year 2018. Also the final maturity date of any such obligations may not be later than 20 years from their respective date of issuance.

One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year on all obligations shall not exceed the amounts available in that year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory sinking fund redemptions.

Those tax increment revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

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

The purpose of identifying the most recent EAV of properties in the RPA is to provide an estimate of the initial EAV which the County Clerk will certify for the purpose of calculating incremental EAV and incremental property taxes. The equalized assessed valuation (EAV) of the property within the RPA is approximately \$15,437,154, which is the 1993 equalized assessed valuation, the most recent EAV available. These values will be used so long as the RPA is established by the City before the 1994 state equalization factor is issued, which is expected to be sometime in June or July, 1995. Additionally, this estimated amount is subject to any Certificates of Error which may be adjudicated before a final Certified Initial EAV is issued by the Cook County Clerk's office. Appendix 2, Summary of Initial EAV by Block, summarizes the initial equalized assessed values of blocks within the RPA.

Anticipated Equalized Assessed Valuation

Upon completion of the anticipated private development of the Redevelopment Project Area by the year 2018, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be increased to approximately \$36,000,000. This estimate is based upon several key assumptions: 1) a constant Cook County equalization factor (multiplier) of 2.1407 in 1994 dollars; 2) a total tax rate of \$9.25 per \$100 of valuation throughout the life of the TIF; 3) redevelopment for the uses specified in this Redevelopment Plan will occur in a timely manner; and 4) the market value of the recommended residential and commercial developments will increase following completion of the redevelopment activities described in the Redevelopment Plan.

VII. Conformity to the Comprehensive Plan of the City of Chicago

The Redevelopment Plan and Project conform to the comprehensive plan for development of the City of Chicago as a whole, The Comprehensive Plan of Chicago of 1966.

VIII. Scheduling of the Redevelopment Project

This Redevelopment Project and all obligations issued to finance redevelopment project costs will be completed on or before a date 23 years from the adoption of the Ordinance designating the RPA. The City expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental tax yield. It is anticipated that City expenditures for redevelopment project costs will be carefully staged on a reasonable and proportional basis to coincide with expenditures on redevelopment projects by participating private developers.

IX. Commitment to Fair Employment Practices and Affirmative Action

The City is committed to and will affirmatively implement the following principles with respect to the Plan and Project:

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

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

In order to implement these principles for this Project and Plan, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors and the developer's contractors and vendors. In particular, parties contracting for work on the Project shall be required to agree to the principles set forth in this section.

X. Lack of Growth and Development Through Investment by Private Enterprise

As described earlier in this report, the RPA as a whole is adversely impacted by the presence of numerous "conservation" factors and these factors are reasonably distributed throughout the area. The RPA on the whole has not been subject to redevelopment through investment by private enterprise and is not reasonably expected to be redeveloped in a comprehensive manner without the adoption of the Redevelopment Plan.

The enabling statute requires that "The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan." Elsewhere the statute requires that the Redevelopment Plan include evidence in support of this finding.

In order to determine the extent of past private investment in the area the investigative team identified all the buildings in the area that had been constructed or substantially rehabilitated during the last quarter century and the approximate date thereof using aerial photographs, local business records and information provided by the 95th Street Business Association. This list was then submitted to the City of Chicago Building Department in order to obtain copies of the associated building permits. Appendix 7 summarizes the results of this research. In addition to this investment there has been many smaller investments necessary to repair or adapt these 121 buildings throughout this lengthy period.

There has been very limited investment in the area during the last 25 years. Since 1970 the only replacements of older buildings has been to facilitate the construction of the Burger King Restaurant, the Taco Bell, Pepe's Taco, Kettles Food & Deli and Citibank and the new commuter parking lot owned by the City of Chicago. During that same 25 year period only 11 of the 121 buildings in the area, under 10% of the total, have been renovated or rehabilitated significantly. None of the new construction projects was a major investment. Four of the five are restaurants, four of them of the fast food variety with the major emphasis being on carry-out business. The other project is the Citibank satellite banking service center, which was constructed 10 years ago.

Appendix 7 indicates building permits issued for new construction and major renovations since 1970 indicating less than \$1,000,000 in reinvestment during this period. Local financial institutions (see Appendix 12) also attest to the fact that a minimal amount of money has been loaned for commercial improvements, rehabilitation and new construction in the redevelopment area during this period.

The lack of prior growth and investment by the private sector is also supported by the trend in the equalized assessed value (EAV) of the all of the property in the redevelopment project area over the last decade (see Appendix 8). During the period between 1983 and 1993 the EAV of the RPA expanded by only 67% (unadjusted for inflation) as compared to 135% for all commercial property in the City of Chicago. After eliminating the compound growth effect, the annual rate of increase in the taxable value of property within the RPA was only 5.26% during this period, equal to or less than the rate of inflation in property values throughout the region during this period, while the rate of increase Citywide was 8.92%, a rate that was 70% greater than that of the area.

Further evidence of the the area's economic decline is indicated by a comparison of municipal sales tax receipts for the area (approximated by the two zip codes which comprise the RPA) and that of the City of Chicago for the period from 1985 through 1990 (see Appendix 9). Later data is not available inasmuch as the City no longer administers and collect this tax. Whereas during this period the City's municipal sales tax receipts increased by 36%, comparable receipts for the two Zip code areas which include the RPA declined by 6%.

In addition Appendix 10 includes evidence from the local banking community indicating the difficulty they have had in making loans in the area, while Appendix 11 provides evidence indicating that private investment in the area would be stimulated by the adoption of a tax increment district .

Thus, it is clear that private investment in redevelopment of the area has not occurred on a comprehensive basis or in a timely manner in order to overcome the conservation conditions that currently exist within the area. The redevelopment are is not reasonably expected to be redeveloped without the efforts of the City, including the adoption of this Redevelopment Project and Plan, and the adoption of tax increment financing.

XI. Financial Impact and Demand on Taxing District Services

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

This Redevelopment Plan and Project describes a comprehensive redevelopment program to be undertaken by the City to create an environment in which private investment can occur. The redevelopment program will be staged over a period of years consistent with local market conditions and available resources required to complete the various redevelopment projects and activities set forth in the Plan. If the Redevelopment Project is successful, it is anticipated that the rehabilitation and expansion of existing buildings and new development resulting therefrom will be instrumental in alleviating the existing conservation conditions and restoring the area to sound conditions over the long run.

The Redevelopment project is expected to have both short and long term financial impacts on the taxing bodies overlapping the RPA. During the period when tax increment financing is being used, real estate tax revenues resulting from increases in EAV over and above the certified initial EAV established at the time the district was adopted will be used to pay redevelopment project costs incurred by the City on projects in the area. At the end of this period, the real estate tax revenues attributable to the increase in the EAV over the certified initial amount will be distributed to all the taxing bodies overlapping the RPA.

The following taxing bodies presently levy property taxes against all the properties located within the RPA:

- Cook County
- Cook County Forest Preserve District
- Metropolitan Water Reclamation District of Greater Chicago
- Chicago Community College District 508
- Chicago Board of Education District 299
- Chicago Park District
- Chicago School Finance Authority
- City of Chicago
- South Cook Mosquito Abatement District

In addition the 95th Street portion of the redevelopment project area is also taxed by the City of Chicago Special Service Area # 4.

Non-residential development, such as retail, commercial service, office, public and institutional uses, should not cause increased demand for services or capital improvements on any of the above taxing bodies except for the Water Reclamation District. Replacement of vacant and underutilized buildings and sites with active and more intensive uses will result in additional demands on services and facilities provided by the Water Reclamation District. However it is expected that any increase in demand for treatment of sanitary and storm sewerage associated with the RPA will not have a significant impact upon the existing treatment facilities maintained and operated by the Water Reclamation District.

Residential development may cause increased demand for services or capital improvements to be provided by the Board of Education, Community College District 508, the Chicago Park District, the Forest Preserve District and the City of Chicago. New private investment in residential and non-residential development, and public investment in infrastructure improvements may increase the demand for public services or capital

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

Over time the implementation of the Redevelopment Plan may lead to an increase in the value of properties adjacent to the RPA.

XII. Program to Address Financial and Service Impacts

As a result of the level of uncertainty about the financial and service impacts of the Redevelopment Plan upon the overlapping taxing bodies, the City has not developed, at present, a specific plan to address any of these financial impacts or increases in demand. However, some or all of the public improvements described earlier in the Redevelopment Activities section on Infrastructure, Parking, Utilities and Public Improvements may mitigate some of the additional services and capital improvement demands placed on the overlapping taxing bodies as a result of the implementation of this Plan. In addition, there will be a willingness on the part of the City to work with the other taxing bodies to assess the financial and service impacts upon these agencies at the Joint Review Board meetings after the TIF is established.

XIII. Provisions for Amending This Redevelopment Plan and Project

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

Appendix 1

BOUNDARY MAP AND EXISTING STRUCTURES BY USE

108
115
300
310
317
100

95th - STREET TAX INCREMENT DISTRICT

REDEVELOPMENT PROJECT

BOUNDARY MAP AND
EXISTING STRUCTURE BY USE

— PROJECT BOUNDARY

LEGEND

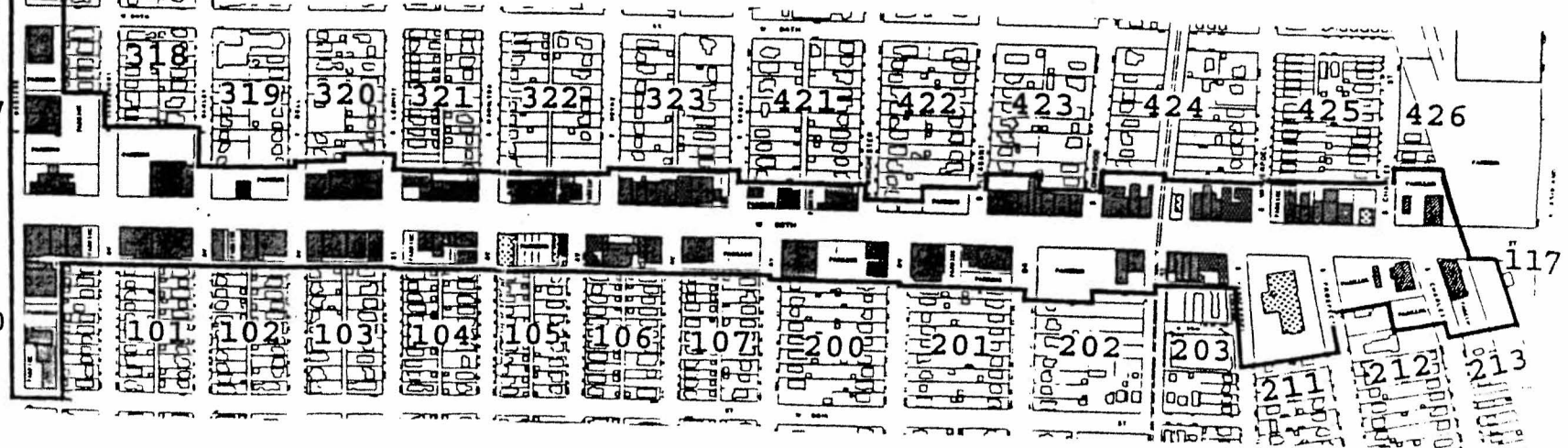
-  Commercial
-  Mix Use
-  Institutional

OCTOBER, 1994



City of Chicago
Richard M. Daley, Mayor

Department of Planning and Development
Valene B. Jarrett, Commissioner



Appendix 2

LEGAL DESCRIPTION OF THE 95TH STREET TIF DISTRICT

LEGAL DESCRIPTION OF THE 95TH STREET

TAX INCREMENT FINANCING DISTRICT

A parcel of land in Chicago, Cook County, Illinois being a part of the N 1/2 of Section 7, and the S 1/2 of Section 6 in Township 37 North, Range 14 East of the third Principal Meridian described as follows:

Beginning at the intersection of the center line of West 95th Street and the center line of South Western Avenue; thence northerly along said center line of South Western Avenue to the north lot line extended of Lot 1 of O. Rueber and Co's. Beverly Hills Sub. of the S. 3/8 of the W. 1/2 of the N.W. 1/4 of Sec. 6-37-14; thence easterly along said lot line to the intersection with the center line of the first north-south public alley parallel to and first east of South Western Avenue; thence southerly along said center line of the aforesaid alley to the intersection with the south lot line extended of Lot 15 of said O. Rueber and Co's. subdivision; thence westerly eight feet to the intersection with the east lot line extended of Lot 16 of said O. Rueber and Co's. subdivision; thence southerly along said lot line to the intersection with the center line of West 91st Street in said O. Rueber and Co's. subdivision; thence easterly 3 feet to the intersection with the east lot line extended of Lot 28 in Beverly Hills Blvd. Sub., being a resub. of the N. 22 acres of Geo. H. Chambers Sub. of the W. 1/2 of the S. W. 1/4 of Sec. 6-37-14; thence southerly 684 feet along said lot line to the intersection with the north lot line of Lot 13 in Geo. H. Chambers Sub. of the W. 1/2 of the S. W. 1/4 of Sec. 6-37-14; thence westerly along said lot line 23 feet to the intersection with the east parcel division line of Lot 13 in said Geo. H. Chambers Subdivision; thence southerly 159 feet along said parcel division line to the intersection with the center line of West 92nd Street in said Geo. H. Chambers Subdivision; thence easterly 45 feet along said center line of West 92nd Street to the intersection with the east parcel division line extended of Lot 12 in said Geo. H. Chambers Subdivision; thence southerly along said parcel division line 159 feet to the intersection with the south lot line of Lot 12 in said Geo. H. Chambers Subdivision; thence easterly 13 feet along said lot line to the intersection with the east parcel division line of Lot 11 in Geo. H. Chambers Subdivision; thence southerly 252 feet along said parcel division line to the intersection with the north lot line of Lot 9 in said Geo. H. Chambers Subdivision; thence easterly 13 feet along said lot line to the intersection with the east parcel division line of Lot 9 in Geo. H. Subdivision; thence southerly 126 feet to the intersection with the north lot line in Lot 8 of said Geo. H. Chambers Subdivision; thence easterly 15 feet along said lot line to the intersection with the east parcel division line in Lot 7 of said Geo. H. Chambers Subdivision; thence southerly 252 feet along said parcel division line to the intersection with the center line extended of West 94th Street in said Geo. H. Chambers Subdivision; thence easterly 13 feet along said center line of West 95th Street to the intersection with the east parcel division line extended of Lot 5 in said Geo. H. Chambers Subdivision; thence southerly 219 feet along said parcel division line to the intersection with the north lot line of Lot 3 in said Geo. H. Chambers Subdivision; thence easterly 151.45 feet along said lot line extended to the intersection with the center line of South Clairmont Street in said Geo. H. Chambers Subdivision; thence southerly along said center line of South Clairmont Street to the intersection with the north lot line extended of Lot 39 in said Geo. H. Chambers Subdivision; thence easterly along said lot line to the intersection with the center line of South Oakley Avenue in said Geo. H. Chambers Subdivision; thence southerly along said center line of South Oakley Avenue to the intersection with the north lot line extended of Lot 41 in said Geo. H. Chambers Subdivision; thence easterly 296.9 feet along said lot line to the intersection with the center line of South Bell Avenue in said Geo. H. Chambers Subdivision; thence northerly 5 feet along said center line of South Bell Avenue to the intersection with the north parcel division line extended of Lot 79 in said Geo. H. Chambers Subdivision; thence easterly 121.9 feet along said parcel division line to the intersection with the west lot line of Lot 81 in said Geo. H. Chambers Subdivision; thence northerly 25 feet along said lot line to the intersection with north lot line of Lot 81 in said Geo. H. Chambers Subdivision; thence easterly 208 feet along said lot line to the intersection with the center line of South Leavett Avenue in said Geo. H. Chambers Subdivision; thence southerly 33 feet along said center line of South Leavett Avenue to the intersection with the center line extended of the first east-west public alley parallel to and first north of West 95th Street in Sub. of Blk 36 in Hilliard & Dobbin's Sub. of Sec. 6-37-14; thence easterly along said center line to the intersection with the center line extended of South Hoyne Street in A Sub. of Blk. 37 of Hilliard & Dobbin's Sub. of Sec. 6-37-14; thence northerly 28 feet to the intersection with the center line extended of the first east-west public alley parallel to and first north of West 95th Street in Campbell's Sub. of Blk. 37 of Hilliard & Dobbin's Sub. of Sec. 6-37-14; thence easterly along said center line to the intersection with the center line of South Damen Avenue in said Hilliard & Dobbin's Subdivision;

thence southerly 26.49 feet along said center line to the intersection with the north lot line extended of Lot 14 in Plotke & Crosby's Resub. of Blk. 39 in Hilliard & Dobbin's Sub. of Sec. 6-37-14; thence easterly 407.24 feet to the intersection with the center line of South Winchester Street in said Hilliard & Dobbin's Subdivision; thence southerly 50 feet along said center line to the intersection with the north parcel division line of Lot 47 in Longwood Sub. of Sec. 6-37-14; thence easterly 160.46 feet along said parcel line to the intersection with the west lot line of Lot 46 in said Longwood Subdivision; thence northerly 50 feet along said lot line to the intersection with the north lot line extended of Lot 46 in said Longwood Subdivision; thence easterly 517.98 feet along said lot line extended to the intersection with the center line of South Longwood Drive in said Longwood Subdivision; thence northerly 50.07 feet to the intersection with the north parcel division line of Lot 23 in said Longwood Subdivision; thence easterly along said parcel division line to the intersection with the center line of the CRI&P Railroad right of way in said Longwood Subdivision; thence southerly 10.06 feet to the intersection with the north lot line extended of Lot 22 in Longwood Sub., a sub. of all that part of Sec 6-37-14 lying E. of the center line of Spruce St., S. of the center line of 93rd St., W. of the W line of P.C. & St L RR right of way and N. of the S. line of S.E. 1/4 of said Sec. 6-37-14; thence easterly along said lot line to the intersection with the center line of South Vanderpoel Street in aforesaid Longwood Subdivision; thence northerly 10 feet along said center line to the intersection with the north parcel division line extended of Lot 12 in said Longwood Subdivision; thence easterly 124.98 feet to the intersection with the east lot line of Lot 9 in said Longwood Subdivision; thence southerly 8 feet along said lot line to the intersection with the center line of the first east-west public alley parallel to and first north of West 95th Street in Joseph B. Fleming's Sub. of the S. 1/2 of Lot 9 and all of Lot 10 in Longwood Sub; thence easterly along said center line to the intersection with the center line of South Charles Street in aforesaid Longwood Subdivision; thence northerly 66 feet along said center line of South Charles Street to the intersection with the north lot line extended of Lot 2 in said Longwood Subdivision; thence easterly 138.6 feet to the intersection with the West line of the Penna. Railroad right of way; thence southerly along said line to the intersection with the center line of West 95th Street in said Longwood Subdivision; thence easterly along said center line of West 95th Street to the intersection with the east lot line extended of Outlot B in Beverly Pointe, a sub. in N.E. 1/4 of Sec. 7, the N.W. 1/4 and the S.W. 1/4 of Sec. 8-37-14; thence southerly along said lot line to the intersection with the north lot line of Lot 90 in said Beverly Pointe subdivision; thence westerly 106.22 feet to the intersection with the west lot line of Outlot B in said Beverly Pointe Subdivision; thence southerly along said lot line to the intersection with the north lot line of Lot 1 in Howard Oviatt's sub. of Lots 1 to 17 incl. Lots 25, 26, 29 and 30 of Blk. 5 and lots 15,16,18,19, and 28 of Blk 3 in Hilliard and Dobbin's 1st Add. to Washington Heights of Sec. 8-37-14; thence westerly 140 feet along said lot line extended to the intersection with the center line of South Charles Street in said Howard Oviatt's subdivision; thence northerly 43 feet along said center line of South Charles Street to the intersection with the south lot line extended of Lot 45 in Hilliard and Dobbin's 1st Add. to Washington Heights being a sub. of the E. 1/2 of the N.E. 1/4 of Sec 7 and the N.W. 1/4 of Sec. 8-37-14; thence westerly 139 feet to the intersection with the east lot line of Lot 50 in said Hilliard and Dobbin's subdivision; thence northerly 100 feet to the intersection with the south lot line of Lot 49 in said Hilliard and Dobbin's subdivision; thence easterly 186 feet along said lot line extended to the intersection with the center line of South Prospect Avenue in said Hilliard and Dobbin's subdivision; thence northerly 10 feet along said center line of South Prospect Avenue to the intersection with the south lot line extended to Lot 6 in said Hilliard and Dobbin's subdivision; thence easterly 112.23 feet to the intersection with the east lot line of Lot 12 in O'Neill's Sub. of Lot 3 & Lot 2 (except that part for School lot) in Blk 6 of Hilliard and Dobbin's Sub of Sec 8-37-14; thence southerly 165.48 feet to the intersection with the south lot line of Lot 10 in said O'Neill's Subdivision; thence easterly 155.42 feet along said lot line to the intersection with the center line of South Vanderpoel Street in said O'Neill's Subdivision; thence northerly along said center line of South Vanderpoel Street to the intersection with the center line extended of the first east-west public alley parallel to and first south of West 95th Street in Howe's Sub. at Longwood of Lots 110 to 113 incl. of Blk. 6 in Hilliard and Dobbin's 1st Add. to Washington Heights of Sec. 8-37-14; thence easterly along said center line to the intersection with the center line of the C.R.I. & P Railroad right of way in said Howe's Subdivision; thence southerly 15.75 feet to the intersection with the south lot line extended of Lot 3 in Dore's Sub. of the W. 1/2 of the N.E. 1/4 of Sec. 7-37-14; thence easterly along said lot line to the intersection with the east lot line of Lot 9 in Sub. of lots 21,22,23, & 24 in Blk. 1 in Dore's Sub. of Sec. 7-37-14; thence southerly 50 feet to the intersection with the south lot line of Lot 9 in said Dore's Subdivision; thence easterly 165 feet along said lot line extended to the intersection with the center line of South Longwood Drive in said Dore's Subdivision; thence northerly 50 feet to the intersection with the south lot line extended of Lot 3 in said Dore's Subdivision; thence easterly along said lot line to the intersection with the center line of South Damen Avenue in said Dore's Subdivision; thence northerly 18 feet to the intersection with the first east-west public alley first south and parallel to West 95th Street in said

Dore's Subdivision; thence easterly along the center line extended of said alley to the center line of South Leavett Street in John Bain's Resub. of part of Forest Ridge of Sec. 7-37-14; thence northerly 3 feet along said center line of South Leavett Avenue to the intersection with the first east-west public alley parallel to and first south of West 95th Street in Highland Add. to Longwood, being a resub. of Calumet Highlands of Sec. 7-37-14; thence easterly along said center line extended of said alley to the intersection with the center line of the first north-south public alley parallel to and first east of South Western Avenue in said Highland Addition; thence southerly along said alley center line extended to the intersection with the center line of West 96th Street in said Highland Addition; thence westerly along said center line of West 96th Street to the intersection with the center line of South Western Avenue in said Highland Addition; thence northerly along said center line of South Western Avenue to the point of the beginning.

Appendix 3

DISTRIBUTION OF QUALIFICATION FACTORS AND EXISTING LAND USE

108
115
300
310
317
100

95th - STREET TAX INCREMENT DISTRICT

REDEVELOPMENT PROJECT

DISTRIBUTION OF QUALIFICATION FACTORS AND EXISTING LAND USE

LEGEND

-  Commercial
-  Mix Use
-  Institutional

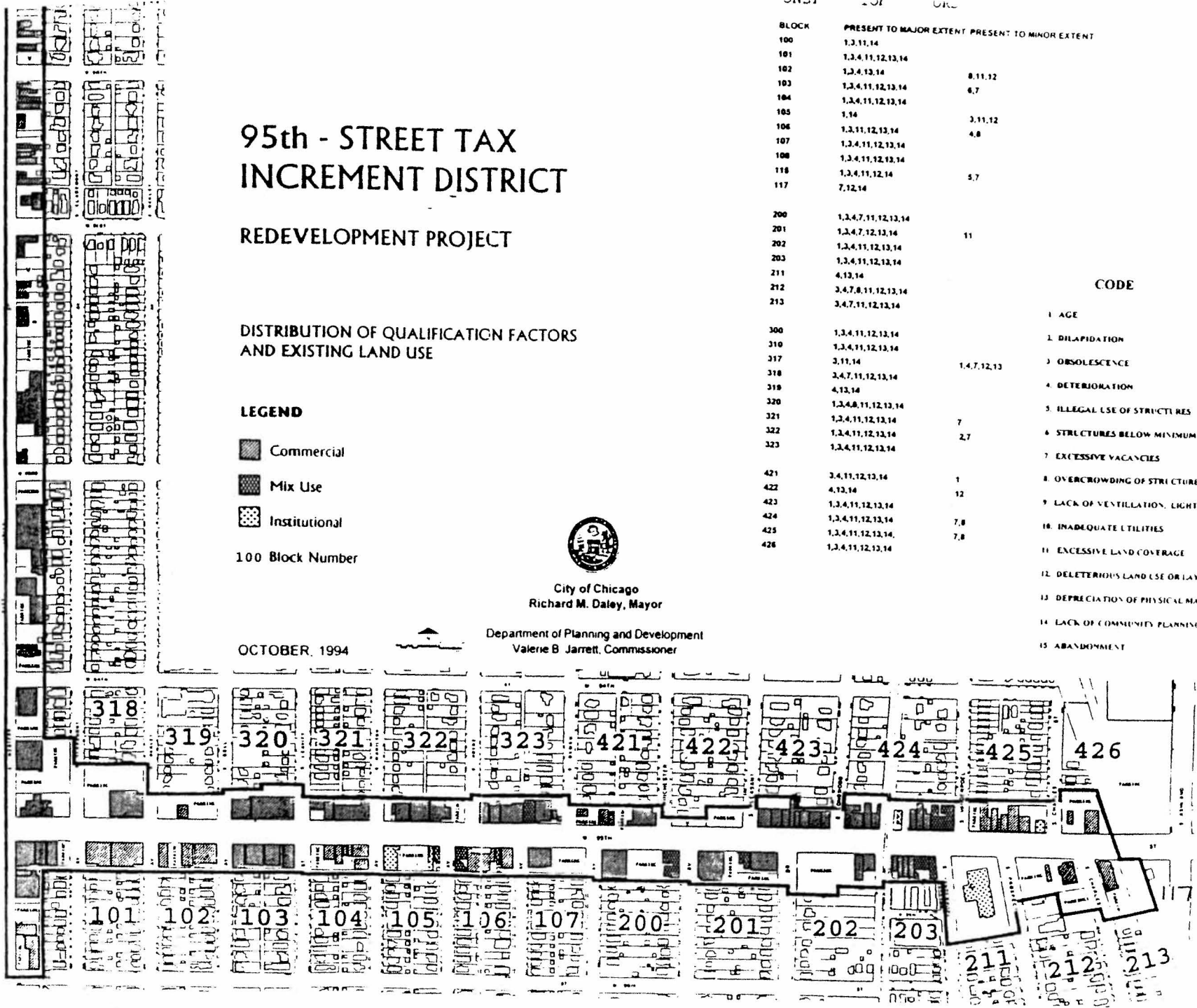
100 Block Number



City of Chicago
Richard M. Daley, Mayor

Department of Planning and Development
Valerie B. Jarrett, Commissioner

OCTOBER, 1994



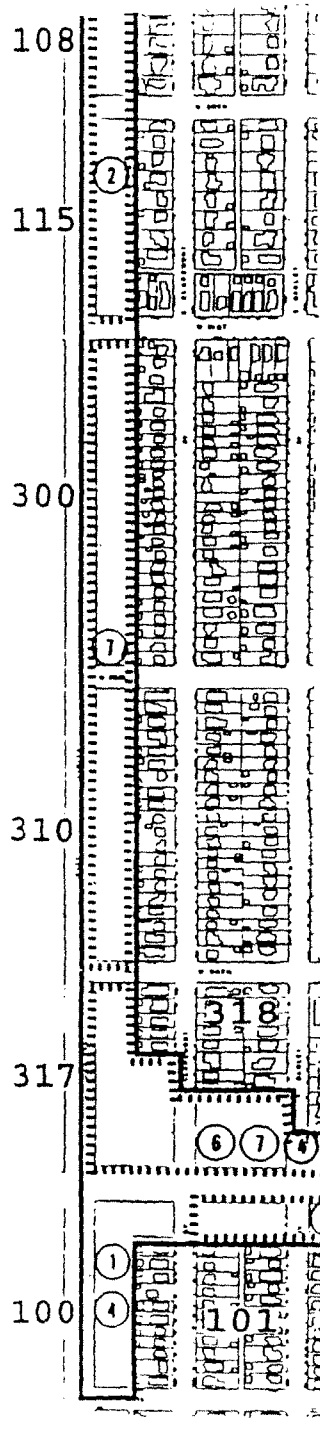
BLOCK	PRESENT TO MAJOR EXTENT	PRESENT TO MINOR EXTENT
100	1,3,11,14	
101	1,3,4,11,12,13,14	
102	1,3,4,13,14	8,11,12
103	1,3,4,11,12,13,14	6,7
104	1,3,4,11,12,13,14	
105	1,14	3,11,12
106	1,3,11,12,13,14	4,8
107	1,3,4,11,12,13,14	
108	1,3,4,11,12,13,14	
116	1,3,4,11,12,14	5,7
117	7,12,14	
200	1,3,4,7,11,12,13,14	
201	1,3,4,7,12,13,14	11
202	1,3,4,11,12,13,14	
203	1,3,4,11,12,13,14	
211	4,13,14	
212	3,4,7,8,11,12,13,14	
213	3,4,7,11,12,13,14	
300	1,3,4,11,12,13,14	
310	1,3,4,11,12,13,14	
317	3,11,14	1,4,7,12,13
318	3,4,7,11,12,13,14	
319	4,13,14	
320	1,3,4,8,11,12,13,14	
321	1,3,4,11,12,13,14	7
322	1,3,4,11,12,13,14	2,7
323	1,3,4,11,12,13,14	
421	3,4,11,12,13,14	1
422	4,13,14	12
423	1,3,4,11,12,13,14	
424	1,3,4,11,12,13,14	7,8
425	1,3,4,11,12,13,14	7,8
426	1,3,4,11,12,13,14	

CODE

- 1 AGE
- 2 DILAPIDATION
- 3 OBSOLESCENCE
- 4 DETERIORATION
- 5 ILLEGAL USE OF STRUCTURES
- 6 STRUCTURES BELOW MINIMUM CODE
- 7 EXCESSIVE VACANCIES
- 8 OVERCROWDING OF STRUCTURES
- 9 LACK OF VENTILATION, LIGHT, ETC.
- 10 INADEQUATE UTILITIES
- 11 EXCESSIVE LAND COVERAGE
- 12 DELETERIOUS LAND USE OR LAYOUT
- 13 DEPRECIATION OF PHYSICAL MAINT.
- 14 LACK OF COMMUNITY PLANNING
- 15 ABANDONMENT

Appendix 4

BOUNDARY AND PROPOSED LAND USE MAP



95th - STREET TAX INCREMENT DISTRICT

REDEVELOPMENT PLAN

BOUNDARY AND PROPOSED LAND USE

— PROJECT BOUNDARY



City of Chicago
Richard M. Daley, Mayor

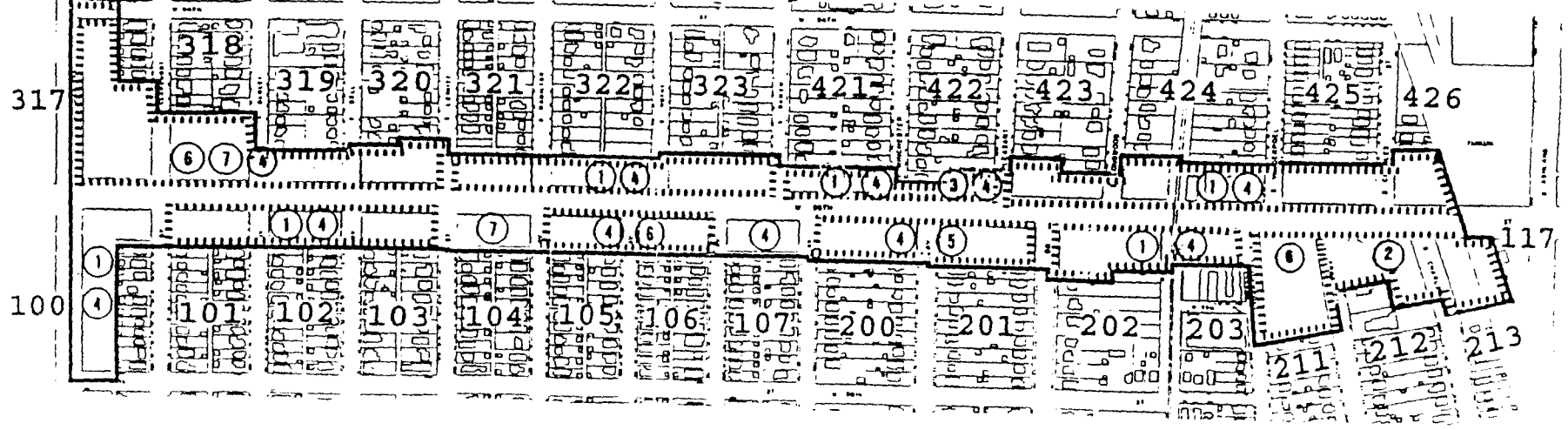
JANUARY, 1995

Department of Planning and Development
Valene B. Jarrett, Commissioner

LEGEND

- 1. RETAIL/COMMERCIAL
- 2. RESIDENTIAL
- 3. GREEN SPACE
- 4. PARKING
- 5. MIXED USE
- 6. INSTITUTIONAL
- 7. OFFICE/SERVICE

BLOCK	PROPOSED USE
100, 101, 102, 103	1, 4
104	7
105, 106	4, 6
107	4
200, 201	4, 5
202, 203	1, 4
211	6
212, 213, 117	2
421, 423, 424, 425, 426	1, 4
422	3, 4
321, 322, 323	1, 4
317, 318, 319, 320	6, 7, 4
310, 300	7
115, 108	2



Appendix 5

ESTIMATED REDEVELOPMENT PROJECT COSTS

<u>Program Action/ Improvements</u>	<u>Project Costs</u>
Property Acquisition and Assembly Costs	\$5,000,000
Demolition, Environmental Clean-up and Site Preparation	1,000,000
Rehabilitation of Existing Buildings	5,000,000
Construction of Public Parking Lots and Facilities	2,000,000
Beautification, Facade and Public Landscape Improvements	500,000
Infrastructure Improvements including roads, alleys, sidewalks and utilities, etc.	2,500,000
Public Facilities Construction and/or Rehabilitation of Public Facilities	1,000,000
Transit Improvements	500,000
Interest Costs Incurred by Developers	750,000
Relocation Assistance	500,000
Job Training	500,000
Planning, Administration, Architectural, Studies and Surveys, Legal and other Professional Services	750,000
GROSS PROJECT COST	\$20,000,000

Note: Gross Project Cost excludes financing costs, including interest expense, capitalized interest, and costs associated with issuing bonds and other obligations. Estimated Gross Project Costs are based upon 1995 dollars, and are subject to prevailing market conditions at the time they are undertaken.

Appendix 6

SUMMARY OF INITIAL EAV BY BLOCK

25-06-108	\$ 211,219.00
25-06-115	712,740.00
25-06-300	1,007,234.00
25-06-310	854,403.00
25-06-317	1,841,464.00
25-06-318	464,335.00
25-06-319	281,252.00
25-06-320	512,340.00
25-06-321	391,091.00
25-06-322	550,982.00
25-06-323	825,809.00
25-06-421	359,212.00
25-06-422	22,574.00
25-06-423	435,245.00
25-06-424	453,357.00
25-06-425	253,249.00
25-06-426	300,974.00
25-07-100	1,422,713.00
25-07-101	554,293.00
25-07-102	409,360.00
25-07-103	517,170.00
25-07-104	374,719.00
25-07-105	31,299.00
25-07-106	363,163.00
25-07-107	244,305.00
25-07-200	648,431.00
25-07-201	531,450.00
25-07-202	150,277.00
25-07-203	350,219.00
25-07-211	-
25-07-212	339,776.00
25-07-213	-
25-08-117	<u>22,499.00</u>
TOTAL	\$15,437,154.00

Appendix 7

BUILDING PERMIT SUMMARY, 1970–1995

CHART 1-A

BUILDING PERMIT SUMMARY

DATE	PERMIT #	PIN #	ADDRESS	INVESTMENT
7-31-94	789158	25-06-424-031	1810 W. 95th	1,400.00
4-23-93	789191	25-07-202-030	1807-09 W.95th	40,000.00
9-18-92	759759	25-07-212-017	1701 W.95th	100,000.00
5-08-92	753311	25-07-100-054	9459 S. Western	57,600.00
6-29-90	725788	25-06-322-028/33	2100 W.95th	8,000.00
4-10-89	708642		1644 W.95TH	212,000.00
12-14-88	705288	25-06-300-019	9205 S. Western	300,000.00
01-25-88	692035		9436 S. Western	80,000.00
03-25-86	664497	25-06-321-035&050	2156 W.95th	90,000.00
04-03-81	597289		1820-56 W.95th	28,000.00
07-23-77	531778		9501 S. Western	2,000.00
08-13-75	508913		2343 W.95th	5,200.00
09-11-70	432900		1822 W.95th	5,000.00
06-03-70	430137		2300-14 W.95th	25,000.00
08-13-70	416498		1966-74 W.95th	38,000.00
TOTAL				992,200.00

Appendix 8

**EVIDENCE REGARDING LACK OF PRIOR GROWTH AND INVESTMENT IN THE AREA
AREA PROPERTY VALUATION TRENDS, 1983-1993**

**95th and Western Avenue
 Redevelopment Project Area
 Property Valuation Trends, 1983-1993**

	<u>1983</u> <u>Tax Year</u>	<u>1993</u> <u>Tax Year</u>	<u>Decade</u> <u>Increase</u>	<u>Percentage</u> <u>Increase</u>	<u>Annual</u> <u>Compound</u> <u>% Increase</u>
Redevelopment Project Area	\$ 9,250,334	\$ 15,437,154	\$ 6,186,820	67%	5.26%
All Commercial Property-City of Chicago	\$ 5,522,000,000	\$ 12,987,000,000	\$ 7,465,000,000	135%	8.92%

Appendix 9

**EVIDENCE REGARDING LACK OF PRIOR GROWTH AND INVESTMENT IN THE AREA
AREA SALES TAX TRENDS, 1985-1990**

Analysis of Sales Tax Trends for
Ninety-Fifth Street Business Association

The Ninety-Fifth Street Business Association requested an analysis of retail business activity covering their portions of Western Avenue and 95th Street. Using the most recent sales tax data the following observations can be drawn:

Relative to state and city sales tax collections, the postal zip codes which cover the Association's membership experienced declining taxable retail sales activity.

While the city's overall sales tax and home rule tax revenues *increased* from \$107.9 million in 1985 to \$147.0 million in 1990, the Association's zip code area sales tax receipts *declined* from \$1.4 million in 1985 to \$1.3 million in 1990.

Indexing the trends in sales tax collections indicate:

	<u>1985</u>	<u>1990</u>
Illinois	100	128
Chicago	100	136
60620/60643	100	94

The Chicago businesses that make up the Ninety-Fifth Street Business Association compete directly against the suburban business located in the Evergreen Plaza Shopping Center and the strong retail corridor just west on 95th street.

The retail businesses in the Association are at a significant competitive disadvantage due to differential sales tax rates.

The Chicago Department of Revenue's Tax Administration Division is preparing a more detailed analysis of the declining retail base of the specific Association area. In addition, aggregate sales tax collection data will be adjusted to account for other factors to improve the comparability of the data.

Appendix 10

EVIDENCE REGARDING LACK OF BANK LENDING IN THE AREA



9443 SOUTH ASHLAND AVENUE · CHICAGO, ILLINOIS 60620 / 312 445-9300

May 9, 1995

Alderman Ginger Rugai
10233 South Western Avenue
Chicago, Illinois 60643

Dear Alderman Rugai:

During the last five years Ashland has rejected loans on the location where the new Burger King was built and the closed restaurant at 95th & Charles. There have been other rejections due to credit problems and/or collateral.

We have refinanced one commercial property and some small business loans on 95th Street.

I hope this information will be helpful. If I may be of further assistance, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Asselborn, Jr.", written in a cursive style.

William J. Asselborn, Jr.
President

WJA:ja

Appendix 11

**EVIDENCE REGARDING "BUT FOR"
DEVELOPER'S LETTERS OF INTEREST IF TIF IS ADOPTED**

PROPERTY DIVISION

KOLL
THE REAL ESTATE
SERVICES COMPANY

April 17, 1995

Ms. Valerie Jarrett
Commissioner of Economic Development
Chicago City Hall
121 North LaSalle Street
Chicago, Illinois 60602

Dear Commissioner:

As an owner of a substantial amount of property in the Beverly community, I am seeking your support of the proposed TIF area ordinance presented by Alderman Ginger Rugai. Our property in the City of Chicago stretches from 94th Place to 99th Street and Western Avenue, in addition to being on both sides of 95th Street from Western to Oakley. We own over 5 million square feet of land in the immediate area.

The property on the southeast corner of 95th and Western was built in the early 1950's, and over the years has become aesthetically unattractive and non-functional. It is one of the premier corners of the area, and for several years we have entertained the idea of redeveloping the block along 95th Street (from Claremont to Western, and up Western to 96th). Several plans have been drawn to plan the improvement of that corner, but with the cost of construction in the limited space (because of the depths of the lots) it becomes a very tough deal. Convenient parking is essential, as well as costly, on a small site.

When the 95th Street Business Association and Alderman Ginger Rugai broached the idea of a TIF, I was thoroughly supportive of this type of City Initiative. In reviewing our pro forma and with municipal assistance through the aid of a TIF, the deal would become feasible. Without the TIF, it cannot be accomplished; even with the TIF, it is not a profitable venture but, at least, it reduces some of our losses and enhances the area. Basically, an increase of \$5.00 over current rents will not offset demolition and construction costs.

9730 South Western Avenue
Suite 418
Evanston Park, IL 60642
(312) 445-8700
FAX (708) 422-1170

PROPERTY DIVISION

KOLI
THE REAL ESTATE
SERVICES COMPANY

PAGE TWO
April 17, 1995
Ms. Valerie Jarrett

Our commitment to the Beverly Neighborhood over many years is well known, and we have continued to build new projects to enhance the quality of life in this community. Your support of the proposed TIF ordinance would be of great benefit in strengthening our community, as well as encouraging economical development in the great City of Chicago.

Sincerely,

KOLL

Vincent J. Gavin
General Manager

VJG:jm

cc: Virginia A. Rugai, Alderman
Lois D. Weber, 95th Street Business Association

9730 South Western Avenue
Suite 418
Evergreen Park, IL 60642
(312) 411-8900
FAX (708) 422-9781

WIENKE COMMERCIAL PROPERTIES

April 14, 1995

Ms. Lois D. Weber
Executive Director
95th Street Business Association
2100 West 95th Street
Chicago, IL 60643

Dear Lois:

Thank you for your continued communications regarding development possibilities in your area. I am always interested in any information you may have regarding available buildings, land, and/or tenants seeking space for build to suits.

To date I have not found a project with economic justification. If you are able to provide some incentives such as facade improvement dollars, property assemblage assistance, or demolition cost assistance, I believe it would spur new development along 95th Street.

Please keep me informed as to any opportunities that may arise in the 19th Ward. With the right planning, economic development can blossom.

Yours truly,



Raymond M. Wienke
RMW/wmr