

**AMENDED 105th STREET AND VINCENNES AVENUE  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AND PLAN**

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City of Chicago, Illinois

May 12, 1997  
Revised September 20, 2001  
Amended August 29, 2003

Prepared by:  
URS•TPAP

*This Amended Redevelopment Plan includes changes that may be considered substantial in nature. These changes may replace some or all of the revisions that were made in 2001. The 2001 revisions were not substantial in nature and were marked, "Revised as of September 20, 2001" in the footer of individual pages where revisions were made. All pages of this Amended Redevelopment Plan are marked "Amended August 29, 2003" regardless of whether a 2003 change has been proposed for that individual page.*

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## I. INTRODUCTION

The City of Chicago (the "City") is recognized throughout the world as the urban center of America's heartland, serving as a focal point of commerce, industry, finance, culture and education. The City is known for its economic wealth and vitality as well as its diverse population, eclectic neighborhoods and rich cultural heritage.

The subject of this report is an approximately 57.8 acre area located along the east side of Vincennes Avenue, between 103rd Street and 107th Street in the Washington Heights Community Area. Located approximately 11 miles south of the City's "Loop," the Washington Heights Community Area reflects much of the culture and diversity for which the City is known.

Settlement of the Washington Heights Community Area began in the 1860s, when railroad workers began to inhabit "the Crossing" of the Rock Island Railroad and the Panhandle Line (Pittsburgh, Cincinnati, Chicago and St. Louis Railroad) near the intersection of 103rd Street and Vincennes Avenue. The combination of excellent rail transportation and available land attracted the Chicago Bridge and Iron Works Company (CB&I) to the Crossing. This company provided jobs and a way of life to Washington Heights residents for more than 80 years. The suburb of Washington Heights grew quickly around the railroad station and was annexed to Chicago in 1890. Washington Heights remained largely vacant until housing booms in the 1920s and again following World War II, which resulted in the construction of primarily single family homes. By 1950, the area reached residential maturity and by 1970 population reached an all time high of 36,540. Over the last two decades, Washington Heights has lost 6,600 residents from a 1980 population of 36,453 to a year 2000 population of 29,843.

Washington Heights continues to be a middle class neighborhood. Three-fourths of the existing units are single-family structures and owner occupied. However, the community area lost housing units for the first time in the 1980s because virtually no new structures were built to replace demolitions over the decade. The site of the former Chicago Bridge and Iron Works Company spans 4 city blocks, has been vacant for more than 20 years, and virtually no new private development or rehabilitation has occurred on the site or in the area immediately surrounding it.

As part of a strategy to encourage managed growth and stimulate private investment on the site of the former Chicago Bridge and Iron Works Company and in the surrounding area, Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP"), now known as URS•TPAP, was engaged to investigate whether an approximately 57.8 acre area qualifies as a "conservation area," a "blighted area," or a combination of both blighted and conservation areas under the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "Act"). The area under investigation is generally bordered by 103rd Street on the north, the extension of the Dan Ryan Expressway (I-57) on the east, 107th Street on the south, and Vincennes Avenue on the west and is referred to as the 105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area (the "Project Area").

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The Project Area, described in more detail below as well as in the accompanying *105<sup>th</sup> Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area Eligibility Study* (the

"Eligibility Study"), has not been subject to growth and development through investment by private enterprise and is not reasonably expected to be developed without the efforts and intervention of the City. Based on a proposed residential development plan, the *105<sup>th</sup> Street and Vincennes Avenue Tax Increment Financing Redevelopment Project and Plan* (the "Redevelopment Plan") and the accompanying Eligibility Study were prepared in 1997 and presented for public hearing but were not adopted at that time. Minor revisions were made to the Redevelopment Plan in 2001 to reflect updated Equalized Assessed Valuation and existing conditions in the Project Area. The Redevelopment Plan was adopted on October 3, 2001. Shortly thereafter, the developer of the proposed residential development filed for bankruptcy and the development did not occur. In 2003, it has become necessary to amend language and data contained herein, which will be referred to as the *Amended 105<sup>th</sup> Street and Vincennes Avenue Tax Increment Financing Redevelopment Area Project and Plan* (the "Amended Redevelopment Plan"). The related Eligibility Study has not been amended or revised since its preparation in 1997 and adoption in 2001.

This Amended Redevelopment Plan summarizes the analyses and findings of URS•TPAP and Johnson Research Associates' (the "consultants") work, which, unless otherwise noted, is the responsibility of the consultants. The City is entitled to rely on the findings and conclusions of this Amended Redevelopment Plan in designating the Redevelopment Project Area as a redevelopment project area under the Act. URS•TPAP has prepared this Amended Redevelopment Plan, which includes as an Exhibit, the related Eligibility Study prepared by TPAP with the understanding that the City would rely (i) on the findings and conclusions of the Amended Redevelopment Plan and the related Eligibility Study in proceeding with the adoption and implementation of the Amended Redevelopment Plan, and (ii) on the fact that the consultants have obtained the necessary information so that the Amended Redevelopment Plan and the related Eligibility Study will comply with the Act.

## **A. TAX INCREMENT FINANCING**

In January 1977, Tax Increment Financing ("TIF") was authorized by the Illinois General Assembly through passage of the Act. The Act provides a means for municipalities, after the approval of a redevelopment plan and project, to redevelop blighted, conservation, or industrial park conservation areas and to finance redevelopment project costs (sometimes referred to as "Project Costs" or "Redevelopment Project Costs") with incremental property tax revenues. "Incremental Property Tax" or "Incremental Property Taxes" are derived from the increase in the current equalized assessed valuation ("EAV") of real property within the redevelopment project area over and above the "Certified Initial EAV" of such real property. Any increase in EAV is then multiplied by the current tax rate, which results in Incremental Property Taxes. A decline in current EAV does not result in a negative Incremental Property Tax.

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

Tax increment financing does not generate tax revenues. This financing mechanism allows the municipality to capture, for a certain number of years, the new tax revenues produced by the enhanced valuation of properties resulting from the municipality's redevelopment program, improvements and activities, various redevelopment projects, and the reassessment of properties. All taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess Incremental Property Taxes when annual Incremental Property Taxes received exceed principal and interest obligations for that year and redevelopment project costs necessary to implement the redevelopment plan have been paid and such excess amounts are not otherwise pledged, earmarked or designated for future usage on other redevelopment projects. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid and the project area's term has expired or has been terminated.

***B. THE 105TH STREET AND VINCENNES AVENUE TAX  
INCREMENT FINANCING REDEVELOPMENT PROJECT AREA***

The 105th Street and Vincennes Avenue Tax Increment Redevelopment Project Area (the "Project Area") consists of an area of approximately 57.8 acres, including perimeter and interior streets. The area also contains 1 active rail line servicing both Metra commuter and freight trains and 1 vacated rail line. The Project Area is located along the western edge of the Washington Heights community area on the City's south side and is generally bordered on the north by 103rd Street; on the east by the I-57 Expressway right-of-way; on the south by 107th Street; and on the west by Vincennes Avenue, including the small triangular block bordered by Charles Street and 104th Street. The smaller triangular block is included in the Project Area because its condition is more similar to those found in the Project Area than in the adjacent residential areas. Figure 1, *Project Area Boundary*, illustrates the boundary of the Project Area.

Although the internal street system is deficient, access to the Project Area from the surrounding community is generally good from all directions. Vincennes Avenue, 107th Street and 103rd Street provide access to the surrounding community as well as to the I-57 Expressway.

The Project Area consists of 8 irregularly shaped tax blocks, 3 of which contain exempt parcels and 5 of which contain taxable parcels. The largest of these blocks is comprised of 1 large parcel formerly the site of the Chicago Bridge and Iron Works Company. The irregular shape of the blocks within the Project Area is due primarily to the diagonal alignments of Vincennes Avenue and the Rock Island and Pacific Railroad, a rail line currently operated by Metra. While the Project Area is predominantly vacant, the Metra Commuter Station is located north of 104th Street, within the boundaries of the Project Area.

In general, the Project Area is characterized by a large portion of vacant and underutilized land, deteriorated and obsolete buildings, extensive fly dumping, and the presence of building debris,

high weeds and junk storage. The internal street system is fragmented and deficient, and there is an overall lack of sidewalks, curbs and gutters throughout the Project Area.

In addition to the 2 diagonal rights-of-way highlighted above, several other factors have influenced the overall shape and character of the Project Area. First, construction of the I-57 Expressway along the eastern edge of the Project Area effectively cut off the Project Area from the residential neighborhood and the typical grid street pattern located to the east. Second, closure of the Chicago Bridge and Iron Works Company more than 20 years ago resulted in a large vacant parcel in the heart of the Project Area. Third, removal of the former Pittsburgh, Cincinnati, Chicago & St. Louis Railroad, which bisects the Project Area in a northwest to southeast direction, resulted in additional vacant land. Fourth, vacant parcels are widely scattered throughout the remaining blocks within the Project Area. Finally, the small triangular block bordered by St. Charles Street, Vincennes Avenue, and 104th Street is characterized by vacancies, obsolescence and physical deterioration.

The Project Area is dominated by the former Chicago Bridge and Iron Works plant site. A combination of long-term vacancy, weather damage, lack of building maintenance, fly dumping, and the existence of old foundations and other building remains and debris has resulted in extreme deterioration and a negative impact on adjacent property.

**C. THE AMENDED 105TH STREET AND VINCENNES AVENUE TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AND PLAN**

As evidenced in Section VI, the Project Area as a whole has not been subject to growth and development through private investment. Furthermore, it is not reasonable to expect that the Project Area on the whole will be redeveloped without the use of TIF.

This Amended Redevelopment Plan has been formulated in accordance with the provisions of the Act and is intended to guide improvements and activities within the Project Area in order to stimulate private investment in the Project Area. The goal of the City, through the implementation of this Redevelopment Plan, is that the entire Project Area be revitalized on a comprehensive and planned development basis to ensure that private investment in rehabilitation and new development occurs:

1. On a coordinated rather than piecemeal basis to ensure that the land use, pedestrian access, vehicular circulation, parking, service and urban design systems are functionally integrated and meet present-day principles and standards;
2. On a reasonable, comprehensive and integrated basis to ensure that the factors of blight are eliminated;
3. Within a reasonable and defined time period so that the area may contribute productively to the economic vitality of the City; and



4. With a reasonable mix of new development and rehabilitation which supports and takes advantage of labor, financial institutions, and other resources or needs to be served within the community.

The Amended Redevelopment Plan sets forth the overall Redevelopment Project to be undertaken to accomplish the above-stated goal. During the implementation of the Redevelopment Project, the City may, from time to time: (i) undertake or cause to be undertaken public improvements and activities; and (ii) enter into redevelopment agreements and intergovernmental agreements with private or public entities to construct, rehabilitate, renovate or restore private or public improvements on one or several parcels or any other lawful purpose. Items (i) and (ii) are collectively referred to as "Redevelopment Projects."

The Amended Redevelopment Plan specifically describes the Project Area and summarizes the blighting factors which qualify the Project Area for designation as a blighted area as defined in the Act.

Successful implementation of this Amended Redevelopment Plan requires that the City utilize Incremental Property Taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Project Area. Only through the utilization of TIF will the Project Area develop on a comprehensive and coordinated basis, thereby eliminating the conditions of blight which have limited development of the Project Area by the private sector.

The use of Incremental Property Taxes will permit the City to direct, implement, and coordinate public improvements and activities, which are intended to stimulate private investment within the Project Area. These improvements, activities and investments will benefit the City, its residents, and all taxing districts having jurisdiction over the Project Area. The anticipated benefits include:

- An increased property tax base arising from new residential and commercial development and the rehabilitation of existing buildings;
- Elimination of problem conditions in the Project Area as well as general physical improvement and upgrading of properties;
- Increased opportunities for affordable housing within the City;
- Remediation of environmental contamination and the removal of a potential hazard to the health, safety and welfare of the surrounding community; and
- Increased job opportunities during the construction portions of the Redevelopment Project.

## II. LEGAL DESCRIPTION

The boundaries of the Project Area have been carefully drawn to include only those contiguous parcels of real property and improvements substantially benefited by the proposed Redevelopment Project to be undertaken as part of this Amended Redevelopment Plan. The boundaries are shown in Figure 1, *Project Area Boundary*, and are generally described below:

The Project Area is generally bordered on the north by 103rd Street; on the east by the I-57 Expressway right-of-way; on the south by 107th Street; and on the west by Vincennes Avenue, including the small triangular block bordered by Charles Street and 104th Street.

The boundaries of the Project Area are legally described as follows:

THAT PART OF THE NORTHWEST 1/4 OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN TAKEN AS A TRACT AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH RIGHT-OF-WAY LINE OF 107TH STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF VINCENNES AVENUE; THENCE NORTHEASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF CHARLES STREET; THENCE NORTHWESTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF 104TH STREET; THENCE EASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF VINCENNES AVENUE; THENCE NORTHEASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF THE FORMER PITTSBURGH CINCINNATI CHICAGO & ST. LOUIS RAILROAD; THENCE SOUTHEASTERLY ON THE LAST DESCRIBED LINE TO THE NORTH RIGHT-OF-WAY LINE OF 105TH STREET; THENCE EASTERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF INTERSTATE 57 EXPRESSWAY; THENCE SOUTHERLY ON THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF 107TH STREET; THENCE WESTERLY ON THE LAST DESCRIBED LINE TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

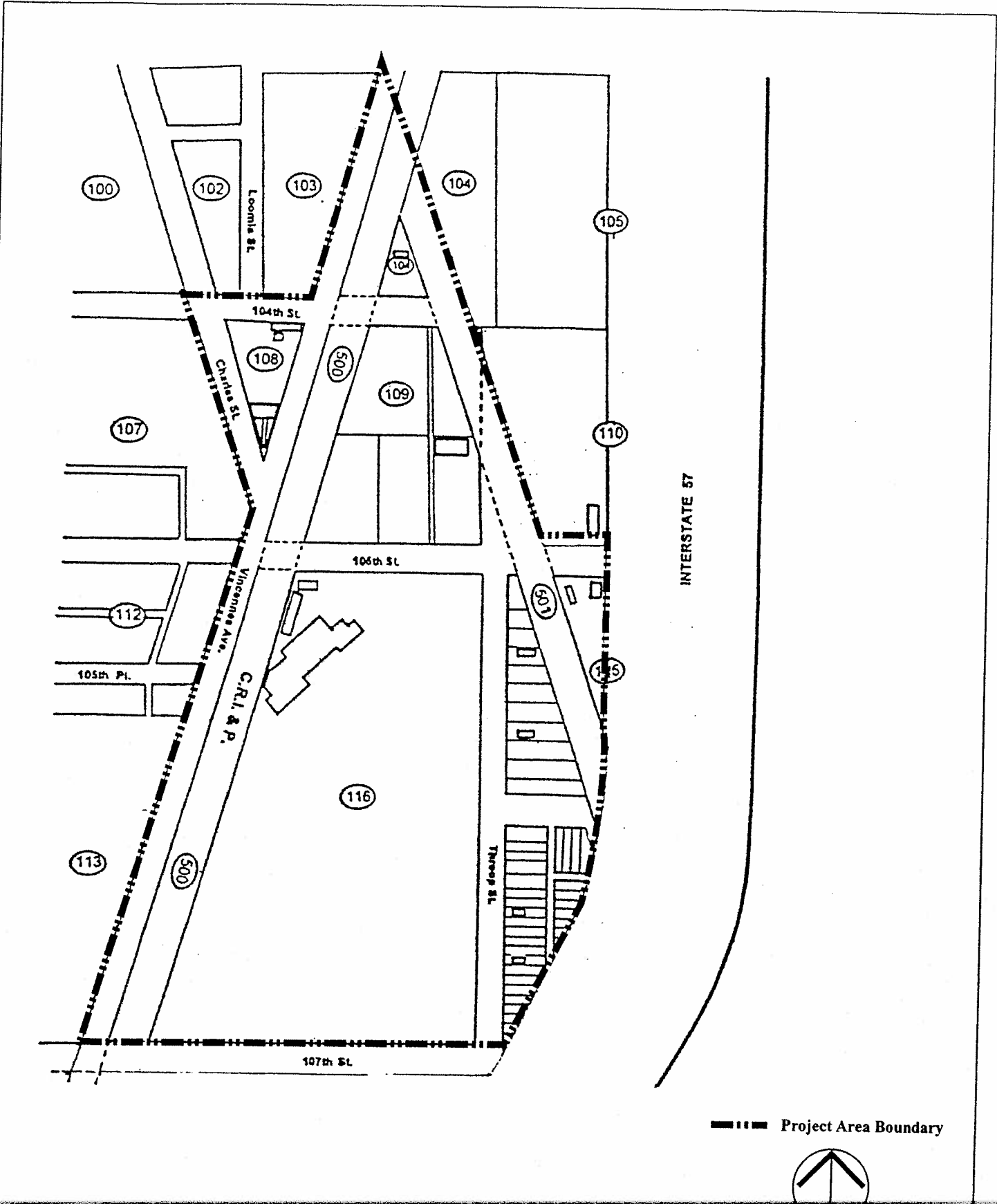


Figure 1  
**Project Area Boundary**

**105th Street & Vincennes Avenue**

**Chicago, IL**

Tax Increment Financing Redevelopment Area

Prepared by: **URS • TPA&P**

### III. ELIGIBILITY CONDITIONS

The results summarized in this section are more fully described in a separate report which presents the definition, application and extent of the blight factors in the Project Area. The report, prepared by TPAP and entitled "105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area Eligibility Study," is attached as Exhibit II to this Amended Redevelopment Plan.

#### A. *PROJECT AREA ELIGIBILITY*

Based upon surveys, inspections and analyses conducted by TPAP, the Project Area qualifies as a "blighted area" within the requirements of the Act. The Project Area is characterized by the presence of a combination of 5 or more of the blight factors listed in the Act for improved areas, rendering the area detrimental to the public safety, health and welfare of the citizens of the City. Specifically,

- Of the fourteen factors for "improved" blighted areas as set forth in the Act, 9 are present to a major extent and 1 is present to a minor extent.
- These 10 factors are reasonably distributed throughout the entire Project Area.
- The entire Project Area is impacted by and shows the presence of these 10 factors.
- Of the 7 criteria for "vacant" blighted areas as set forth in the Act, 3 are present within the Project Area.
- The Project Area includes only real property and improvements substantially benefited by the Redevelopment Project.

#### B. *SURVEYS AND ANALYSES CONDUCTED*

The blight factors found to be present in the Project Area are based upon surveys and analyses conducted by TPAP. The surveys and analyses conducted include:

1. Exterior survey of the condition and use of each building;
2. Site surveys of streets, alleys, sidewalks, lighting, curbs and gutters, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to the current zoning ordinance and zoning map;
5. Comparison of exterior building conditions to property maintenance codes of the City;
6. Analysis of original and current platting and building size and layout;
7. Analysis of vacant sites and vacant buildings; and
8. Review of previously prepared plans, studies and data.

## **IV. REDEVELOPMENT GOALS AND POLICIES**

Comprehensive and coordinated area-wide investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area and the elimination of conditions that have impeded redevelopment of the Project Area in the past. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base, additional construction employment and job training opportunities and an increase in the number and quality of affordable housing opportunities.

This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section V of this Amended Redevelopment Plan presents more specific objectives for development and design within the Project Area, and describes the redevelopment activities the City intends to undertake to achieve the redevelopment goals and objectives presented in this Section.

### **A. GENERAL GOALS**

Listed below are the general goals adopted by the City for redevelopment of the Project Area. These goals provide overall focus and direction for this Amended Redevelopment Plan.

1. An improved quality of life in the Project Area, the Washington Heights Community Area and the City through the elimination of the influences and manifestations of physical and economic deterioration and obsolescence within the Project Area.
2. An environment within the Project Area which will contribute more positively to the health, safety and general welfare of the City, and preserve or enhance the value of properties adjacent to the Project Area.
3. An increased real estate tax base for the City and other taxing districts having jurisdiction over the Project Area.

### **B. REDEVELOPMENT OBJECTIVES**

Listed below are the redevelopment objectives which will guide planning decisions regarding redevelopment within the Project Area.

1. Reduce or eliminate those conditions which qualify the Project Area as a blighted area. These conditions are described in detail in Exhibit II to this Amended Redevelopment Plan.
2. Encourage a high-quality appearance of buildings, rights-of-way, and open spaces and encourage high standards of design.
3. Strengthen the economic well-being of the Project Area and the City by increasing taxable values and affordable housing opportunities.

4. Assemble land into parcels of sufficient shape and size for disposition and redevelopment in accordance with the Amended Redevelopment Plan and contemporary development needs and standards.
5. Create an environment which stimulates private investment in new construction and rehabilitation.
6. Provide needed improvements or facilities in proper relationship to the projected demand for such facilities and in accordance with present-day design standards for such facilities.
7. Provide needed incentives to encourage a broad range of improvements in preservation, rehabilitation and new development.
8. Create new job opportunities for City residents utilizing appropriate job training and hiring programs.
9. Establish job training and job readiness programs to provide residents of the City with the skills necessary to secure jobs in the Project Area during the construction period.
10. Provide opportunities for women-owned and minority-owned businesses to share in the redevelopment of the Project Area.

## **V. REDEVELOPMENT PROJECT**

This section presents the Redevelopment Project anticipated to be undertaken by the City and by private entities in furtherance of this Amended Redevelopment Plan. The Redevelopment Project described in this Amended Redevelopment Plan and pursuant to the Act includes the overall redevelopment concept, development and design objectives, a description of redevelopment improvements and activities, a general land use plan, estimated redevelopment project costs, a description of sources of funds to pay estimated redevelopment project costs, a description of obligations that may be issued, identification of the most recent EAV of properties in the Project Area, and an estimate of future EAV.

### ***A. OVERALL REDEVELOPMENT CONCEPT***

The Project Area should be redeveloped as a cohesive and distinctive urban neighborhood. It should consist of residential developments with diverse services and amenities; limited commercial development that is compatible with surrounding residential uses; and a range of open space and pedestrian amenities.

The Project Area should be served by a street system and public transportation facilities that provide safe and convenient access to and circulation within the Project Area. New development should be served by a street network that reflects and extends the traditional grid street system which exists in surrounding areas.

The Project Area should be characterized by a planned network of open spaces and public amenities and facilities which will organize and provide focus to the Project Area. An open space network should be created which links residential areas, parks and public spaces, landscaped streets and surrounding neighborhood amenities.

The Project Area should have a coherent neighborhood design and character. Individual developments should be visually and physically linked together. The Project Area should respect Chicago's traditional neighborhood form, which is characterized by a grid pattern of streets, buildings facing the street, and a human scale that is attractive and inviting for pedestrians.

The Project Area should become an attractive and desirable "neighborhood of choice" which provides new affordable housing opportunities, and complements the sound existing community areas located nearby.

### ***B. DEVELOPMENT AND DESIGN OBJECTIVES***

Listed below are the specific development and design objectives which will assist the City in directing and coordinating public and private improvement and investment within the Project Area in order to achieve the general goals and objectives identified in *Section IV* of this Amended Redevelopment Plan.

### *Land Use*

- Promote comprehensive, area-wide redevelopment of the Project Area as a planned and cohesive urban neighborhood.
- Remove or minimize physical barriers and other impediments to unified development.
- Promote quality new residential developments throughout the Project Area.
- Provide sites for a wide range of affordable housing types.
- Promote housing types that accommodate a diverse mix of households and income levels.
- Allow for limited and compatible commercial development in selected locations.
- Promote commercial uses that support the needs of the area's residents and employees.
- Ensure a sensitive transition between residential and non-residential developments in order to minimize conflicts between different land uses.
- Encourage maintenance and upgrading of existing commercial and industrial uses.
- Locate parks, open spaces and other community facilities within walking distance of residential developments.

### *Transportation and Infrastructure*

- Maintain and extend the grid pattern of streets and blocks that exists in surrounding areas.
- Improve street connections between the Project Area and surrounding neighborhoods to the east and west.
- Improve east-west circulation to and through the Project Area.
- Improve north-south circulation through the Project Area.
- Provide improved at-grade rail crossings at 107th, 105th and 104th Streets.
- Upgrade infrastructure throughout the Project Area.



### *Open Space and Pedestrian Facilities*

- Develop new, easily accessible neighborhood parks in the vicinity of new residential developments.
- Provide community parks to help serve the population within the surrounding area.
- Provide well-defined and safe pedestrian connections between residential developments within the Project Area, and between the Project Area and nearby neighborhood destinations.

### *Urban Design*

- Establish a distinctive and cohesive visual identity for the Project Area.
- Ensure that all new development reflects Chicago's traditional grid pattern of streets and blocks.
- Ensure high quality and harmonious architectural and landscape design throughout the Project Area.
- Enhance the appearance of the Project Area by landscaping the streets and creating areas for pedestrian activity.
- Preserve buildings with historic and architectural value.
- Require new developments to respect the architectural character and scale of the surrounding community.
- Provide distinctive design features, including landscaping and signage, at the major entryways into the Project Area.
- Screen the Metra - Chicago, Rock Island and Pacific Railroad corridor through the use of berming and landscaping.

## **C. REDEVELOPMENT IMPROVEMENTS AND ACTIVITIES**

The City proposes to achieve its redevelopment goals and objectives for the Project Area through the use of public financing techniques including, but not limited to, tax increment financing, to undertake some or all of the activities and improvements authorized under the Act, including the activities and improvements described below. The City also maintains the flexibility to undertake additional activities and improvements authorized under the Act, if the need for activities or improvements change as redevelopment occurs in the Project Area.

The City may enter into redevelopment agreements or intergovernmental agreements with public or private entities for the furtherance of this Amended Redevelopment Plan to construct, rehabilitate, renovate or restore improvements for public or private facilities on one or several parcels or any other lawful purpose (collectively referred to as "Redevelopment Projects"). Redevelopment agreements may contain terms and provisions that are more specific than the general principles set forth in this Amended Redevelopment Plan and which include affordable housing requirements as described below.

Developers who receive TIF assistance for market-rate housing are to set aside 20 percent of the units to meet affordability criteria established by the City's Department of Housing or any successor agency. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than 100 percent of the area median income, and affordable rental units should be affordable to persons earning no more than 60 percent of the area median income.

### **1. Property Assembly**

Property acquisition and land assembly by the private sector in accordance with this Amended Redevelopment Plan will be encouraged by the City. To meet the goals and objectives of this Amended Redevelopment Plan, the City may acquire and assemble property throughout the Project Area. Land assemblage by the City may be by purchase, exchange, donation, lease, eminent domain or through the Tax Reactivation Program and may be for the purpose of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties. As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and redevelopment.

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

### **2. Relocation**

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

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

### **3. Provision of Public Works or Improvements**

The City may provide public improvements and facilities that are necessary to service the Project Area in accordance with this Amended Redevelopment Plan and the comprehensive plan for development of the City as a whole. Public improvements and facilities may include, but are not limited to, the following:

#### **a) *Streets and Utilities***

A range of individual roadway, utility and related improvement projects, from repair and resurfacing to major construction or reconstruction, may be undertaken.

#### **b) *Parks, Open Space and Landscaping***

Improvements to existing or future parks, open spaces and public plazas may be provided and a range of public improvements, including, the construction of public walkways, screening the active railroad through berming, landscaping, lighting and general beautification improvements which may be provided for the use of the general public.

### **4. Rehabilitation of Existing Buildings**

The City will encourage the rehabilitation of buildings that are basically sound and/or historically significant, and are located so as not to impede the Redevelopment Project.

### **5. Job Training and Related Educational Programs**

Programs designed to increase the skills of the labor force that would take advantage of the employment opportunities within the Project Area may be implemented.

**6. Taxing Districts Capital Costs**

The City may reimburse all or a portion of the costs incurred by certain taxing districts in the furtherance of the objectives of this Amended Redevelopment Plan.

**7. Interest Subsidies**

Funds may be provided to developers or redevelopers for a portion of interest costs incurred by a developer or redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
- (b) such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the developer or redeveloper with respect 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, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
- (d) the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total (i) costs paid or incurred by a developer or redeveloper for a redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
- (e) Up to 75 percent of interest costs incurred by a developer or redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

**8. Affordable Housing**

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

**9. Analysis, Administration, Studies, Surveys, Legal, etc.**

Under contracts that will run for three years or less (excluding contracts for architectural and engineering services which are not subject to such time limits) the City and/or private developers may undertake or engage professional consultants, engineers, architects, attorneys, etc. to conduct various analyses, studies, surveys, administration or legal services to establish, implement and manage this Amended Redevelopment Plan.

#### D. GENERAL LAND-USE PLAN

Figure 2 presents the General Land-Use Plan that will be in effect upon adoption of this Amended Redevelopment Plan.

As indicated in Figure 2, the Project Area should be redeveloped as a planned and cohesive urban neighborhood providing sites for a range of housing types, limited commercial and industrial development, and parks and open space. The various land uses should be arranged and located so that there is a sensitive transition between residential and non-residential developments in order to minimize conflicts between different land uses.

The Land-Use Plan divides the Project Area into 5 subareas, each of which would be suitable for a somewhat different mix of uses and scale and character of development.

- Subarea 1 includes the major portion of the Project Area, and is generally bounded by 107th Street on the south; Throop Street on the east; 104th Street on the north; and the Metra railroad on the west. Subarea 1 also includes the vacated rail line right-of-way between 104th Street and 105th Street. This Subarea should be devoted primarily to planned residential development. A wide variety of housing types and styles could be accommodated, provided they are compatible with adjacent developments and are consistent with the overall objectives for the Project Area. Parks and institutional uses could also be appropriate in selected locations.
- Subarea 2 includes the properties along the east side of Throop Street, between 107th and 105th Streets and includes the portion of the vacated rail line right-of-way between 105th and 106th Streets. This Subarea would be suitable for residential development similar to that permitted in Subarea 1; parks, playgrounds and open spaces; public and institutional.
- Subarea 3 includes the triangular area east of the vacated rail line right-of-way, between 105th Street and 106th Street and encompasses the existing industrial use at this location. Although the existing use could remain, the site and building should be upgraded and improved, and the property screened and buffered from the adjacent residential area. If this property is redeveloped, it should be devoted to residential uses, similar to that recommended for Subarea 1.
- Subarea 4 includes the small triangular block along the west side of Vincennes Avenue, just south of 104th Street. This Subarea would be suitable for small-scale new commercial development; public uses; off-street parking; or public open space. The existing fire station building has historic interest and adaptive reuse of this structure should be encouraged.
- Subarea 5 includes the triangular area generally bounded by 103rd Street on the north; Vincennes Avenue on the west; 104th Street on the south; and the eastern boundary of the vacated rail line right-of-way on the east. This Subarea includes the Metra commuter station building and the vacated rail line right-of-way between 103rd Street and 104th Street. While the existing use should remain, additional parking should be considered for Metra commuters.uses; or limited and compatible commercial development.

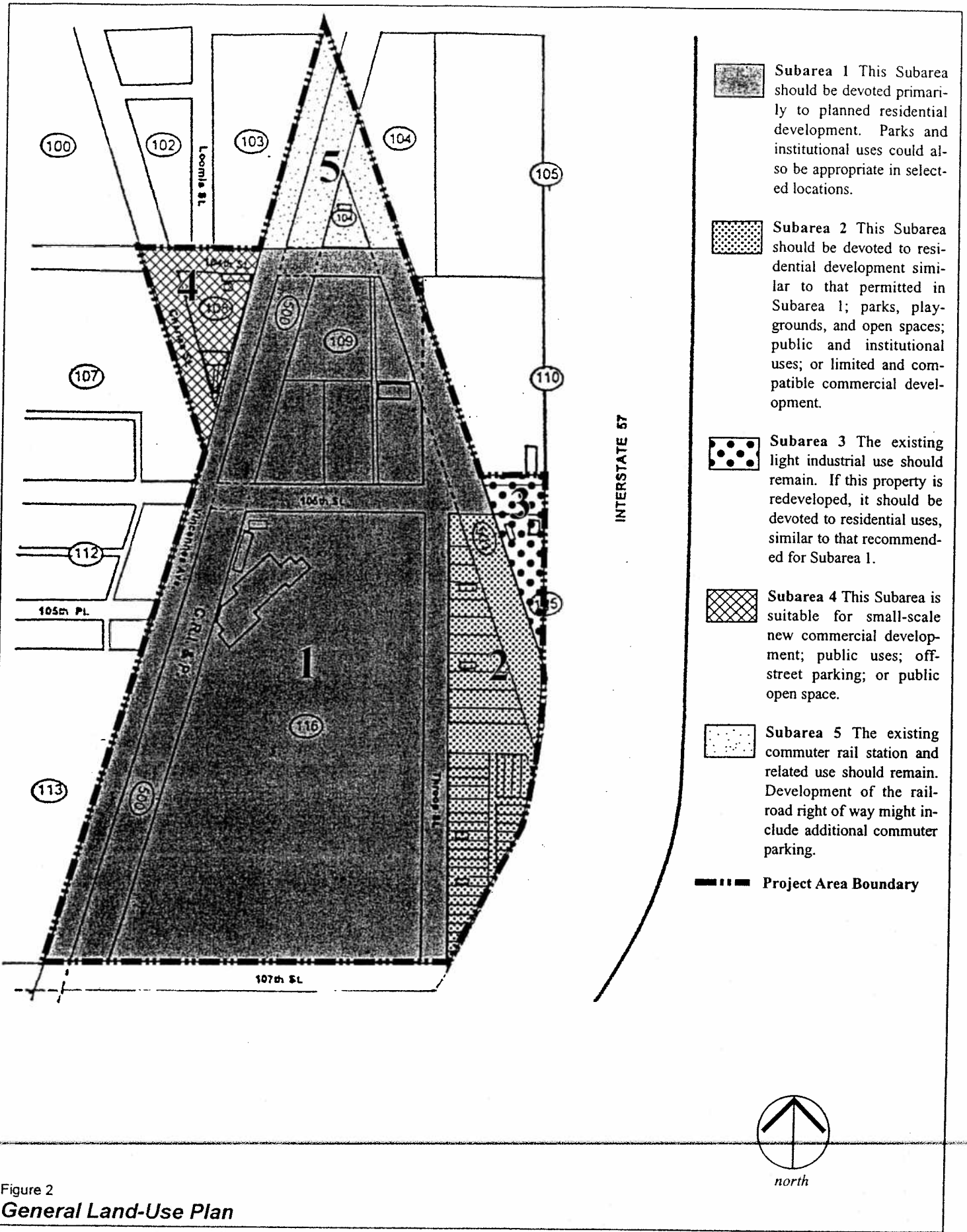


Figure 2  
General Land-Use Plan

## **E. REDEVELOPMENT PROJECT COSTS**

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

In the event the Act is amended by the Illinois General Assembly after the date of the approval of this Amended Redevelopment Plan by the City Council of Chicago to (a) include new eligible redevelopment project costs, or (b) expand the scope or increase the amount of existing eligible redevelopment project costs (such as, for example, by increasing the amount of incurred interest costs that may be paid under 65 ILCS 5/1-74.4-3(q)(11)), this Amended Redevelopment Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the Amended Redevelopment Plan, to the extent permitted by the Act. In the event of such amendment(s) to the Act, the City may add any new eligible redevelopment project costs as a line item in Exhibit I or otherwise adjust the line items in Exhibit I without amendment to this Amended Redevelopment Plan, to the extent permitted by the Act. In no instance, however, shall such additions or adjustments result in any increase in the total Redevelopment Project Costs without a further amendment to this Amended Redevelopment Plan.

### **1. Eligible Redevelopment Project Costs**

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

- a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the Amended Redevelopment Plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;
- b) The cost of marketing sites within the Project Area to prospective businesses, developers and investors;
- c) Property assembly costs, including but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
- d) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project ~~the existing public building is to be demolished to use the site for private investment~~ or devoted to a different use requiring private investment;

- e) Costs of the construction of public works or improvements subject to the limitations in Section 11-74.4-3(q)(4) of the Act;
- f) Costs of job training and retraining projects including the costs of “welfare to work” programs implemented by businesses located within the Project Area and such proposals feature a community-based training program which ensures maximum reasonable opportunities for residents of the Washington Heights Community Area with particular attention to the needs of those residents who have previously experienced inadequate employment opportunities and development of job-related skills including residents of public and other subsidized housing and people with disabilities;
- g) Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for a period not exceeding 36 months following completion and including reasonable reserves related thereto;
- h) To the extent the City by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the Amended Redevelopment Plan ;
- i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law or by Section 74.4-3(n)(7) of the Act (see Section V.C.2 above) or otherwise determines that the payment of relocation costs is appropriate;
- j) Payment in lieu of taxes, as defined in the Act;
- k) Costs of job training, retraining, advanced vocational education or career education, including but not limited to, courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a 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, 110 ILCS 805/3-37, 805/3-38, 805/3-40 and 805/3-40.1, and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code 105 ILCS 5/10-22.20a and 5/10-23.3a;



- l) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
  1. such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
  2. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
  3. if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this provision, then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;
  4. the total of such interest payments paid pursuant to the Act may not exceed 30 percent of the total: (i) costs paid or incurred by the redeveloper for such redevelopment project, plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by the City pursuant to the Act; and
  5. Up to 75 percent of the interest cost incurred by a redeveloper for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.
- m) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;
- n) An elementary, secondary, or units school district's increased costs attributable to assisted housing units will be reimbursed as provided in the Act;
- o) Up to 50 percent of the cost of construction, renovation and/or rehabilitation of all new low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under the Act; and
- p) The cost of daycare services for children of employees from low-income families working for businesses located within the Project Area and all or a portion of the cost of operation of day care centers established by Project Area businesses to serve employees from low-income families working in businesses located in the Project Area. For the purposes of this paragraph, "low-income families" means families whose annual income does not exceed 80 percent of the City, county or regional median income as determined time to time by the United States Department of Housing and Urban Development.

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

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

## 2. Estimated Redevelopment Project Costs

A range of redevelopment activities and improvements will be required to implement this Amended Redevelopment Plan. The activities and improvements and their estimated costs are set forth in Exhibit I of this Amended Redevelopment Plan. All estimates are based on 2003 dollars. Funds may be moved from one line item to another or to an eligible cost category described in this Amended Redevelopment Plan.

Redevelopment Project Costs described in this Amended Redevelopment Plan are intended to provide an upper estimate of expenditures. Within this upper estimate, adjustments may be made in line items without amending this Amended Redevelopment Plan.

## F. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for Redevelopment Project Costs and secure municipal obligations issued for such costs are to be derived partially from Incremental Property Taxes. Other sources of funds which may be used to pay for Redevelopment Project Costs or secure municipal obligations are land disposition proceeds, state and federal grants, investment income, private financing and other legally permissible funds the City may deem appropriate. The City may incur Redevelopment Project Costs which are paid for from funds of the City other than Incremental Property Taxes, and the City may then be reimbursed from such costs from Incremental Property Taxes. Also, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers. Additionally, the City may utilize revenues, other than State sales tax increment revenues, received under the Act from one redevelopment project area for eligible costs in another redevelopment project area that is either contiguous to, or is separated only by a public right-of-way from, the redevelopment project area from which the revenues are received.

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

The Project Area may become contiguous to, or be separated only by a public right-of-way from, redevelopment project areas created under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1, *et seq.*). ~~If the City finds that the goals, objectives and financial success of such contiguous redevelopment project areas or those separated only by a public right-of-way are interdependent~~ with those of the Project Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Amended Redevelopment Plan that net revenues from the

Project Area be made available to support any such redevelopment project areas and vice versa. The City therefore proposes to utilize net incremental revenues received from the Project Area to pay eligible redevelopment project costs (which are eligible under the Industrial Jobs Recovery Law referred to above) in any such areas and vice versa. Such revenues may be transferred or loaned between the Project Area and such areas. The amount of revenue from the Project Area so made available, when added to all amounts used to pay eligible Redevelopment Project Costs within the Project Area or other areas as described in the preceding paragraph, shall not at any time exceed the total Redevelopment Project Costs described in Exhibit I of this Amended Redevelopment Plan.

### ***G. ISSUANCE OF OBLIGATIONS***

The City may issue obligations secured by Incremental Property Taxes pursuant to Section 11-74.4-7 of the Act. To enhance the security of a municipal obligation, the City may pledge its full faith and credit through the issuance of general obligation bonds. Additionally, the City may provide other legally permissible credit enhancements to any obligations issued pursuant to the Act.

The redevelopment project shall be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31 of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Project Area is adopted (i.e. City Council approved the Redevelopment Plan and designated the Project Area on October 3, 2001), by December 31, 2025. Also, the final maturity date of any such obligations which are issued may not be later than 20 years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Amended Redevelopment Plan. Obligations may be issued on a parity or subordinated basis.

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

### ***H. VALUATION OF THE PROJECT AREA***

#### **1. The Certified Initial EAV of Properties in the Project Area**

The Certified Initial EAV of all properties in the Project Area is \$1,268,074. This figure is based on 2000 EAV, certified by the County Clerk of Cook County, Illinois. The Certified Initial EAV of the Project Area is summarized by tax parcel in Table 1, Certified Initial EAV by Tax Parcel.

**2. Anticipated Equalized Assessed Valuation**

By the year 2024 (Collection Year 2025) and following the completion of the Redevelopment Project, the EAV of the Project Area is estimated to total approximately \$29 million. This estimate is based on several key assumptions, including: 1) redevelopment of the Project Area will occur in a timely manner; 2) The EAV of existing development and new development will inflate at the rate of 3 percent per annum; 3) 244 housing units of a mixed variety will be constructed with an average sales price of \$247,737 per unit; and 4) the 5-year average state equalization factor of 2.2662 is used in all years to calculate estimated EAV.

**TABLE 1: CERTIFIED INITIAL EAV BY TAX PARCEL**

<b>Tax Parcel</b>	<b>Certified EAV</b>	<b>Tax Parcel</b>	<b>Certified EAV</b>
25-17-104-010-0000	Exempt	25-17-117-012-0000	2,139
25-17-108-001-0000	Exempt	25-17-117-013-0000	2,139
25-17-108-003-0000	14,573	25-17-117-014-0000	10,747
25-17-108-005-0000	Exempt	25-17-117-015-0000	1,834
25-17-109-014-0000	37,815	25-17-117-016-0000	1,672
25-17-109-016-0000	50,949	25-17-117-017-0000	1,456
25-17-109-017-0000	1,299	25-17-117-018-0000	1,212
25-17-109-018-0000	22,048	25-17-117-019-0000	954
25-17-109-019-0000	32,745	25-17-117-020-0000	700
25-17-109-020-0000	1,299	25-17-117-023-0000	2,139
25-17-109-021-0000	340,433	25-17-117-024-0000	2,139
25-17-115-001-0000	2,790	25-17-117-025-0000	2,139
25-17-115-002-0000	1,986	25-17-117-026-0000	1,512
25-17-115-003-0000	19,157	25-17-117-027-0000	1,681
25-17-115-004-0000	17,708	25-17-117-028-0000	1,441
25-17-115-005-0000	4,249	25-17-117-029-0000	1,274
25-17-115-006-0000	4,798	25-17-117-030-0000	1,101
25-17-115-007-0000	5,381	25-17-117-031-0000	907
25-17-115-008-0000	5,899	25-17-117-032-0000	736
25-17-115-009-0000	21,624	25-17-117-033-0000	525
25-17-115-010-0000	9,325	25-17-117-034-0000	218
25-17-115-011-0000	61,213	25-17-117-045-0000	2,995
25-17-116-002-0000	540,660	25-17-117-046-0000	Exempt
25-17-117-001-0000	3,587	25-17-500-001-0000	RR
25-17-117-002-0000	2,139	25-17-501-004-0000	RR
25-17-117-003-0000	2,139	25-17-501-005-0000	RR
25-17-117-006-0000	Exempt	<b>TOTAL</b>	<b>1,268,074</b>
25-17-117-007-0000	Exempt		
25-17-117-008-0000	1,070		
25-17-117-009-0000	17,250		
25-17-117-010-0000	2,139		
25-17-117-011-0000	2,139		

## VI. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE

As described in *Section III* of this Amended Redevelopment Plan, the Project Area as a whole is adversely impacted by the presence of numerous blighting factors, and these factors are reasonably distributed throughout the area. Blighting factors within the Project Area are widespread and represent major impediments to sound growth and development.

The lack of private investment is evidenced by the following:

- The Project Area is characterized by age, dilapidation, obsolescence, deterioration, structures below minimum code standards, excessive vacancies, excessive land coverage, deleterious land-use and layout, depreciation of physical maintenance and an overall lack of community planning.
- The Project Area is dominated by a large, dilapidated, abandoned industrial building, formerly occupied by the Chicago Bridge and Iron Works Company which has remained vacant since its closure more than 20 years ago.
- Between 1991 and 1995, the Assessed Valuation (“AV”) of the Project Area decreased by approximately 5.3 percent. Over this same period, the AV of the City as a whole increased by 7.1 percent.
- In the period between 1980 and 1990, the Washington Heights community area, which includes the Project Area, lost housing units.
- Within the last ten years, no building development occurred in the Project Area.

The following impediments illustrate why the Project Area would not reasonably be anticipated to be developed without the intervention of the City and the adoption of this Amended Redevelopment Plan.

- The presence of fly dumping, building debris, soil piles, excavations and the deterioration of the main industrial building on the former CB&I property present a negative image that cannot be overcome without large-scale redevelopment.
- Site preparation requires the costly removal of concrete slabs, once used for iron processing activities.
- Remediation of environmental contamination is necessary to safeguard the health, safety and welfare of the surrounding community from potential hazards caused by previous uses.
- Most of the former CB&I property is unserved or underserved by modern infrastructure including sidewalks, curbs, street lights, water and sewer.
- The internal street system within the larger Project Area is fragmented and lacks sidewalks, curbs and gutters.

The Project Area on the whole has not been subject to growth and development through investment by private enterprise. The Project Area would not reasonably be expected to be developed on a comprehensive and coordinated basis without the intervention of the City and the adoption of this Amended Redevelopment Plan for the Project Area.

## VII. FINANCIAL IMPACT

Without the adoption of this Amended Redevelopment Plan and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise. In the absence of City-sponsored redevelopment initiatives there is a prospect that blighted conditions will continue to exist and spread, and the Project Area on the whole and adjacent properties will become less attractive for the investment and improvement of the community. In the absence of City-sponsored redevelopment initiatives, erosion of the assessed valuation of property in and outside of the Project Area could lead to a reduction of real estate tax revenue to all taxing districts.

Section V of this Amended Redevelopment Plan describes the comprehensive Redevelopment Project proposed to be undertaken by the City to create an environment in which private investment can occur. The Redevelopment Project will be staged over a period of years consistent with local market conditions and available financial resources required to complete the various redevelopment improvements and activities as well as the Redevelopment Project set forth in this Amended Redevelopment Plan. Successful implementation of this Amended Redevelopment Plan is expected to result in new private investment in rehabilitation of buildings and new construction on a scale sufficient to eliminate deteriorating problem conditions and to return the area to a long-term sound condition.

The Redevelopment Project is expected to have both short- and long-term positive financial impacts on the taxing districts affected by the Amended Redevelopment Plan. In the short-term, the City's effective use of TIF can be expected to stabilize existing assessed values in the Project Area, thereby stabilizing the existing tax base for local taxing agencies. In the long-term, after the completion of all redevelopment improvements and activities, the Redevelopment Project and the payment of all Redevelopment Project Costs and municipal obligations, the taxing districts will benefit from any enhanced tax base which results from the increase in EAV caused by the Redevelopment Project.

## VIII. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes against properties located within the Project Area:

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

Cook County Forest Preserve District. The Forest Preserve District is responsible for acquisition, restoration and management of lands for the purpose of protecting and preserving open space in the City and County for the education, pleasure and recreation of the public.

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

South Cook County Mosquito Abatement District. The district provides mosquito abatement services to the City of Chicago (south of 87th Street) and communities located in southern Cook County.

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

Board of Education of the City of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operation of educational facilities and the provision of educational services for kindergarten through twelfth grade. No public school facilities are located within the boundaries of the Project Area. Public school facilities located within a ½-mile of the Project Area include Percy Julian High School, located immediately east of the Project Area, Barnard Elementary School, and Mt. Vernon Elementary School.

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the City and for the provision of recreation programs. There are no parks located within the Project Area. Park District facilities located within a ½-mile of the Project Area include Lamb, Mt. Vernon, and Graver Parks.

Chicago School Finance Authority. The Authority was created in 1980 to exercise oversight and control over the financial affairs of the Board of Education.

City of Chicago. The City is responsible for the provision of the full range of municipal services typically associated with large, mature cities, including the following: police and

fire protection; capital improvements and maintenance; water production and distribution; sanitation service; building, housing and zoning codes, etc.

City of Chicago Library Fund. General responsibilities of the Library Fund include the provision, maintenance and operation of the City's library facilities. There are no libraries within the boundaries of the Project Area. The nearest library facilities are located outside the Project Area and include Woodson Regional Library at 9525 S. Halsted and the Beverly Branch Library at 2121 W. 95<sup>th</sup> Street.

## **A. IMPACT OF THE REDEVELOPMENT PROJECT**

In 1994, the Act was amended to require an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Amended Redevelopment Plan and a description of any program to address such financial impacts or increased demand. The City intends to monitor development in the Project Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs are addressed in connection with any particular development. The estimated nature of these increased demands for services on these taxing districts are described below.

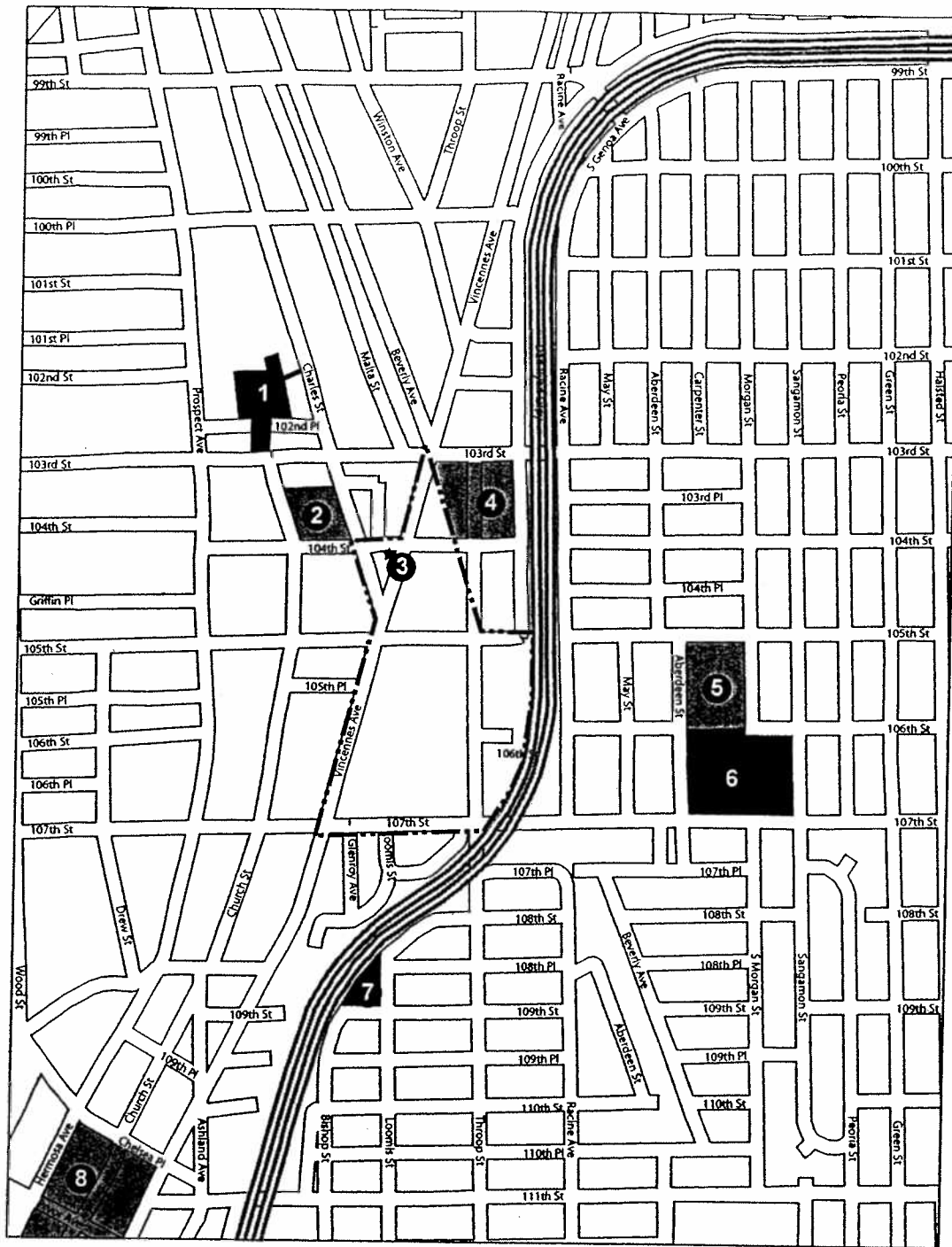
Metropolitan Water Reclamation District of Greater Chicago. The rehabilitation of or replacement of underutilized properties with new development may cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

City of Chicago. The replacement or rehabilitation of underutilized properties with new development may increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, etc.

Board of Education. The replacement or rehabilitation of underutilized properties with new residential development is likely to increase the demand for services and programs provided by the Board of Education. There are no public school facilities located within the Project Area. Three public schools are located within a ½-mile of the Project Area and include Percy L. Julian High School, Mt. Vernon Elementary School and Barnard Elementary School. These school facilities are illustrated in *Figure 3, Community Facilities*.

Chicago Park District. The replacement or rehabilitation of underutilized properties with residential, commercial, business and other development is likely to increase the demand for services, programs and capital improvements provided by the Chicago Park District within and adjacent to the Project Area. These public services or capital improvements may include, but are not necessarily limited to, the provision of additional open spaces and recreational facilities by the Chicago Park District. There are no public parks located within the Project Area. The nearest public parks within a ½-mile of the Project Area are identified in *Figure 3, Community Facilities*.





**Legend**

- Project Area Boundary
- Educational
- Parks and Open Space
- ★ Fire house

**Community Facilities**

1. Graver Park
2. Barnard Elementary
3. Fire Station
4. Percy Julian High School
5. Mount Vernon Elementary
6. Jackie Robinson Park
7. Lamb Playlot Park
8. Morgan Park High School

Figure 3  
**Community Facilities**

City of Chicago Library Fund. The replacement or rehabilitation of underutilized properties with residential, commercial, business and other development is likely to increase the demand for services, programs and capital improvements provided by the City of Chicago Library Fund.

**B. PROGRAM TO ADDRESS INCREASED DEMAND FOR SERVICES OR CAPITAL IMPROVEMENTS**

The following activities represent the City's program to address increased demand for services or capital improvements provided by the impacted taxing districts.

- It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District. Therefore, no special program is proposed for the Metropolitan Water Reclamation District.
- It is expected that any increase in demand for City services and programs associated with the Project Area can be adequately handled by existing City, police, fire protection, library facilities, sanitary collection and recycling services and programs maintained and operated by the City. Therefore, no special programs are proposed for the City.
- It is expected that new residential development and the redevelopment of vacant, underutilized or non-residential property to residential use may generate additional demand for recreational services and programs and, therefore, would warrant additional open spaces and recreational facilities operated by the Chicago Park District. The *Land Policies Plan*, released by the Chicago Park District in 1990, established the goal of 2 acres of parkland per 1,000 residents for each community area. The *Parkland Needs Analysis*, released in 1993, indicates that Washington Heights does not meet this standard. Open space needed to meet the minimum standard was identified at 3.6 acres. Redevelopment of the Project Area anticipates the inclusion of a 2-acre park to be donated to the Chicago Park District. The City intends to monitor development in the Project Area and, with the cooperation of the Chicago Park District, will attempt to ensure that any increased demands for the services and capital improvements provided by the Chicago Park District are addressed in connection with any particular residential development.
- It is expected that new residential development and the redevelopment of vacant, underutilized or non-residential property to residential use will result in an increase in demand for services provided by the Board of Education. To determine this potential increase, the Ehlers & Associates' (formerly Illinois School Consulting Services) methodology for estimating school age children was utilized. Based on the possible development of 247 new residential units, including a mix of single-family detached and attached units and condominium units, an increase of approximately 118 elementary school age children and approximately 41 high school age children could result.

There are 2 elementary schools and 2 high schools which serve the Project Area. Mt. Vernon Elementary is at 40.5 percent of capacity while Barnard Elementary, located immediately west of the Project Area, is operating at 102.2 percent of capacity. Percy L. Julian High School, located immediately east of the Project Area, is operating at 74 percent of capacity. Morgan Park High School is operating "under controlled enrollment" at 106.7 percent of capacity which limits the enrollment of students from outside their attendance area.

It is anticipated that the current capacity at existing public schools in the area, particularly Mt. Vernon Elementary and Percy L. Julian High School, can accommodate children from the Project Area. However, the City will work with the Chicago Board of Education to monitor the number of school-aged children from the Project Area who may enroll at public schools. The City will assist in accommodating such students on an annual basis based on the available capacity of schools in the attendance area.

- It is expected that any increase in demand for Cook County, Cook County Forest Preserve District, South Cook County Mosquito Abatement District and Chicago Community College District 508 services and programs associated with the Project Area can be adequately handled by services and programs maintained and operated by these taxing districts. Therefore, at this time, no special programs are proposed for these taxing districts. Should demand increase so that it exceeds existing service and program capabilities, the City will work with the affected taxing district to determine what, if any, program is necessary to provide adequate services.

The City's program to address increased demand for services or capital improvements provided by some or all of the impacted taxing districts is contingent upon: (i) the Redevelopment Project occurring as anticipated in this Amended Redevelopment Plan, (ii) the Redevelopment Project resulting in demand for services sufficient to warrant the allocation of Redevelopment Project Costs; and (iii) the generation of sufficient Incremental Property Taxes to pay for the Redevelopment Project Costs in Exhibit I. In the event that the Redevelopment Project fails to materialize, or involves a different scale of development than that currently anticipated, the City may revise its program to address increased demand, to the extent permitted by the Act, without amending this Amended Redevelopment Plan.

Exhibit I to this Amended Redevelopment Plan illustrates the present allocation of estimated Redevelopment Project Costs.

**IX. CONFORMITY OF THE AMENDED REDEVELOPMENT PLAN TO THE PLANS FOR DEVELOPMENT OF THE CITY OF CHICAGO AS A WHOLE AND USES THAT HAVE BEEN APPROVED BY THE PLAN COMMISSION OF THE CITY**

This Amended Redevelopment Plan and the Redevelopment Project described herein include land uses which were approved by the Chicago Plan Commission prior to the adoption of the Redevelopment Plan.

## **X. PHASING AND SCHEDULING**

A phased implementation strategy will be utilized to achieve comprehensive and coordinated redevelopment of the Project Area.

It is anticipated that City expenditures for Redevelopment Project Costs will be carefully staged on a reasonable and proportional basis to coincide with Redevelopment Project expenditures by private developers and the receipt of Incremental Property Taxes by the City.

The estimated date for completion of Redevelopment Projects is no later than December 31 of the year in which the payment to the City treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Redevelopment Plan was adopted, which occurred in 2001 (i.e. December 31, 2025).

## **XI. PROVISIONS FOR AMENDING THE AMENDED REDEVELOPMENT PLAN**

This Amended Redevelopment Plan may be amended pursuant to the Act.

## **XII. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION PLAN**

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

- A) The assurance of equal opportunity in all personnel and employment actions, with respect to the Redevelopment Project, including, but not limited to hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, sex, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, source of income, or housing status.
- B) Redevelopers must meet the City's standards for participation of 25 percent Minority Business Enterprises and 5 percent Woman Business Enterprises and the City Resident Construction Worker Employment Requirement as required in redevelopment agreements.
- C) This commitment to affirmative action and nondiscrimination will ensure that all members of the protected groups are sought out to compete for all job openings and promotional opportunities.
- D) Redevelopers will meet City standards for any applicable prevailing wage rate as ascertained by the Illinois Department of Labor to all project employees.

The City shall have the right in its sole discretion to exempt certain small businesses, residential property owners and developers from the above.

### **XIII. HOUSING IMPACT AND RELATED MATTERS**

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

The Project Area contains 4 inhabited residential units. The Amended Redevelopment Plan provides for the development or redevelopment of several portions of the Project Area that may contain occupied residential units. As a result, it is possible that by implementation of this Plan, the displacement of residents from 4 inhabited residential units could occur.

Given that this Amended Redevelopment Plan would not result in the displacement of residents from 10 or more inhabited residential units and the Project Area does not contain 75 or more inhabited residential units, the completion of a housing impact study is not required under the Act.



# EXHIBIT I: Estimated Redevelopment Project Costs

## 105<sup>th</sup> Street and Vincennes Avenue TIF

ELIGIBLE EXPENSE	ESTIMATED COST
Analysis, Administration, Studies, Surveys, Legal, Marketing etc.	\$ 1,300,000
Property Assembly -Acquisition, Site Prep, Demolition, and Environmental Remediation	\$ 6,200,000
Public Works & Improvements <sup>[1]</sup> -Streets and Utilities, Community Facilities, Parks and Open Space, and Landscaping	\$ 4,450,000
Taxing District's Capital Costs	\$ 1,300,000
Job Training, Retraining, Welfare-to-Work	\$ 300,000
Day Care Services	\$ 200,000
Developer Interest Subsidy	\$ 400,000
<b>TOTAL REDEVELOPMENT COSTS<sup>[2] [3]</sup></b>	<b>\$ 14,150,000<sup>[4]</sup></b>

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

<sup>[2]</sup> Total Redevelopment Costs exclude any additional financing costs, including any interest expense, capitalized interest and costs associated with optional redemptions. These costs are subject to prevailing market conditions and are in addition to Total Redevelopment Project Costs.

<sup>[3]</sup> The amount of the Total Redevelopment Costs that can be incurred in the Project Area will be reduced by the amount of redevelopment project costs incurred in contiguous redevelopment project areas, or those separated from the Project Area only by a public right of way, that are permitted under the Act to be paid, and are paid, from incremental property taxes generated in the Project Area, but will not be reduced by the amount of redevelopment project costs incurred in the Project Area which are paid from incremental property taxes generated in contiguous redevelopment project areas or those separated from the Project Area only by a public right of way.

<sup>[4]</sup> Increases in estimated Total Redevelopment Project Costs of more than 5 percent, after adjustment for inflation from the date of the Plan adoption, are subject to the Plan amendment procedures as provided under the Act.

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

**EXHIBIT II: 105TH STREET AND VINCENNES AVENUE TAX INCREMENT  
FINANCING REDEVELOPMENT PROJECT AREA ELIGIBILITY STUDY**

**105TH STREET AND VINCENNES AVENUE  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA**

**ELIGIBILITY STUDY**

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City of Chicago, Illinois

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Prepared by  
Trkla, Pettigrew, Allen & Payne, Inc.

May 12, 1997

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## EXECUTIVE SUMMARY

The purpose of this study is to determine whether the *105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area* (the "Project Area") qualifies for designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found in Illinois Compiled Statutes, Chapter 65, Act 5, Section 11-74.4-1 *et seq.*, as amended.

The findings presented in this study are based on surveys and analyses conducted by Trkla, Pettigrew, Allen & Payne, Inc. ("TPAP") for the Project Area of approximately 57.8 acres located approximately 11 miles south of the central business district of Chicago, Illinois.

The Project Area consists of approximately 57.8 acres generally bounded by 103rd Street on the north, the extension of the Dan Ryan Expressway ( I-57) on the east, 107th Street on the south and Vincennes Avenue on the west. The Project Area is dominated by a large, vacant, industrial site formerly occupied by the Chicago Bridge and Iron Works Company, and includes eight irregularly shaped tax blocks, including two railroad rights-of-way (the Metra-Rock Island Line and the vacated Pittsburgh, Cincinnati, Chicago, and St. Louis Rail Line). Street and rail line rights-of-way consist of 21.0 acres within the Project Area. The Project Area contains a large portion of vacant land, several isolated residential buildings, two public uses, an industrial use and one commercial establishment.

The boundaries of the Project Area are shown on Figure 1A, *Project Area Boundary*. A more detailed description of the Project Area is presented in *Section II, The 105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area*.

As set forth in the Act, a "redevelopment project area" means an area designated by the municipality which is not less in the aggregate than 1½ acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted and conservation areas. The 105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area exceeds the minimum acreage requirements of the Act.

As set forth in the Act, "blighted area" means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of 5 or more of the following factors: ~~age; dilapidation; obsolescence; deterioration;~~ illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light

or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by: (1) a combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of way, or (5) the area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one or more improvements in or in proximity to the area which improvements have been in existence for at least 5 years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than 50 or more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in provision (1) above relating to vacant areas, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

While it may be concluded that the mere presence of the minimum number of the stated factors may be sufficient to make a finding of blight, this evaluation was made on the basis that the blighting factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of blighting factors throughout the project area must be reasonable so that basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.

On the basis of this approach, the Project Area is found to be eligible as a blighted area within the definition set forth in the Act. Included in the Project Area are three subareas: (i) Improved Areas with 10 of the 14 factors set forth in the Act; (ii) Vacant Areas with 3 of the 5 factors set forth in the Act; and (iii) Vacant railroad right-of-way.

Figure 1B, *Subareas Boundary* illustrates the three subareas described in more detail below.

### **Improved Areas**

The improved area within the Project Area is found to be eligible as an "improved" blighted area within the definition set forth in the Act. Specifically,

- Of the fourteen factors set forth in the Act for "improved" blighted areas, ten are present in the improved portion of the Project Area.
- The factors present are reasonably distributed throughout the improved portion of the Project Area.

- All blocks within the improved portion of the Project Area show the presence of blight factors.
- The improved portion of the Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

### **Vacant Areas**

The vacant area within the Project Area is found to be eligible as a “vacant” blighted area within the definition set forth in the Act. Specifically,

- Approximately 26.2 acres within the vacant area are characterized by 3 of the 5 factors listed under the first requirement for “vacant” blighted areas as set forth in the Act. These factors include: obsolete platting, diversity of ownership, and deterioration of structures and site improvements in areas adjacent to the vacant land.
- The factors are reasonably distributed throughout this vacant area within the Project Area.
- All blocks within this vacant area show the presence of blight factors.
- This vacant area within the Project Area includes only real property and improvements thereon substantially benefited by the proposed redevelopment project improvements.

### **Vacant Railroad Right-Of-Way**

The vacant area within the Project Area is found to be eligible as a “vacant” blighted area within the definition set forth in the Act. Specifically,

- Approximately 4 acres within the vacant area consist of unused railroad right-of-way.



## I. BASIS FOR REDEVELOPMENT

The Illinois General Assembly made two key findings in adopting the Act:

1. That there exist in many municipalities within the State blighted and conservation areas; and
2. That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest.

These findings were made on the basis that the presence of blight or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that the prospective Redevelopment Project Area qualifies as a "blighted area" within the definitions set forth in the Act (Section 11-74.4-3). These definitions are paraphrased below:

### ELIGIBILITY OF A BLIGHTED AREA

A blighted area may be either improved or vacant. If the area is improved (e.g., with industrial, commercial and residential buildings or improvements), a finding may be made that the area is blighted because of the presence of a combination of five or more of the following fourteen factors:

- Age
- Dilapidation
- Obsolescence
- Deterioration
- Illegal use of individual structures
- Presence of structures below minimum code standards
- Excessive vacancies
- Overcrowding of structures and community facilities
- Lack of ventilation, light, or sanitary facilities
- Inadequate Utilities
- Excessive land coverage
- Deleterious land-use or lay-out
- Depreciation of physical maintenance
- Lack of community planning

If the area is vacant, it may be found to be eligible as a blighted area based on the finding that the sound growth of the taxing districts is impaired by one of the following criteria:

- A combination of 2 or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant.
- The area immediately prior to becoming vacant qualified as a blighted improved area, or
- The area consists of an unused quarry or unused quarries, or
- The area consists of unused railyards, rail tracks or railroad right-of-way, or
- The area, prior to the area's designation, is subject to chronic flooding which adversely impacts on real property which is included in or (is) in proximity to any improvement on real property which has been in existence for at least 5 years and which substantially contributes to such flooding.
- The area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites.
- The area is not less than 50 nor more than 100 acres and 75% of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, and which area meets at least one of the factors itemized in the first bullet item above for a vacant blighted area, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

## **ELIGIBILITY OF A CONSERVATION AREA**

A conservation area is an improved area in which 50 percent or more of the structures in the area have an age of 35 years or more and there is a presence of a combination of three or more of the fourteen factors listed below. Such an area is not yet a blighted area, but because of a combination of three or more of these factors, the area may become a blighted area.

- 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 lay-out
- Depreciation of physical maintenance
- Lack of community planning.

While the Act defines a blighted area, it does not define the various factors, nor does it describe what constitutes the presence or the extent of presence necessary to make a finding that a factor exists. Therefore, reasonable criteria should be developed to support each local finding that an area qualifies as a blighted area. In developing these criteria, the following principles have been applied:

1. The minimum number of factors must be present and the presence of each must be documented;
2. For a factor to be found present, it should be present to a meaningful extent so that a local governing body may reasonably find that the factor is clearly present within the intent of the Act; and
3. The factors should be reasonably distributed throughout the redevelopment project area.

It is also important to note that the test of eligibility is based on the conditions of the Project Area as a whole; it is not required that eligibility be established for each and every property in the project area.

The City of Chicago is entitled to rely on the findings and conclusions of this report in designating the Project Area as a redevelopment project area under the Act. TPAP has prepared this report with the understanding that the City would rely (i) on the findings and conclusion of this report in proceeding with the designation of the Project Area as a redevelopment project area under the Act, and (ii) on the fact that TPAP has obtained the necessary information to conclude that the Project Area can be designated as a redevelopment project area in compliance with the Act.

## II. THE 105TH STREET AND VINCENNES AVENUE TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA

The Project Area consists of an area of approximately 57.8 acres, including perimeter and interior streets. The area contains one active rail line servicing both Metra commuter and freight trains and one vacated rail line formerly used by the Pittsburgh, Cincinnati, Chicago, & St. Louis Railroad. The Project Area is located along the western edge of the Washington Heights community area on the City's south side and is generally bordered on the north by 103rd Street; on the east by the I-57 Expressway right-of-way; on the south by 107th Street; and on the west by Vincennes Avenue, including the small triangular block bordered by Charles Street and 104th Street. Figure 1A, *Project Area Boundary*, illustrates the boundary of the Project Area.

The Project Area consists of both vacant and built-up areas. As indicated in Figure 1B, vacant areas exist in five of the eight tax blocks comprising the Project Area. Vacant land areas, including vacated streets in Block 116 and the vacated railroad right-of-way, total 30.2 acres, or 52.2 percent of the total acreage within the Project Area.

Table 1 illustrates the acreage of various subareas within the Project Area.

**Table 1, Acreage Distribution**

### 105th Street and Vincennes Avenue Tax Increment Financing Redevelopment Project Area

Area	Acres	Percent of total
• Vacant land/parcels	26.2	45.3
• Vacant land consisting of former railroad right-of-way	4.0	6.9
• Improved land/parcels	6.6	11.4
• Streets and Metra rail line right-of-way	21.0	36.4
<b>Total Project Area</b>	<b>57.8</b>	<b>100.0</b>

The Project Area consists of eight irregularly shaped tax blocks, three of which contain exempt parcels and five of which contain taxable parcels. The largest of these blocks is comprised of one large parcel which spans four city blocks and was formerly the site of the Chicago Bridge and Iron Works Company. The triangular shape of the blocks was established decades earlier by the diagonal alignment of Vincennes Avenue and the Metra - Rock Island and Pacific Rail Line which run parallel to, and along side of, each other.

In addition to these conditions, several other factors have influenced the overall shape and character of the Project Area. First, the construction of the I-57 Expressway effectively cut off the Project Area from the residential neighborhood and typical grid street pattern located to the east. Second,

the closure of the Chicago Bridge and Iron Works Company resulted in a large vacant parcel in the heart of the Project Area. Third, the removal of the former Pittsburgh, Cincinnati, Chicago, and St. Louis Railroad, which bisects the area in a northwest to southeast direction, further contributed to the amount of vacant land within the Project Area. Finally, vacant parcels are widely scattered throughout the remaining blocks within the Project Area.

The Project Area is dominated by the former Chicago Bridge and Iron Works plant site. A combination of long-term vacancy, weather damage, lack of maintenance of the main building, fly dumping and the existence of building remains and debris on the former Chicago Bridge and Iron Works plant site as well as in the surrounding area, has resulted in the current condition of extreme deterioration and has adversely impacted adjacent property.

The Metra Station is at the north end within the Project Area. Access to the Project Area is good from all directions and is provided by Vincennes Avenue, 107th Street, and 103rd Street; which provides access to all parts of the surrounding area in this part of the City and to the I-57 Expressway.

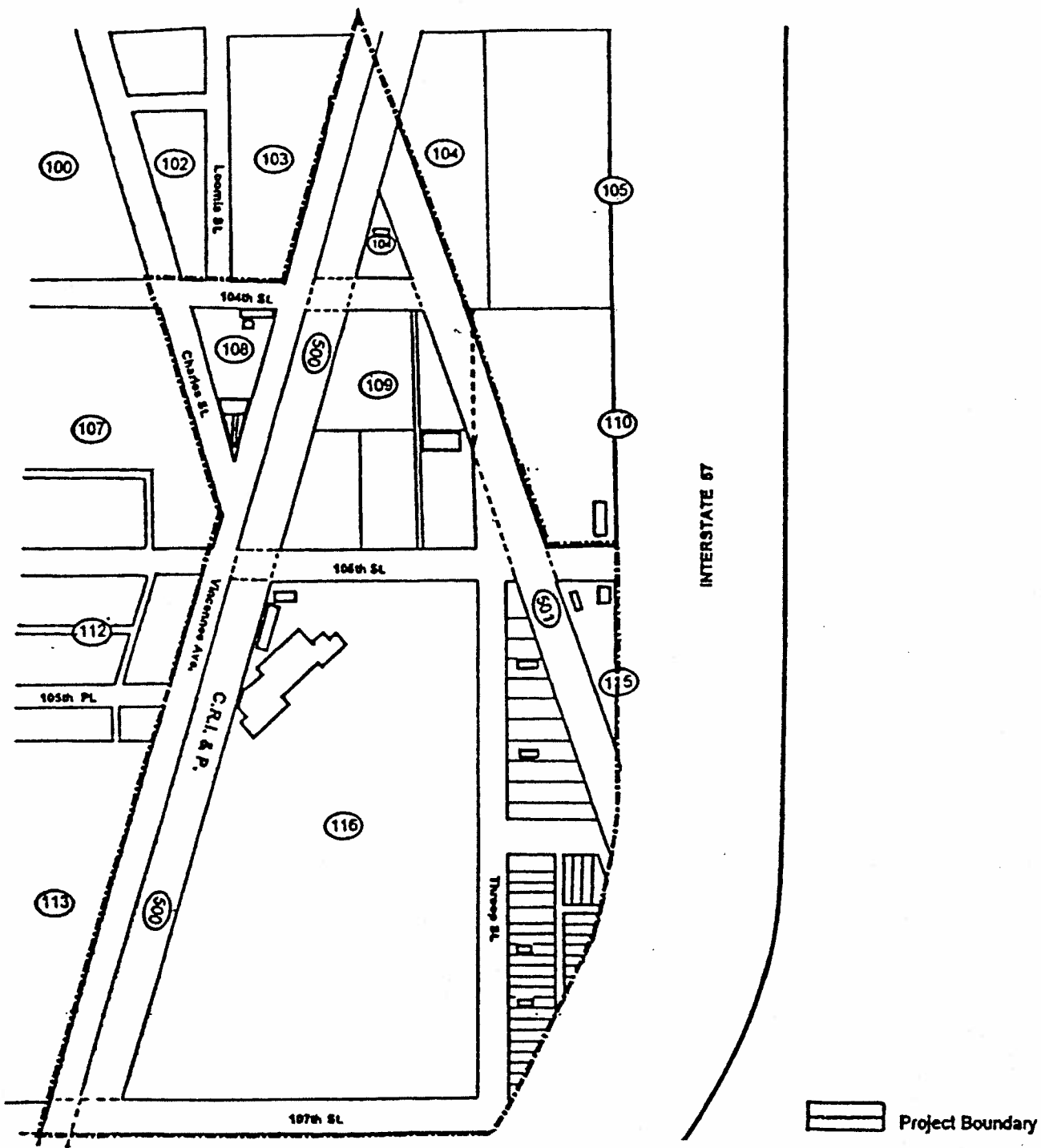
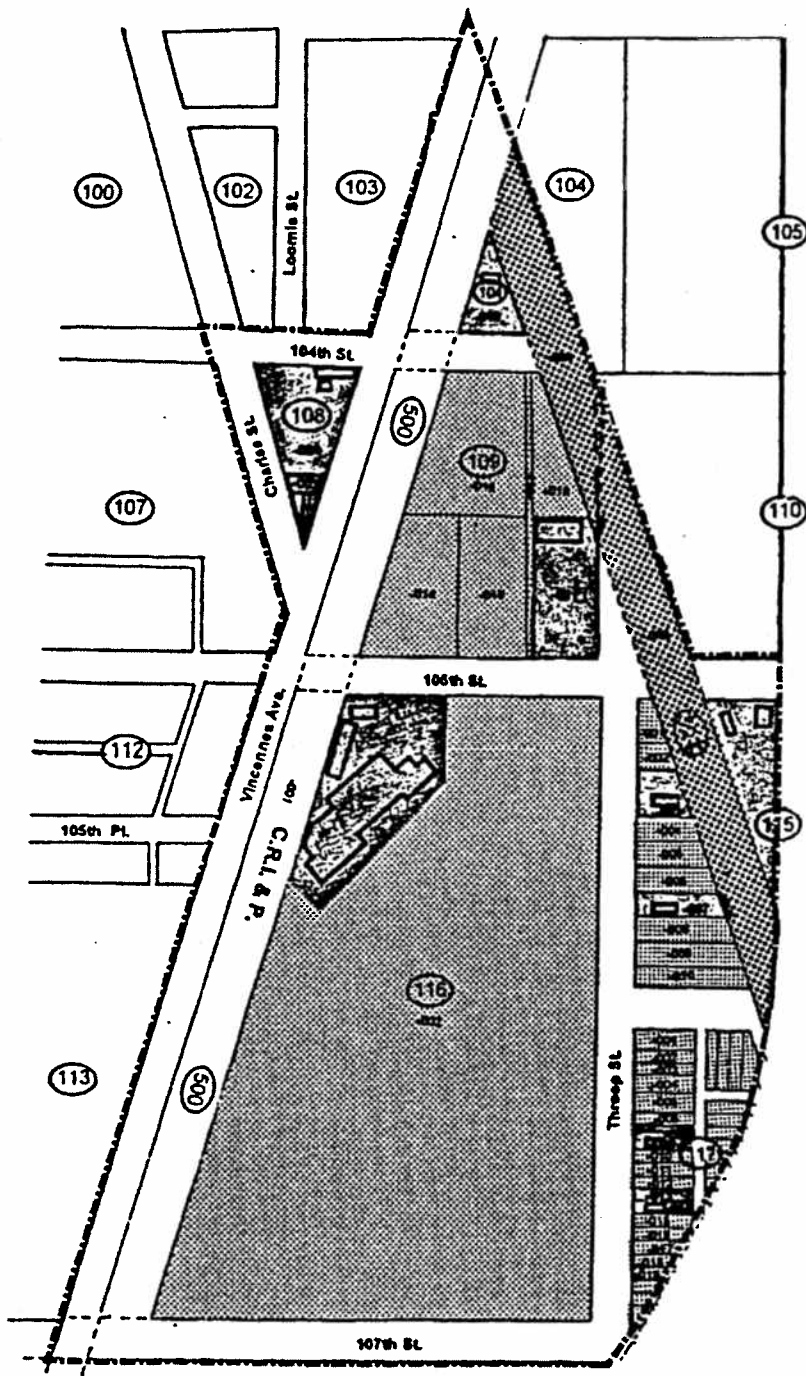






Figure 1A  
**PROJECT AREA BOUNDARY**

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.



INTERSTATE 57

-  Project Boundary
-  Improved Areas
-  Vacant Areas
-  Vacant Railroad Right-Of-Way



north

Figure 1B  
**SUBAREAS BOUNDARY**

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

### III. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS: IMPROVED AREAS

An analysis was completed for each of the blighted area eligibility factors listed in the Act to determine whether each or any are present in the Project Area, and if so, to what extent and in what locations. Surveys and analyses conducted by TPAP included:

1. Exterior survey of the condition and use of each building;
2. Site surveys of streets, alleys, sidewalks, lighting, curbs and gutters, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning map;
5. Comparison of exterior building conditions to property maintenance codes of the City;
6. Analysis of original and current platting and building size and layout;
7. Analysis of vacant sites and vacant buildings; and
8. Review of previously prepared plans, studies and data.

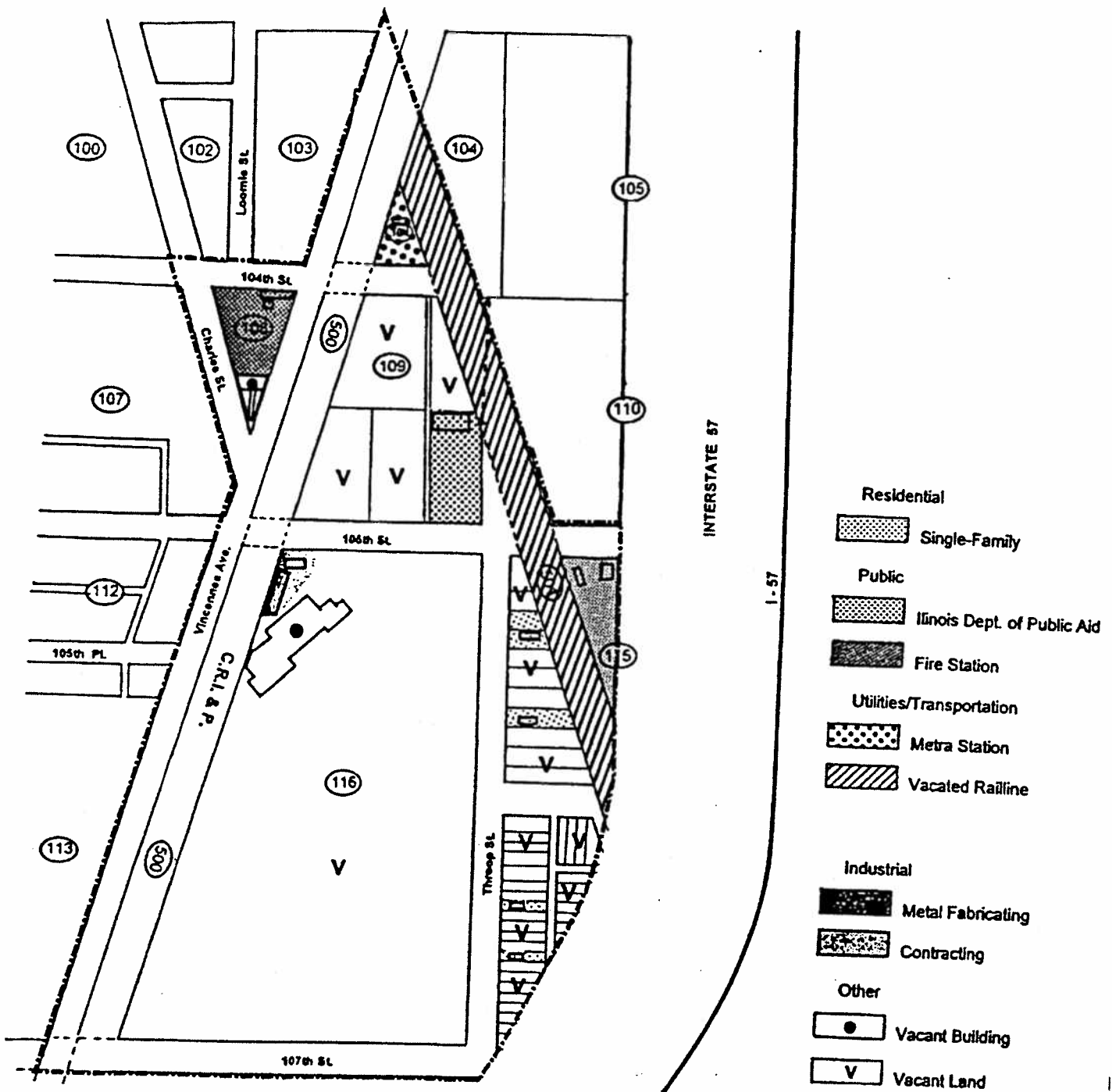
In October of 1996 and again in March of 1997, TPAP documented conditions based on exterior inspections of all buildings. Noted during the inspection were structural deficiencies of individual buildings and related environmental deficiencies in the Project Area. Figure 2, *Existing Land Use* identifies existing land uses within the Project Area and Figure 3, *Exterior Survey Form*, illustrates the building condition survey form used to record building conditions.

The following statement of findings is presented for each blighted area eligibility factor listed in the Act. The conditions that exist and the relative extent to which each factor is present in the Project Area are described.

A factor noted as not present indicates either that no information was available or that no evidence could be documented as part of the various surveys and analyses. A factor noted as present to a limited extent indicates that conditions exist which document that the factor is present, but that the distribution or impact of the blight condition is limited. Finally, a factor noted as present to a major extent indicates that conditions exist which document that the factor is present throughout major portions of the block, and that the presence of such conditions has a major adverse impact or influence on adjacent and nearby development.

What follows is the summary evaluation of the 14 factors for an "improved" blighted area. The factors are presented in order of their listing in the Act.





- Residential**
  - Single-Family
- Public**
  - Illinois Dept. of Public Aid
  - Fire Station
- Utilities/Transportation**
  - Metra Station
  - Vacated Railline
- Industrial**
  - Metal Fabricating
  - Contracting
- Other**
  - Vacant Building
  - Vacant Land



Figure 2  
EXISTING LAND-USES

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## A. AGE

Age as a blighting factor presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures over a period of years. Since building deterioration and related structural problems can be a function of time, temperature and moisture, structures which are 35 years or older typically exhibit more problems and require a greater level of maintenance than more recently constructed buildings.

Figure 4, *Age* illustrates the location of all buildings in the Project Area which are more than 35 years of age.

### **Conclusion**

Of the total thirteen principal buildings and related accessory buildings and structures, all thirteen, or 100 percent, are 35 years of age or older. Age as a factor of blight is present to a major extent.

## B. DILAPIDATION

Dilapidation refers to advanced disrepair of buildings and site improvements. Webster's New Collegiate Dictionary defines "dilapidate," "dilapidated," and "dilapidation" as follows:

- Dilapidate, "...to become or cause to become partially ruined and in need for repairs, as through neglect."
- Dilapidated, "...falling to pieces or into disrepair; broken down; shabby and neglected."
- Dilapidation, "...a dilapidating or becoming dilapidated; a dilapidated condition."

To determine the existence of dilapidation, an assessment was undertaken of all buildings within the Project Area. The process used for assessing building conditions, the standards and criteria used for evaluation, and the findings as to the existence of dilapidation are presented below.

The building condition analysis is based on an exterior inspection of buildings and site improvements undertaken during October of 1996 and again in March of 1997. Noted during the inspections were structural deficiencies in building components and related environmental deficiencies in the Project Area. Dilapidation as a factor can refer to site improvements but for purposes of this study has been documented in the section describing *Deterioration*.

### ***1. Building Components Evaluated***

During the field survey, each component of a subject building was examined to determine whether it was in sound condition or had minor, major, or critical defects. Building components examined were of two types.

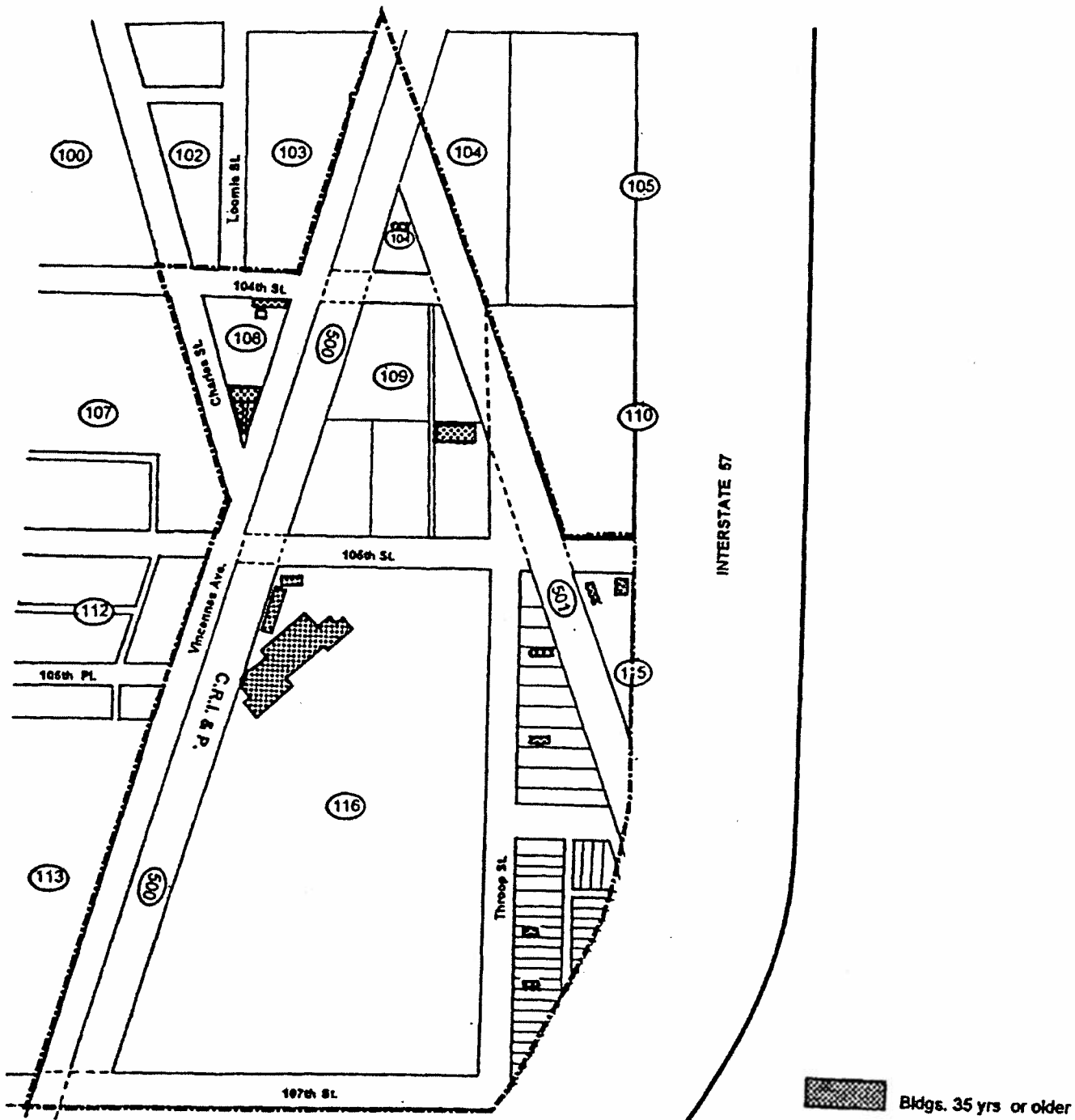


Figure 4  
AGE

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-- Primary Structural.

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

-- Secondary Components.

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

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

## ***2. Building Rating Classifications***

Based on the evaluation of building components, each building was rated and classified into one of the following categories:

### Sound

Buildings which contain no defects, are adequately maintained, and require no treatment outside of normal maintenance as required during the life of the building.

### Deficient

Buildings which contain defects (loose or missing material or holes and cracks) over a limited or widespread areas which may or may not be correctable through the course of normal maintenance (depending on the size of the building or number of buildings in a large complex). Deficient buildings contain defects which, in the case of limited or minor defects, clearly indicate a lack or a reduced level of maintenance. In the case of major defects, advanced defects are present over widespread areas, perhaps including mechanical systems, and would require major upgrading and significant investment to correct.

### Dilapidated

Building which contain major defects in primary and secondary components and mechanical systems over widespread areas within most of the floor levels. The defects are so serious and advanced that building is considered to be substandard, requiring improvements or total reconstruction which may either be infeasible or difficult to correct.

### **Conclusion**

Of the thirteen buildings, four are in a substandard (dilapidated) condition. These include the largest remaining building on the former Chicago Bridge and Iron Works site, one commercial building and two residential buildings. The factor of dilapidation is present to a major extent in the Project Area.

Figure 5, *Dilapidation* illustrates the location of substandard (dilapidated) buildings in the Project Area.

### C. OBSOLESCENCE

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

- Functional Obsolescence

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

- Economic Obsolescence.

Economic obsolescence is normally a result of adverse conditions which cause some degree of market rejection and, hence, depreciation in market values.

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

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

#### **1. Obsolete Building Types**

Functional or economic obsolescence in buildings, which limits their long-term use or reuse, is typically difficult and expensive to correct. Deferred maintenance, deterioration and vacancies often result, which can have an adverse effect on nearby and surrounding development and detract from the physical, functional and economic vitality of the area.

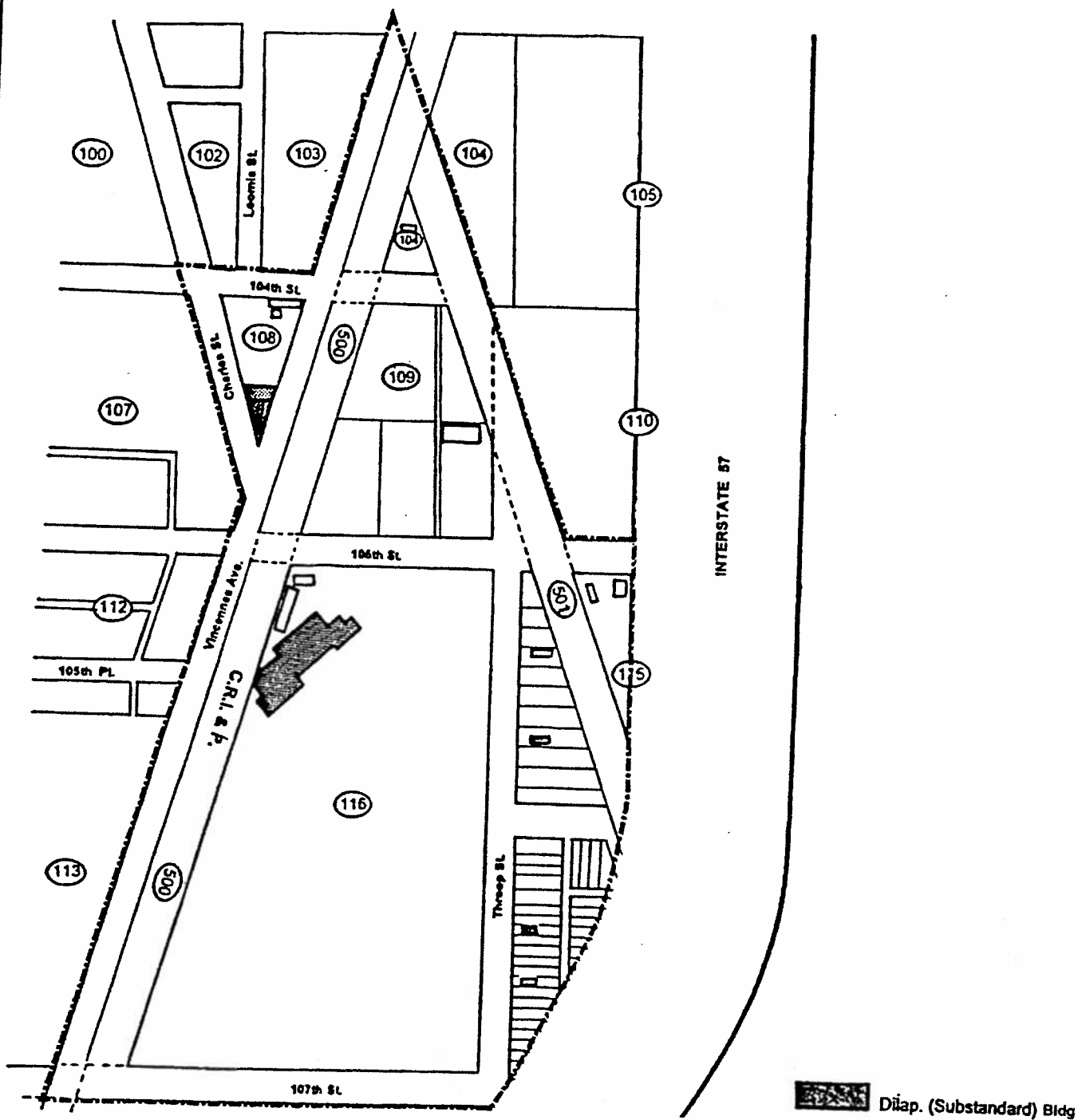


Figure 5  
**DILAPIDATION**

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Functional obsolescence is present in seven of the thirteen buildings in the Project Area. Characteristics observed in the obsolete buildings include both large and small, single-purpose industrial buildings not suitable for improvement or conversion to accommodate other activity, small structures with limited utility or adaptable design for expansion and re-use; older buildings of narrow width or irregular shape with limited space and amenities for existing use or potential for conversion to accommodate future activity (fire station and vacant commercial building previously occupied by a pet service); and older buildings converted from their original use to accommodate present activity such as the Public Aid facility.

These buildings are characterized by obsolescence which limit their efficient or economic use consistent with contemporary standards. All thirteen buildings in the Project Area are impacted by functional and economic obsolescence.

### **1. Obsolete Site Improvement/Platting**

While the layout of the area, including block and parcel size and shape, is the result of the alignment of two rail lines and the construction of I-57, these existing characteristics are nevertheless present. This poor layout is compounded by the platting of small lots in two residential blocks which are unsuitable for development on an individual lot basis. Two very narrow parcels which are unsuitable for development also exist in Block 109. The vacant building located on parcel -003 in Block 108 occupies the entire lot and provides no provision for off-street parking. The Metra station is located on a small triangular parcel with very limited parking space for commuters, forcing vehicles to park along 104th Street and along the vacated rail line right-of-way. Streets such as 104th Street, east of Vincennes and 105th Street, east of the vacated rail line were never completed with curbs, gutters and sidewalks and contain only semi-permanent street surfaces with extensive deterioration and pot holes. 106th Street, similarly, was never fully constructed and consists of a narrow gravel path.

#### Conclusions

All of the 13 buildings in the Project Area are obsolete and obsolete platting is present throughout the Project Area. Obsolescence as a factor is present to a major extent in the Project Area.

Figure 6, *Obsolescence* illustrates the location of obsolete buildings in the Project Area.

### **D. DETERIORATION**

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

- Deterioration may be evident in basically sound buildings containing minor defects, such as lack of paint, loose or missing materials, or holes and cracks over limited areas. This deterioration can be corrected through normal maintenance.



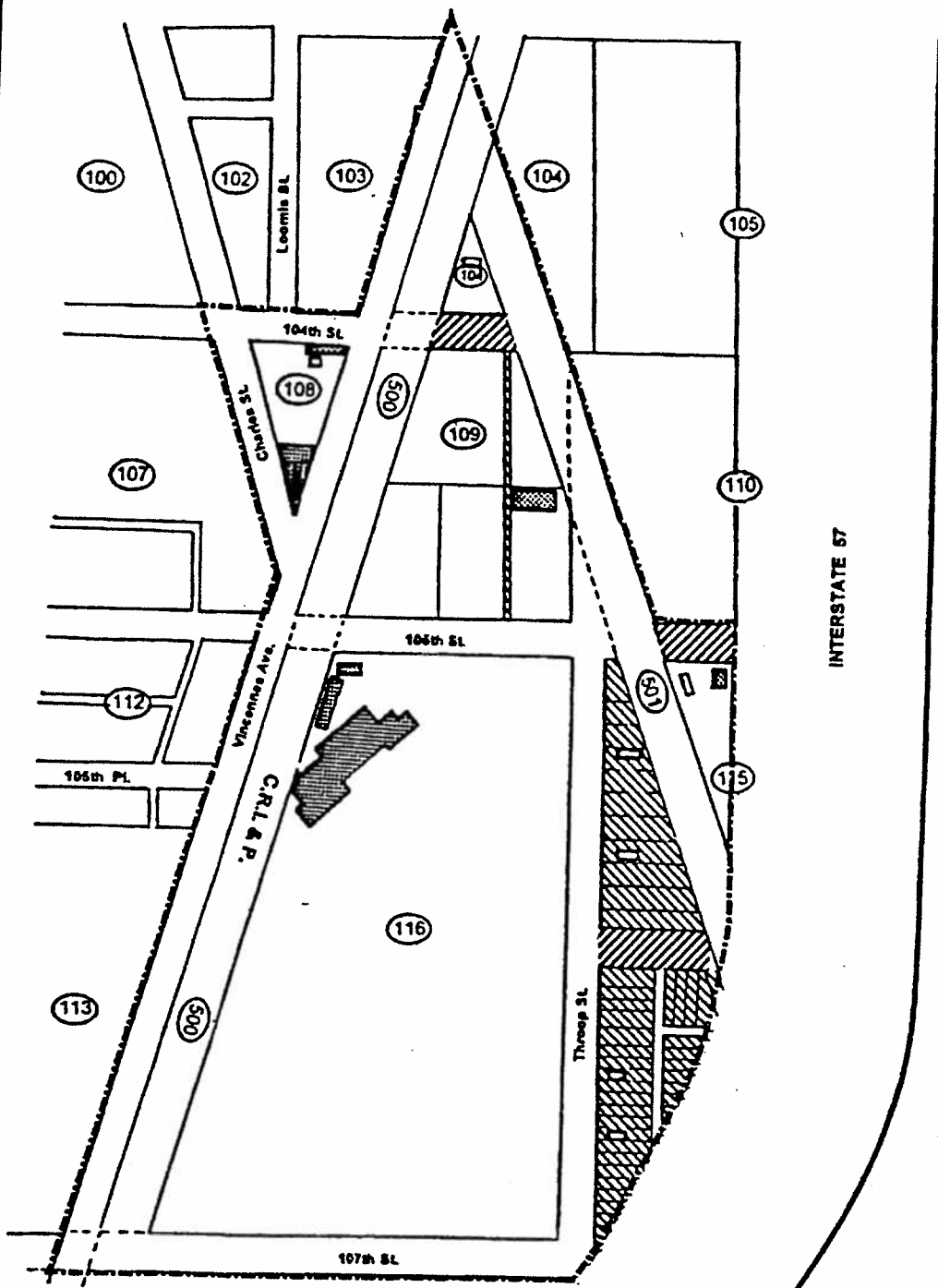


Figure 6  
**OBSOLESCENCE**

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- Deterioration which is not easily correctable and cannot be accomplished in the course of normal maintenance may also be evident in buildings. Such buildings may be classified as minor deficient or major deficient buildings, depending upon the degree or extent of defects. Minor deficient and major deficient buildings are characterized by defects in the secondary building components (e.g., doors, windows, porches, gutters and downspouts, fascia materials, interior walls, ceilings, stairs etc.), and defects in primary building components (e.g., foundations, frames, roofs, floors, load-bearing walls or building systems etc.), respectively.

It should be noted that all buildings classified as dilapidated are also deteriorated.

### Deterioration of Buildings

The analysis of building deterioration is based on the survey methodology and criteria described in the preceding section on "Dilapidation." Of the total thirteen buildings and related structures, 11 buildings, or 84.6 percent, are classified as deteriorated or deteriorating.

Table 2, *Summary of Building Deterioration*, summarizes building deterioration within the blocks containing buildings in the Project Area.

**Table 2, Summary of Building Deterioration**

Block	Total Structures	No. Sound	Minor Deficient	Major Deficient	Substandard (Dilap.)	Percent Deteriorated
104	1	--	1	--	--	100.0
108	3	1	1	--	1	66.7
109	1	--	1	--	--	100.0
115	4	1	--	2	1	75.0
116	2	--	--	1	1	100.0
117	2	--	--	1	1	100.0
<b>Total</b>	<b>13</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>4</b>	
<b>Percent</b>	<b>100.0</b>	<b>15.3</b>	<b>23.1</b>	<b>30.8</b>	<b>30.8</b>	<b>84.6</b>

### Deterioration of Parking and Site Surface Areas

Field surveys were conducted to identify the condition of parking and surface storage areas. All parcels contain either gravel or sandy surfaces or deteriorated asphalt and/or concrete around the perimeter of all buildings within each of the properties. These surface areas contain depressions, pot holes, debris (including junk and fly dumping), overgrowth of high weeds (including weeds protruding through concrete or asphalt), weed trees, and exposed storage of industrial equipment (including inoperable junk vehicles).

## **Deterioration of Street Pavement, Curbs and Gutters**

Several interior streets (105th Street and 106th Street, east of Throop) are gravel or sand surface with depressions, weed growth and pot holes. 104th Street and 105th Street contain rough pavement, pot holes, deteriorated curbing, and limited sections of broken sidewalk. Additionally, 104th and 105th Streets lack sidewalks and curbs in several sections and are impacted by fly dumping, weeds and debris.

### **Conclusion**

Deterioration is present in 11 of the 13 buildings in the Project Area and deterioration of site improvements is present throughout the Project Area. Deterioration as a factor is present to a major extent in the Project Area.

Figure 7, *Deterioration* illustrates deterioration within the improved portions of the Project Area.

## **E. ILLEGAL USE OF INDIVIDUAL STRUCTURES**

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

A review of the City's Zoning Ordinance indicates that the entire area is zoned for either a manufacturing district, east of Vincennes Avenue or for commercial activity, west of Vincennes Avenue. While the residential properties and the Public Aid facility are not in compliance with this zoning, the Public Aid facility is permitted by special use and the residential properties are legal non-conforming uses and therefore are not considered illegal activities.

### **Conclusion**

No illegal uses of individual structures were evident from the field surveys conducted.

## **F. PRESENCE OF STRUCTURES BELOW MINIMUM CODE STANDARDS**

Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire or other governmental codes applicable to the property. The principal purposes of such codes are to require buildings to be constructed so they will be strong enough to support the loads expected, to be safe for occupancy against fire and similar hazards, and/or to establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies which threaten health and safety.

Of the thirteen structures in the Project Area, eight contain visible defects over major portions of the various components, including advanced defects which are below the current building and property maintenance code for existing buildings.

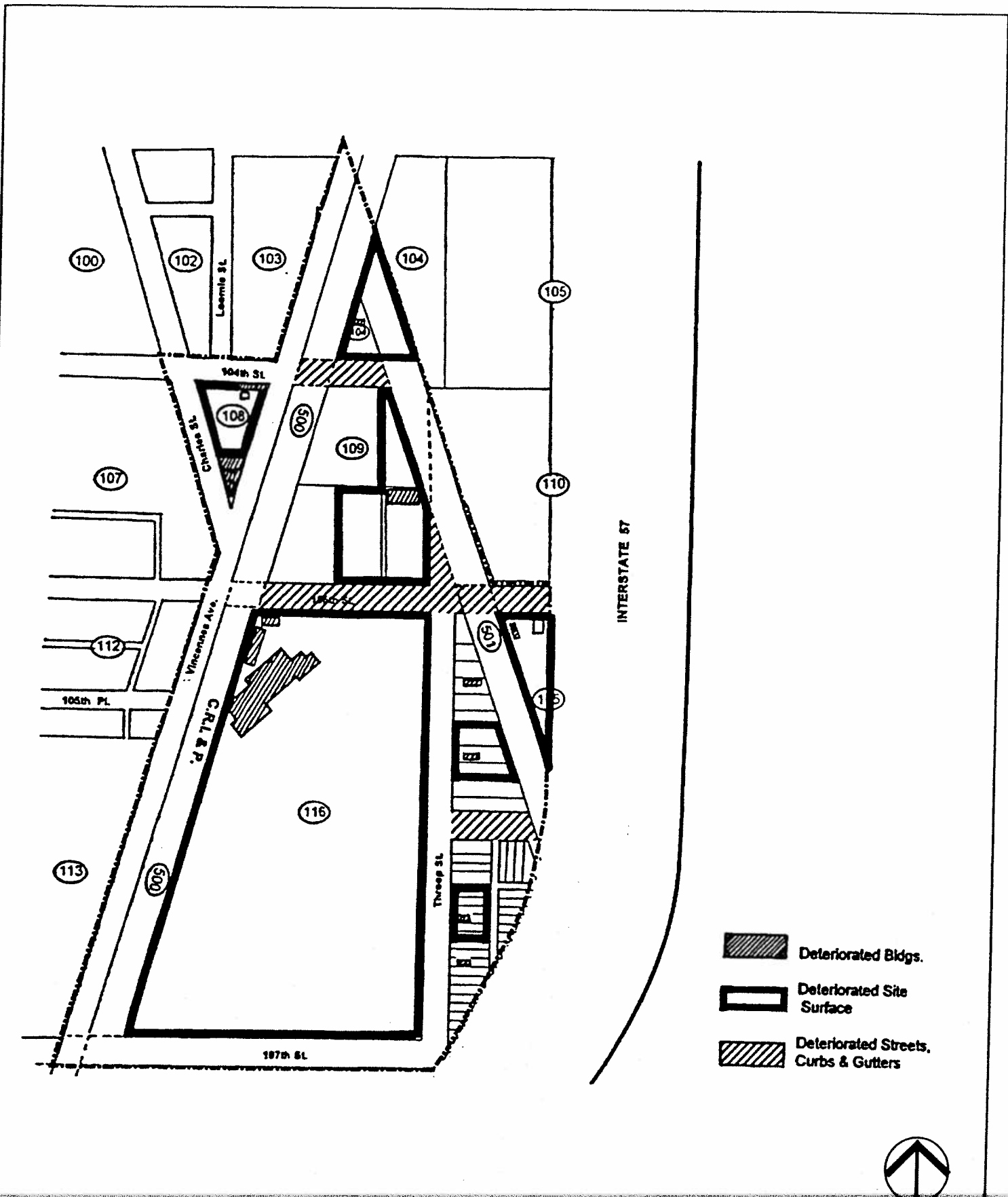


Figure 7  
**DETERIORATION**

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## **Conclusion**

The results of the analysis, based on exterior surveys, indicate that the factor of structures below minimum code standards is present to a major extent within a large portion (four of the eight tax blocks) of the Project Area.

Figure 8, *Structures Below Minimum Code Standards* illustrates buildings and site improvements which are below minimum code standards.

## **G. EXCESSIVE VACANCIES**

Excessive vacancies as a factor refers to the presence of buildings or sites which are either unoccupied or not fully utilized, and which represent an adverse influence on the surrounding area because of the frequency, or the duration of vacancies. Excessive vacancies include properties for which there is little expectation for future occupancy or utilization.

Two of the largest commercial and industrial buildings are vacant. The largest building on the former Chicago Bridge and Iron Works site has been vacant since 1972 when the company moved to a suburban location. The multi-story commercial building in Block 108, formerly occupied by the Beverly Veterinary Clinic, has been vacant for over a year and is for sale. While smaller buildings, including residential structures remain occupied, these two large buildings and the vacant nature of the Project Area continue to adversely impact major portions of the surrounding area.

## **Conclusion**

Excessive vacancies are present in the two largest buildings in the Project Area, one of which has been vacant for 25 years. The factor of excessive vacancies is present to a major extent in the Project Area.

Figure 9, *Excessive Vacancies* illustrates buildings in the Project Area which are 20 percent or more vacant.

## **H. OVERCROWDING OF STRUCTURES AND COMMUNITY FACILITIES**

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

## **Conclusion**

No conditions of overcrowding of structures and community facilities have been documented as part of the surveys and analyses undertaken within the Project Area.

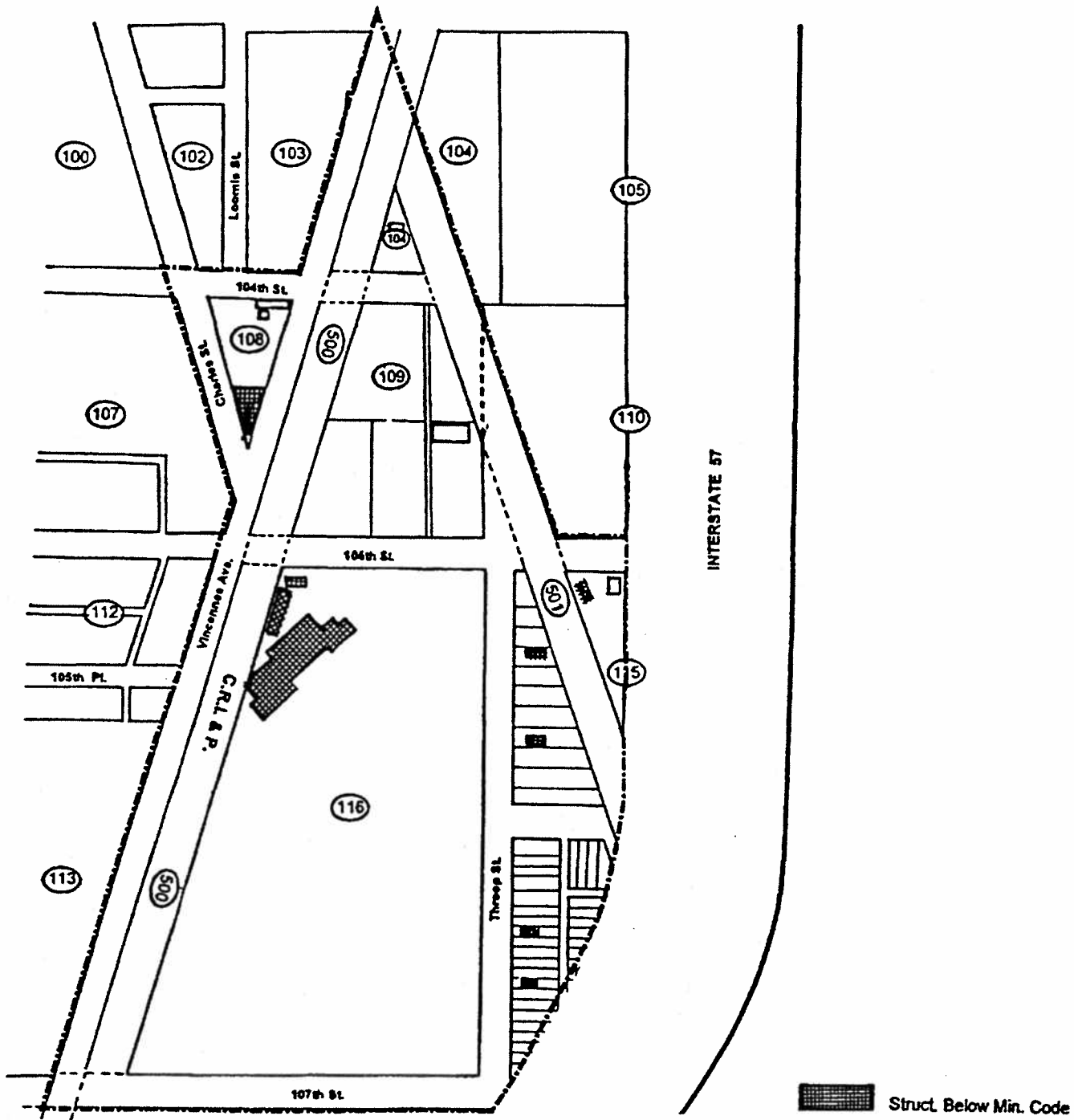


Figure 8  
**STRUCTURES BELOW  
 MINIMUM CODE STANDARD**

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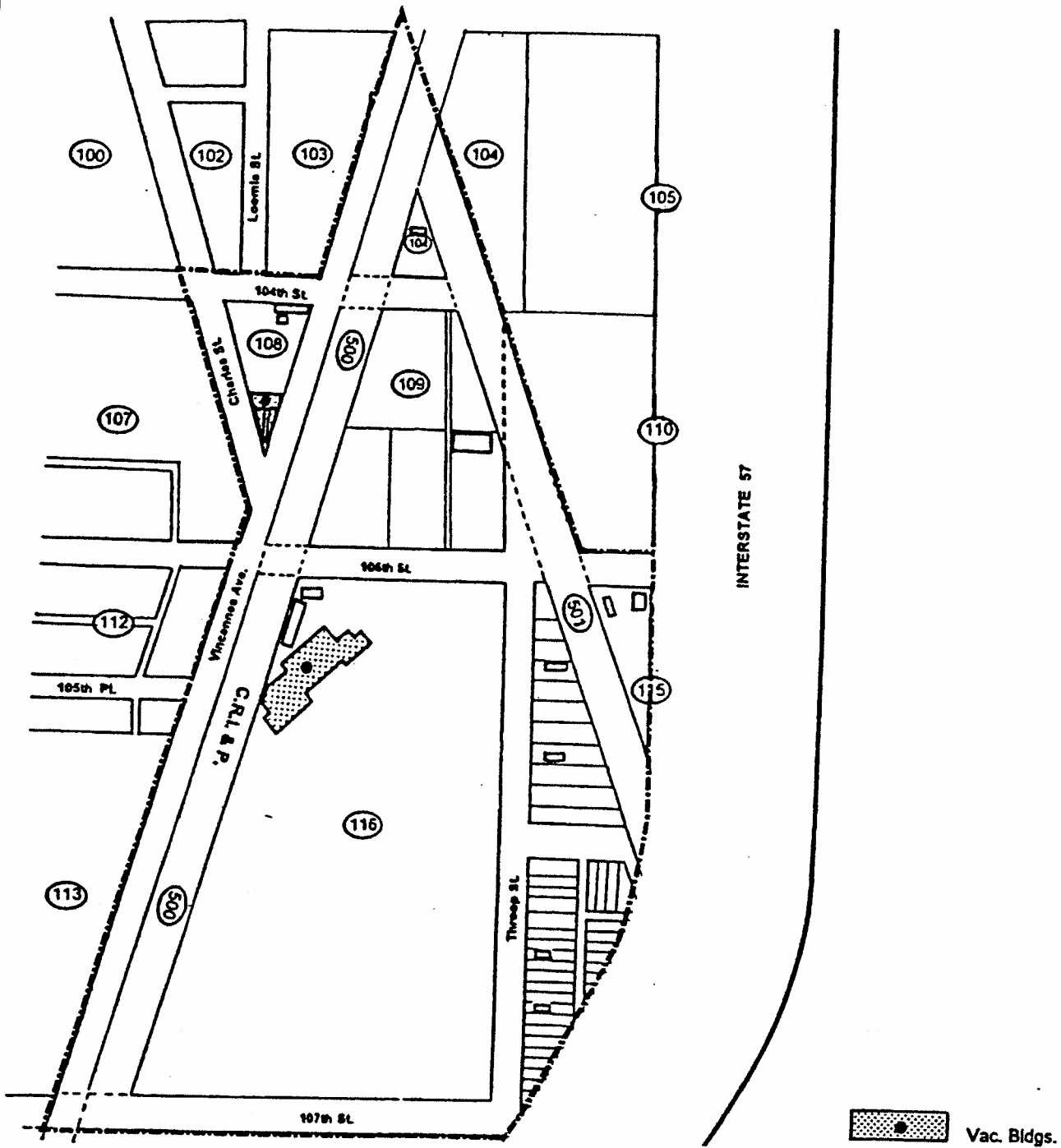


Figure 9  
**EXCESSIVE VACANCIES**

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## **I. LACK OF VENTILATION, LIGHT, OR SANITARY FACILITIES**

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

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

### **Conclusion**

The factor of lack of ventilation, light or sanitary facilities is not documented as part of this report.

## **J. INADEQUATE UTILITIES**

Inadequate utilities refers to deficiencies in the capacity or condition of utilities which service a property or area, including but not limited to, storm drainage, water supply, electrical power, streets, sanitary sewers, and natural gas lines.

### **Conclusion**

While the extension of existing sewers, drains and structures is required and water supply and sanitary sewers would need to be upgraded and extended to accommodate any new development in the future, no conditions of inadequate utilities in place have been documented as part of the surveys and analysis undertaken within the Project Area.

## **K. EXCESSIVE LAND COVERAGE**

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



One multi-story building, previously occupied by Beverly Veterinary Clinic and more recently occupied by a pet grooming business, has been vacated. This property, which includes the main brick building and frame sheds, covers nearly 95 percent of a small triangular parcel. The result is that no provision for off-street parking, loading and service is possible without using the adjacent parking area of the Fire Department property.

### **Conclusion**

The factor of excessive land coverage is present to a limited extent, impacting one parcel out of the entire Project Area.

Figure 10, *Excessive Land Coverage* illustrates the presence of this factor in the Project Area.

## **L. DELETERIOUS LAND-USE OR LAYOUT**

Deleterious land-uses include all instances of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, and uses which may be considered noxious, offensive, or environmentally unsuitable.

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

### **Incompatible Uses**

Four single family residences in two of the eight blocks in the Project Area are inappropriately located in an area zoned as a manufacturing district. While the major industrial activity has terminated, industrial uses remain in the area. The residential uses are located in the area as a result of the I-57 expressway which has severed these blocks from the residential neighborhood east of the expressway and are also isolated from the residential neighborhood to the south.

### **Improper platting/layout**

The entire Project Area is impacted by triangular small blocks including two blocks platted for residential development with small narrow parcels. A vacated rail line right-of-way which runs diagonally through the area further dissects the block pattern of the area, restricting land assembly and contributing to the existing block and parcel configuration. Several interior streets were never fully improved with permanent pavement, curbs, gutters and sidewalks

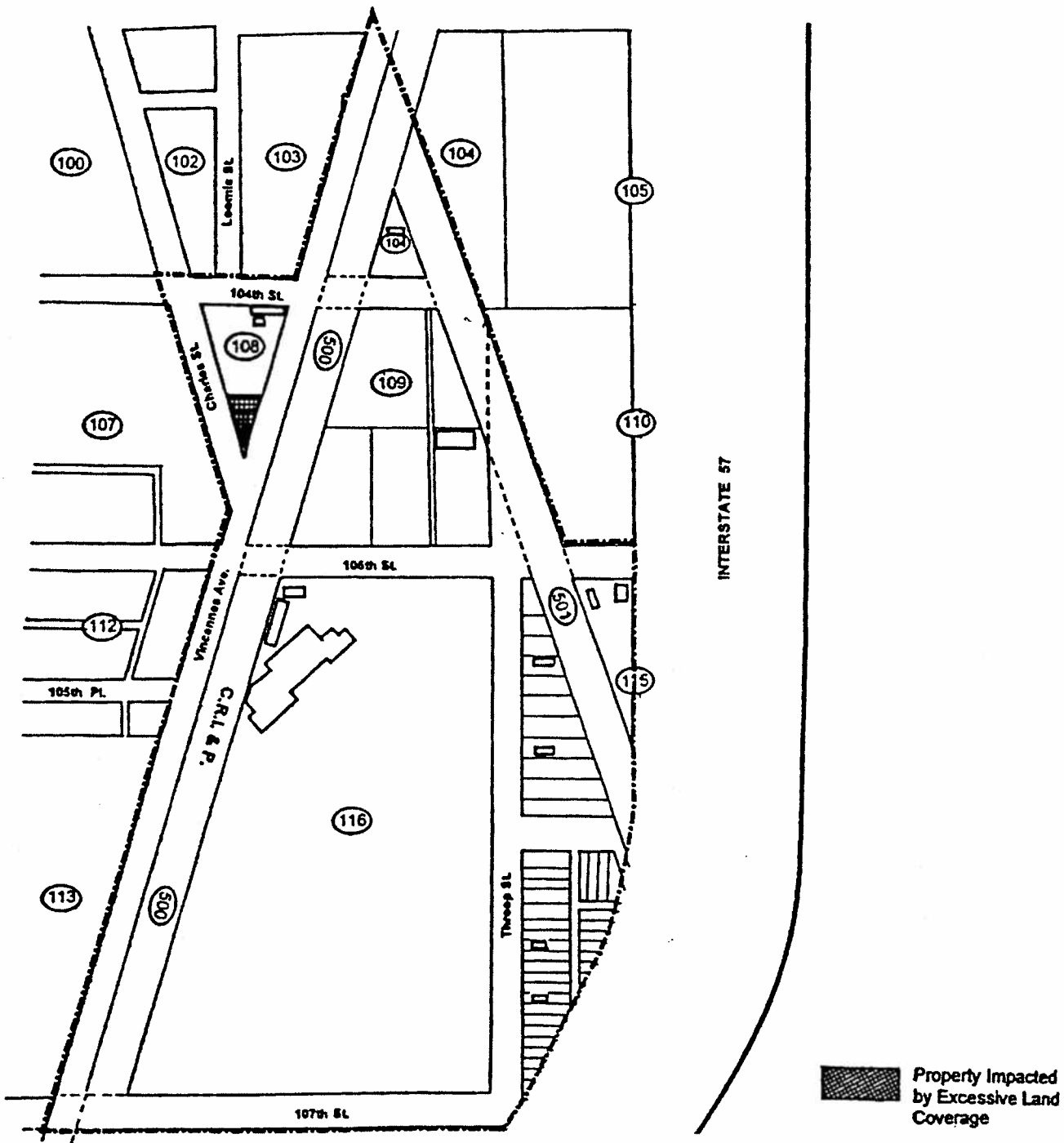


Figure 10  
**EXCESSIVE LAND COVERAGE**

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Tax Increment Financing and Development Project

## Conclusion

Deleterious land-use or layout is present to a major extent throughout the entire Project Area.

Figure 11, *Deleterious Land-Use or Layout* illustrates the presence of this factor in the Project Area.

## M. DEPRECIATION OF PHYSICAL MAINTENANCE

Depreciation of physical maintenance refers to the deferred maintenance of buildings, parking areas and public improvements such as alleys, sidewalks, and streets.

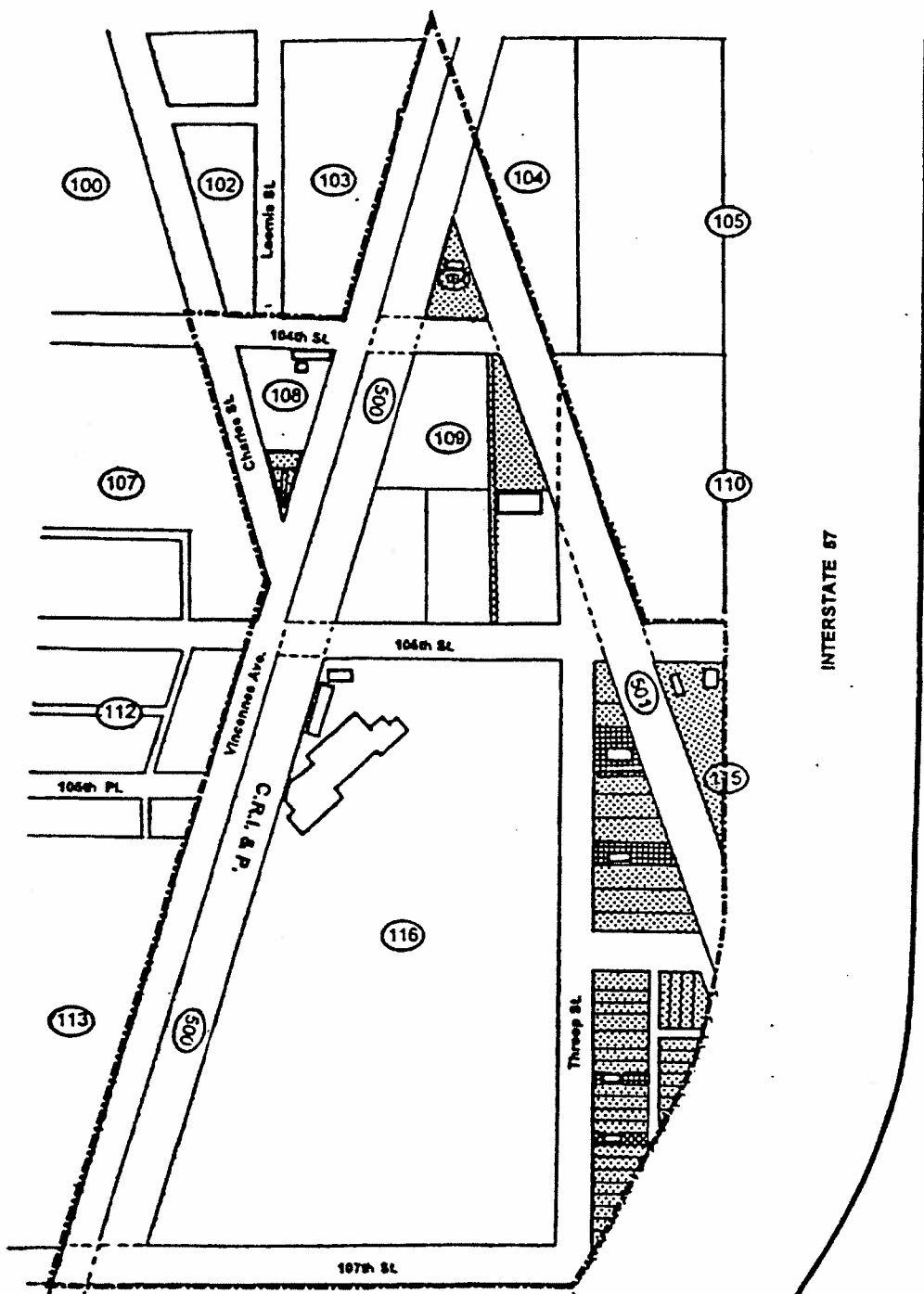
The presence of this factor within the Project Area includes:

- Buildings. All properties, including the remains of the former Chicago Bridge and Iron Works Company plant complex, suffer from advanced deterioration and deferred maintenance of building components, including roofs, fascias, exterior walls, doors and windows, loading docks, porches and steps, gutters and downspouts.
- Storage Yards, Premises and Fences. In addition to the deferred maintenance of buildings with advanced deterioration, all improved properties contain areas with junk storage and debris, abandoned cars, broken concrete sections, high weeds, gravel site surfaces with pot holes, and lack screening and general upkeep. The cyclone perimeter fencing around the former Chicago Bridge and Iron Works site is rusted, contains bent posts and is overgrown with high weeds. Several building remains are still present on the site as well as excavations from underground storage tank removal and piles of building debris. Fly dumping is evident on widespread portions of the site and along interior streets. Two of the residential properties contain excessive storage of vehicles, including cars, buses and semi trucks and trailers. Parking areas at the Metra Station, fire station and at the Public Aid facility are deteriorated and overgrown with weeds or contain gravel with depressions and irregular surfaces.
- Streets. Three of the four interior streets serving the Project Area are poorly maintained, lack provisions for storm water drainage and contain irregular semi-permanent or gravel surfaces, narrow width, pot holes, weeds and debris.

## Conclusion

Depreciation of physical maintenance as a factor exists to a major extent throughout the Project Area.

Figure 12, *Depreciation of Physical Maintenance* illustrates the presence of this factor in the Project Area.





-  Incompatible Uses
-  Improper Platting  
(Small Parcels of Limited  
Size/Shape Unsuitable  
for Development - Lack  
of or Limited  
Off-Street Parking)



Figure 11  
**DELETERIOUS LAND-USE  
 OR LAYOUT**

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

## N. LACK OF COMMUNITY PLANNING

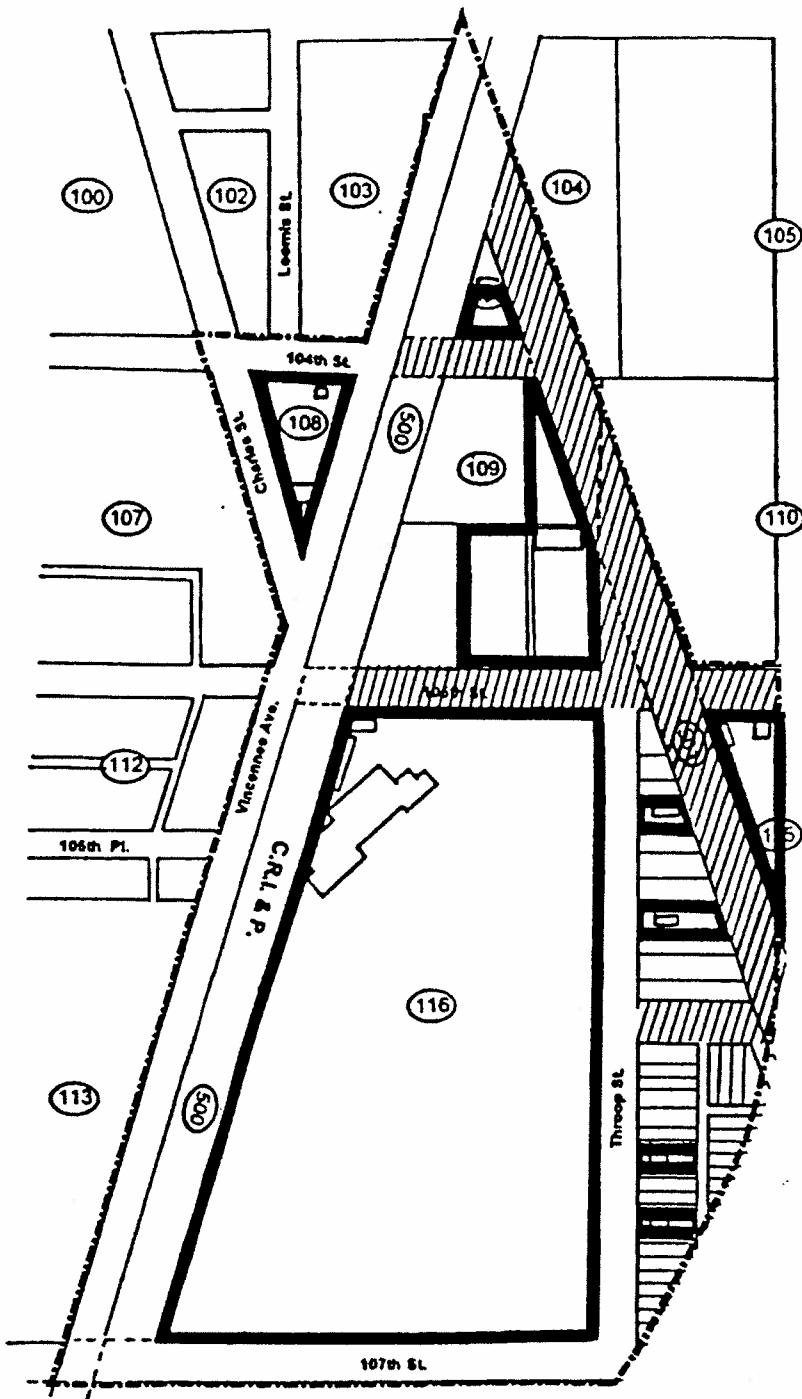
The Project Area was developed without the benefit or guidance of overall community planning. The Project Area developed on a parcel by parcel basis without development controls for industrial uses and the proper separation from residential areas in adjacent blocks at the time. The former Chicago Bridge and Iron Works Company, which provided the main activity in the area, was constructed back in 1889, long before other development occurred in adjacent blocks. The construction of the I-57 Expressway severed the area from the neighborhood to the east. The freight line, which has been vacated for numerous years further dissected blocks from the patterns and activity of surrounding areas.

In addition to the above-mentioned constraints of the Project Area, a lack of building and site planning guidelines during the original development of the area has partly contributed to the problem conditions which characterize the Project Area.



The current block, parcel and building configuration, lack of definable parking, inadequate loading and service areas, and the orientation of buildings and set backs are not consistent with present-day standards for industrial development.

### **Conclusion**

Lack of community planning as a factor is present to a major extent throughout the Project Area.



INTERSTATE 57

-  Properties Lacking Maintenance
-  Streets and Rail Line Right-of-Way Indicating Deferred Maintenance



north

Figure 12  
**DEPRECIATION OF  
 PHYSICAL MAINTENANCE**

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#### **IV. ELIGIBILITY SURVEY AND ANALYSIS FINDINGS: VACANT AREAS**

The vacant areas in the Project Area meet the requirements of the Act for “vacant” blighted areas under two criteria. These criteria are described as follows:

**1. Three of the five eligibility factors for “vacant” blighted areas are present in the vacant area within the Project Area. Only two are required under the Act.**

**a) Obsolete platting of the vacant land.**

Obsolete platting exists in five blocks which contain vacant land. Block 104 is bisected by the vacated rail line, resulting in one small triangular parcel remaining for Metra Station use. Block 109 contains one small irregularly shaped parcel and two parcels limited to 10 feet in width. Block 116 consists of a single parcel which spans four city blocks, includes vacated streets and has no interior access. Blocks 115 and 117 contain small narrow parcels, some of which are limited in depth or irregularly shaped as a result of the alignment of the vacated rail line and I-57 Expressway rights-of-way.

**b) Diversity of ownership.**

While most of the vacant land areas are under similar ownership, a total of nine (9) separate owners of record are indicated for all vacant parcels within the Project Area.

**c) Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.**

All vacant land areas are adjacent to deteriorating structures or site improvements as described in Section III.

**2. A portion of the vacant area is eligible as “vacant” blighted area due to the presence of unused rail yards, rail tracks or railroad rights-of-way.**

Part of the Project Area includes a vacated Pittsburgh, Cincinnati, Chicago, & St. Louis rail line, which forms part of the eastern boundary and bisects four blocks. This right-of-way contains close to four acres within the Project Area, a portion of which is used as vehicular access and spill-over parking for the Metra Station.

#### **Conclusion**

The vacant area meets the minimum criteria required for eligibility as a “vacant” blighted area.

## V. DETERMINATION OF PROJECT AREA ELIGIBILITY

### VACANT AREA

The vacant areas within the Project Area meet the requirements of the Act for designation as a “vacant” blighted area. The sound growth of the taxing districts is impaired by a reasonable presence and distribution of the following criteria:

1. The vacant area exhibits 3 of the 5 “vacant” blighted area factors set forth in the Act including:
  - a) Obsolete platting of the vacant land.
  - b) Diversity of ownership of such land.
  - c) Deterioration of structures and site improvements in neighboring areas adjacent to the vacant land.
2. A portion of the vacant area consist of unused railyards, rail tracks or railroad rights-of-way.

### IMPROVED AREA

The improved areas within the Project Area meet the requirements of the Act for designation as an “improved” blighted area. There is a reasonable presence and distribution of 10 of the 14 factors listed in the Act for improved blighted areas. These blighting factors include the following:

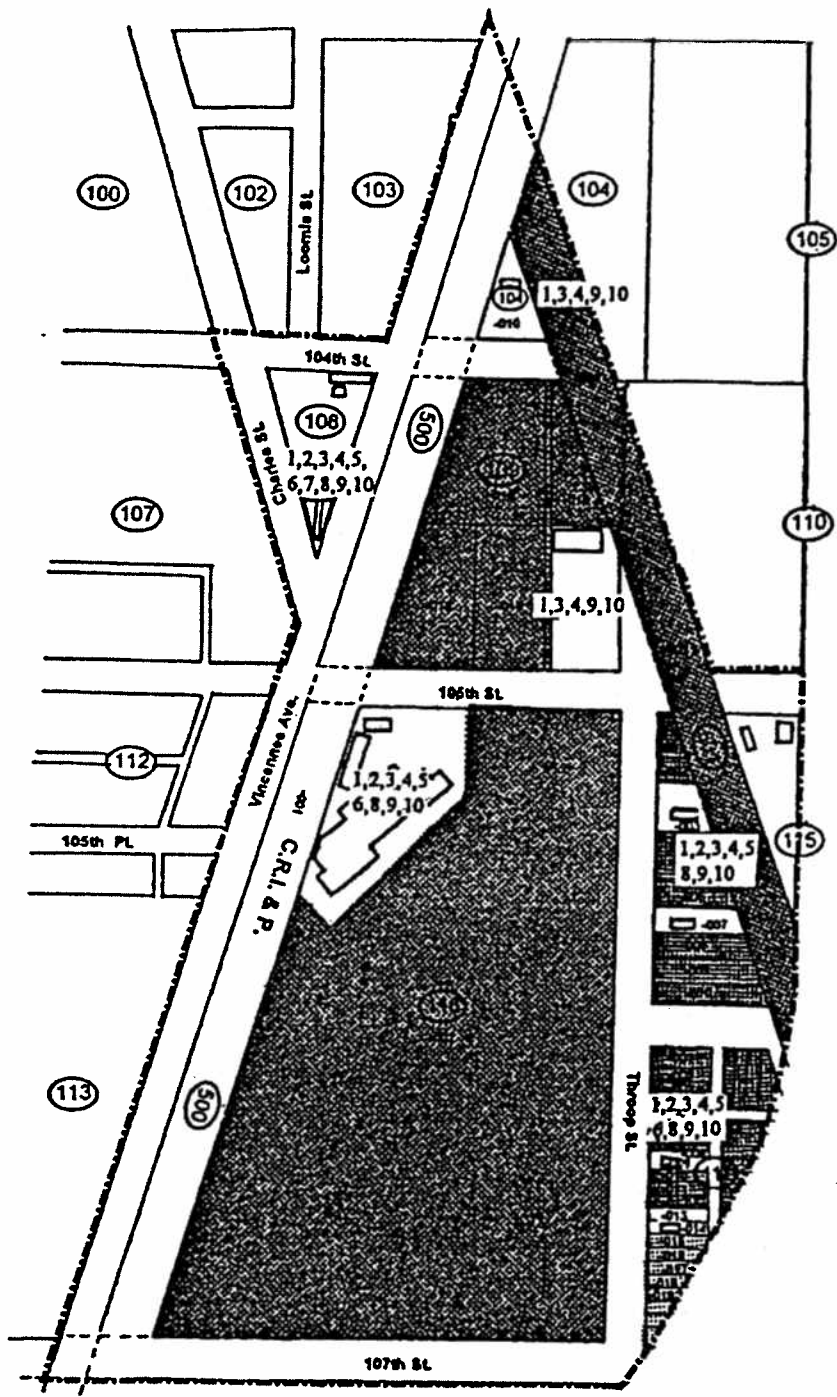
1. Age
2. Dilapidation
3. Obsolescence
4. Deterioration
5. Structures below minimum code standards
6. Excessive vacancies
7. Excessive land coverage
8. Deleterious land-use or lay-out
9. Depreciation of physical maintenance
10. Lack of community planning

The distribution and summary of blighting factors is indicated in Figure 13, *Distribution of Blight Factors*.

The eligibility findings indicate that the Project Area is in need of revitalization and guided growth to ensure that it will contribute to the long-term physical, economic, and social well-being of the



City. The Project Area is deteriorating and declining. All factors indicate that the Project Area as a whole has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without public action.



**Built-up Area Factors**

- 1 Age
- 2 Dilapidation
- 3 Obsolescence
- 4 Deterioration
- 5 Structures below min. Code
- 6 Excessive vacancies
- 7 Excessive land coverage
- 8 Deleterious land-use or layout
- 9 Depreciation of physical maint.
- 10 Lack of community planning

**Vacant Area Factors**

- Obsolete platting
- Diversity of ownership
- Deterioration of structures or site improvements in neighboring areas, adjacent to the vacant land
- Unused railroad right-of-way

 Vacant Land Areas



north

Figure 13  
**DISTRIBUTION OF BLIGHT FACTORS**

Prepared by: Trkla, Pettigrew, Allen & Payne, Inc.

**105th Street & Vincennes Avenue**

**Chicago, Illinois**

**SUPPLEMENT TO THE  
105TH STREET AND VINCENNES AVENUE  
TAX INCREMENT FINANCING  
REDEVELOPMENT PROJECT AREA ELIGIBILITY STUDY**

**Summary of Existing Conditions**

The site at the northwest corner of Block 116 was occupied previously by two Chicago Bridge and Iron Works structures. Initial field analysis of the site completed in 1996, 1997, and in 1998 identified the two large structures which remained on the site. Site visits conducted in April 1999 and September 2001 documented that the structures and related site improvements have been demolished and the site is now vacant. Prior to becoming vacant, this improved area qualified as a Blighted Area under the Act as documented in the Eligibility Report dated May 12, 1997 and introduced to City Council on October 1, 1997. Nine of the fourteen factors set forth in the Act for Blighted Areas were present prior to the removal of these structures including: age, dilapidation, obsolescence, deterioration, structures below minimum code, excessive vacancies, deleterious land-use or layout, depreciation of physical maintenance and lack of community planning.

The owners of the above-mentioned property were notified in 1997 that the existing site conditions and buildings were not in compliance with City codes and ordinances. Problem conditions cited roof damage, broken windows, and miscellaneous debris that included piles of railroad ties, drums of hazardous waste, concrete rubble and wood chips. The property owners were ordered to secure the site with fencing and remove the debris and buildings. The site was secured and debris was removed in 1998 and the buildings were razed in 1999.

**Impact to Eligibility**

With the removal of these buildings, this site no longer qualifies as an improved area. The area now qualifies as a vacant area that was blighted prior to becoming vacant. These changes reduce the acreage of the improved areas as well as the building count within the overall Project Area. References to building count, acreage, existing conditions and eligibility factors as they pertain to the above mentioned buildings which are affected by the change in existing conditions are found in the Eligibility Study on pages 1-3, 7-12, 14-16, 18-24, 26-31, 33-35 and 37. An additional reference affected by this change is found in the Redevelopment Plan on page 8.

The change in the number of buildings does not change the overall eligibility for either the vacant or improved portions of the Project Area. The total improved area factors remain at 10 of the 14 qualifying factors. One additional vacant site has been added to the vacant portion of the Project Area and qualifies under the criteria that the area was blighted prior to becoming vacant. The other remaining vacant areas in the Project Area are not affected by the eligibility analysis update.