



Office of the Chicago City  
Clerk



O2011-9759

Office of the City Clerk

City Council Document Tracking Sheet

<b>Meeting Date:</b>	12/14/2011
<b>Sponsor(s):</b>	Emanuel, Rahm (Mayor)
<b>Type:</b>	Ordinance
<b>Title:</b>	Close-out of sales tax account of Chatham Ridge TIF
<b>Committee(s) Assignment:</b>	Committee on Finance

FIN.



OFFICE OF THE MAYOR  
CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

December 14, 2011

TO THE HONORABLE, THE CITY COUNCIL  
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing a close-out of the sales tax account of the Chatham Ridge TIF.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

## ORDINANCE

WHEREAS, pursuant to ordinances adopted on December 18, 1986 and published in the Journal of Proceedings of the City Council ( the "Journal") for such date at pages 38084 - 38090, in accordance with the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et seq. (2000 State Bar Edition), as amended (the "Act"), the City Council (the "City Council") of the City of Chicago (the "City"): (i) approved a redevelopment plan and project for a portion of the City known as the "Chatham Ridge Redevelopment Project Area" (the "Original Area"), as amended by Amendment No. 1 adopted by the City Council on October 30, 1996 and published at pages 30017 - 30052 in the Journal for such date (together, the "Original Plan Ordinances"); (ii) designated the Original Area as a "redevelopment project area" under the Act (the "Designation Ordinance"); and (iii) adopted tax increment allocation financing for the Original Area (the "TIF Adoption Ordinance")(the Original Plan Ordinances, the Designation Ordinance and the TIF Adoption Ordinance are collectively referred to in this ordinance as the "TIF Ordinances"); and

WHEREAS, pursuant to an ordinance adopted on December 18, 1986 and published in the Journal for such date at pages 38090 - 38092, in accordance with Section 11-74.4-8a(1) of the Act, the City Council authorized the Illinois Department of Revenue (the "IDOR") to (i) annually certify and cause to be paid to the City an amount equal to the Net State Sales Tax Increment (as defined in the Act) to be deposited by the City in the Special Tax Allocation Fund created pursuant to the TIF Adoption Ordinance (the "Fund") for the Original Area, which was certified by the IDOR as the State Sales Tax Boundary (as defined in the Act) and (ii) annually notify the City of the amount of the Municipal Sales Tax Increment (as defined in the Act) for the State Sales Tax Boundary which is required under the Act to be deposited by the City in the Fund; and

WHEREAS, the City subsequently determined that the Original Area should be expanded to include additional contiguous areas (the "Added Property" and, together with the Original Area, the "Expanded Project Area"); and

WHEREAS, in connection with the addition of the Added Property to the Original Area, the City Council adopted the following ordinances amending and supplementing the TIF Ordinances on March 27, 2002 and published in the Journal for such date at pages 81654 - 81775, in accordance with the provisions of the Act: (i) an Ordinance approving Amendment No. 2 to the Chatham Ridge Tax Increment Financing Redevelopment Project and Plan (the "Amended Plan") for the Expanded Project Area (the "Amended Plan Ordinance"); (ii) an Ordinance designating the Expanded Project Area as a "redevelopment project area" pursuant to the Act, which re-confirmed the designation of the Original Area and designated the Expanded Project Area as a "redevelopment project area" under the Act, and (iii) an Ordinance adopting tax increment allocation financing for the Expanded Project Area (collectively, the "Expanded Area TIF Ordinances"); and

WHEREAS, the Act prohibits the expansion of the State Sales Tax Boundary; and

WHEREAS, Section 11-74.4-3(n)(3) of the Act provides that for redevelopment project areas for which bonds were issued before July 29, 1991, or for which contracts were entered into before June 1, 1988, in connection with a redevelopment project in the area within the State Sales Tax Boundary, the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs may be extended by municipal ordinance to December 31, 2013 without further hearing or notice and without complying with the procedures provided in the Act pertaining to an amendment to or the initial approval of a redevelopment plan

and project and designation of a redevelopment project area; and

WHEREAS, Section 11-74.4-8a(1) of the Act provides that a municipality that has extended the estimated dates of completion of the redevelopment project and retirement of obligations to finance redevelopment project costs to December 31, 2013, shall continue to receive from the State of Illinois a share of the Net State Sales Tax Increment so long as, during the extension period, the municipality continues to deposit into the Fund, from any funds available, excluding monies in the Fund, an amount equal to the municipal share of the real property tax increment for the most recent year that the property tax increment was distributed; and

WHEREAS, pursuant to an ordinance adopted by the City Council on May 29, 2002 and published in the Journal for such date at pages 85669 - 85672, the City approved Amendment No. 3 to the Amended Plan to conform the Amended Plan to Section 11-74.4-3(n)(3) of the Act, in accordance with the procedures set forth therein, and thereby extended the estimated dates of completion of the redevelopment project for the Original Area and retirement of obligations to finance redevelopment project costs for the Original Area to December 31, 2013; and

WHEREAS, pursuant to the Amended Plan, the designation of the Expanded Project Area as a redevelopment project area expired on December 31, 2010; and

WHEREAS, pursuant to Section 8 of the Act, when redevelopment projects costs for a redevelopment project area, including without limitation all municipal obligations financing redevelopment project costs incurred under the Act, have been paid, all surplus funds then remaining in the special tax allocation fund for a redevelopment project area designated under the Act shall be distributed by being paid by the municipal treasurer to the IDOR and the municipality; first to the IDOR and the municipality in direct proportion to the tax incremental revenue received from the State of Illinois and the municipality, but not to exceed the total incremental revenue received from the State or the municipality less any annual surplus distribution of incremental revenue previously made; and

WHEREAS, furthermore, pursuant to Section 8 of the Act, upon the payment of all redevelopment project costs, the retirement of obligations, the distribution of any excess monies pursuant to Section 8 of the Act, and final closing of the books and records of the redevelopment project area, the municipality shall adopt an ordinance dissolving the special tax allocation fund for the redevelopment project area and terminating the designation of the redevelopment project area as a redevelopment project area under the Act; and

WHEREAS, the City has notified the IDOR of the proposed termination of the Original Area as a redevelopment project area, in accordance with the provisions of the Act; and

WHEREAS, with respect to the Original Area, by December 31, 2011 all redevelopment projects for which redevelopment project costs have been paid or incurred shall be completed, all obligations relating thereto shall be paid and retired, and, subject to Section 3 of this Ordinance, all excess monies, if any, shall be distributed; and

WHEREAS, subject to Section 3 of this Ordinance, the City shall accomplish the final closing of the books and records of the Original Area; and

WHEREAS, in accordance with the provisions of Section 8 of the Act, the City desires to

dissolve the Fund and terminate the designation of the Original Area as a redevelopment project area; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

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

Section 2. The designation of the Original Area legally described on Exhibit A attached hereto and otherwise depicted on Exhibit B attached hereto shall be terminated as of the effective date hereof. The list of parcels comprising the Original Area is attached hereto as Exhibit C.

Section 3. Notwithstanding Section 2 hereof, it is anticipated that the City may continue to receive a share of the Net State Sales Tax Increment for assessment year 2010/collection year 2011. Accordingly, although the designation of the Original Area is repealed by Section 2 hereof, the City will, if necessary, continue to maintain the Fund for the limited purpose of receiving any remaining Net State Sales Tax Increment for assessment year 2010/collection year 2011. Pursuant to the Act, upon receipt of such taxes, the City shall calculate and declare surplus revenue, and shall return surplus revenue to the IDOR in a timely manner. Thereupon, the Fund shall be considered to be dissolved.

Section 4. The method of calculating and allocating sales tax increment by the IDOR pursuant to the Act for the parcels listed on Exhibit C shall be terminated from and after the effective date hereof.

Section 5. The Commissioner of the Department of Housing and Economic Development (the "Commissioner"), or a designee thereof, is authorized to execute any documents and take any steps necessary to terminate the designation of the Original Area pursuant to this Ordinance and the Act on behalf of the City, and the previous execution of any documents and the previous taking of any steps necessary to terminate the designation of the Original Area pursuant to the Act by the Commissioner, or a designee thereof, on behalf of the City are hereby ratified.

Section 6. This Ordinance shall be in full force and effect upon its passage and approval.

Section 7. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 8. All ordinances (including but not limited to the three ordinances identified in the first recital hereof), resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent of their conflict.

Exhibit A, Original Area Description  
(see attached)

*Appendix "A".*

(To Chatham Ridge Tax Increment Financing Redevelopment  
Plan And Project Amendment Number 2).

1. Legal Description Of Original Redevelopment Area.

Parcel I.

That part of the south 35.00 acres (except the east 304 feet as measured at right angles to the east line thereof) of the east half of the southeast quarter of Section 33, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois, lying south of the following described line:

commencing at a point in the east line of the aforesaid southeast quarter that is 629.10 feet north of the southeast corner of the aforesaid Section 33; thence west in a line parallel to the south line of the aforesaid southeast quarter (being the north-line of the south 300 feet of the north-25.00 acres of the said south-35 acres) to a point that is 450.00 feet east of the west line of the aforesaid east half of the southeast quarter; thence north on a line at a right angle to the last described line a distance of 51.5 feet; thence west on a line at a right angle to the last described line and parallel to the south line of the aforesaid southeast quarter a distance of 450.00 feet, more or less, to the west line of the east half of the southeast quarter of said Section 33, including that part falling in West 87<sup>th</sup> Street.

Parcel II.

That part of the northeast quarter and the east half of the northwest quarter of Section 4, Township 37 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois lying northerly of the southerly line, and said southerly line extended, of West 87<sup>th</sup> Street, west of a line 304 feet (measured at right angles thereto) west of the east line of said northeast quarter section and east of the west line of South Parnell Avenue.

Parcel III.

That part of the west half of the southeast quarter of Section 33, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois, lying south of the south line, and said south line extended west, of Lots 4 and 14 in Seymour Estate Subdivision (a subdivision of the west half of the said southeast quarter) and including West 87<sup>th</sup> Street and South Holland Road falling within, excepting therefrom that portion of the above described land lying south and adjoining Lots 4 and 14 in said Seymour Estate Subdivision bounded as follows:

commencing on a point on the centerline of South Stewart Avenue extended southerly, which point is also on the southerly line of said Lot 4, extended westerly; thence easterly along said extended line and the southerly lines of said Lots 4 and 14, 815 feet, more or less; thence southerly at right angles to the last described line 125 feet, more or less; thence westerly on a line parallel to the southerly line of said Lots 4 and 14, a distance of 500 feet; thence southerly on a line at right angles to the last described line, a distance of 625.00 feet; thence westerly on a line parallel to the southerly line of said Lots 4 and 14, 312.50 feet, more or less, to a point on the easterly boundary line of the C. & W.I. Railroad right-of-way; thence northwesterly along said line until intersecting with the line of the centerline of South Stewart Avenue extended southerly; thence northerly until reaching the point of beginning.

Parcel IV.

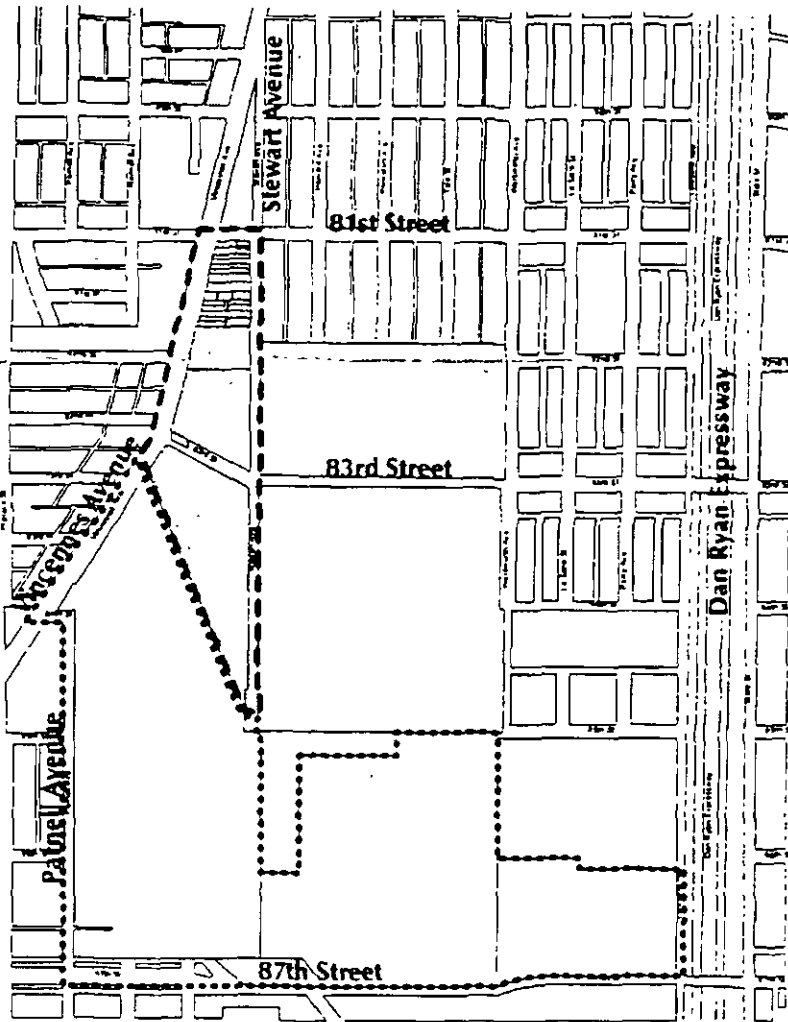
That part of the east half of the west half of Section 33, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois lying southwesterly of the northerly line of West 83<sup>rd</sup> Street, and said northerly line extended northwesterly to the westerly line of South Vincennes Avenue and southeasterly of the westerly line of South Vincennes Avenue, excepting thereof those parts falling in Blocks 1 and 3 of William O. Cole's South Englewood Park Subdivision, a subdivision of that part of South Englewood known on the original plat as Steven A. Newman's private grounds in the east half of the southwest quarter of said section recorded September 11, 1873, Book 5, page 99 and Block 17 of the plat of part of South Englewood, a subdivision of that portion of said section, which lies west and southwest of Holland Settlement Road and south and southeast of South Vincennes Avenue and east of the centerline of the C.R.I. & P.R.R. recorded January 16, 1873, Book 3, page 80, and those parts of West 85<sup>th</sup> Street, West 86<sup>th</sup> Street and West 87<sup>th</sup> Street which lie west of the west line, and said west line extended, of South Parnell Avenue including those parts falling in West 83<sup>rd</sup> Street, West 84<sup>th</sup> Street, West 87<sup>th</sup> Street and South Vincennes Avenue, and including all those other streets and alleys, dedicated or otherwise, falling within said land or which may revert to the public in the future, but excepting therefrom the parcel of land bounded as follows: by the easterly boundary line of the C. & W.I. Railroad right-of-way, the northerly line of South Vincennes Avenue, the northerly line of West 83<sup>rd</sup> Street and the westerly line of South Stewart Avenue (consisting of approximately 8.2206 acres, more or less).






Exhibit B, Original Area Map  
(see attached; note: the Original Area is referred to as  
the "Original Redevelopment Area Boundary" on the attached)

Exhibit "C".

Amended Area.



Legend

-  Amended Area Boundary
-  Original Redevelopment Area Boundary
-  Parcels within the Amended Area

November 2001



Exhibit C, List of Parcels within the Original Area  
(see attached)

Table 2.

1985 Initial Equalized Assessed Valuation  
In Original Redevelopment Area.

Permanent Index Number	1985 E.A.V.
20-33-305-004	\$ 0
20-33-305-005	1,374
20-33-305-006	6,753
20-33-305-010	3,608
20-33-305-012	0
20-33-305-013	0
20-33-305-018	0
20-33-305-022	39,170
20-33-305-024	9,522
20-33-305-025	12,535
20-33-305-026	0
20-33-305-027	112,820
20-33-305-028	0
20-33-305-029	106,635
20-33-305-030	159,606
20-33-411-013	634,930
20-33-411-014	0

Permanent Index Number	1985 E.A.V.
20-33-411-021	\$ 79,151
20-33-411-022	45,936
20-33-411-028	90,079
TOTAL:	\$1,302,119

---

---