

Very truly yours,

CHICAGO December 12, 2018 To the

President and Members of the City Council:

Your Committee on Finance having had under consideration an ordinance authorizing the termination of the Drexel Boulevard Redevelopment Project Area.

02018-9041

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith.

This recommendation was concurred in by _____ (awva voce vote")
of members of the committee with _____ dissenting vote(s)T ■-

Respectfully submitted

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(signed^^ H^j^-

Chairman

Document No.

**REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL CITY OF CHICAGO
ORDINANCE**

WHEREAS, the City Council of the City of Chicago (the "City") adopted ordinances in accordance with the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act") on July 10, 2002: (1) approving a tax increment redevelopment project and plan for the Drexel Boulevard Redevelopment Project Area (the "Area"); (2) designating the Area as a tax increment financing district; and (3) adopting tax increment allocation financing for the Area; 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 State of Illinois Department of Revenue, the municipality and the county collector; first to the Department of Revenue 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; with any remaining funds to be paid to the county collector who shall immediately thereafter pay said funds to the taxing districts in the redevelopment project area in the same manner and proportion as the most recent distribution by the county collector to the affected districts of real property taxes from real property in the redevelopment project area; 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, furthermore, pursuant to Section 8 of the Act, municipalities shall notify affected taxing districts prior to November 1 if a redevelopment project area is to be terminated by December 31 of that same year; and

WHEREAS, the City has, prior to November 1, 2018, notified the affected taxing districts of the proposed termination of the Area as a redevelopment project area, in accordance with the provisions of the Act; and

WHEREAS, with respect to the Area, by December 31, 2018 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 Area; and

WHEREAS, in accordance with the provisions of Section 8 of the Act, the City desires to dissolve the special tax allocation fund for the Area (the "Special Fund") and terminate the

designation of the Area as a redevelopment project area as of December 31, 2018; 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 Area legally described on Exhibit A attached hereto and otherwise depicted on Exhibit B attached hereto shall be terminated as of December 31, 2018. The list of parcels comprising the Area is attached hereto as Exhibit C.

Section 3. Notwithstanding Section 2 hereof, it is anticipated that the City will continue to receive incremental property taxes for assessment year 2017/collection year 2018. Accordingly, although the designation of the Area is repealed by Section 2 hereof, the City will continue to maintain the Special Fund for the limited purpose of receiving any remaining incremental property taxes for assessment year 2017/collection year 2018. Pursuant to the Act, upon receipt of such taxes, the City shall calculate and declare surplus revenue, and shall return surplus revenue to the Cook County Treasurer in a timely manner for redistribution to the local taxing districts that overlap the Area. Thereupon, the Special Fund shall be considered to be dissolved.

Section 4. The method of calculating and allocating property tax increment by the County of Cook pursuant to the Act for the parcels listed on Exhibit C shall be terminated from and after December 31, 2018.

Section 5. The Commissioner of the Department of Planning and Development (the "Commissioner"), or a designee thereof, is authorized to execute any documents and take any steps necessary to terminate the designation of the 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 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.

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 Area Description

All that part of the west half of the northwest quarter of Section 2, Township 38 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

beginning at the northeast corner of Lot 1 in Block 4 of the resubdivision of Blocks 3 and 4 of the resubdivision

of Reform School Property, being the south 25 acres of the northwest fractional quarter of Section 2, Township 38 North, Range 14 East of the Third Principal Meridian, said northeast corner of Lot 1 being also the point of intersection of the westerly line of South Drexel Boulevard with the south line of East 42nd Place; thence west along the north line of said Lot 1 in Block 4 of the resubdivision of Blocks 3 and 4 of the resubdivision of Reform School Property to the west line of said Lot 1, said west line of Lot 1 being also the east line of the alley west of South Drexel Boulevard; thence south along said east line of the alley west of South Drexel Boulevard to the easterly extension of the north line of Lots 15 through 20, both inclusive, in said Block 4 of the resubdivision of Blocks 3 and 4 of the resubdivision of Reform School Property, said north line of Lots 15 through 20, both inclusive, being also the south line of the alley south of East 42nd Place; thence west along said easterly extension and the north line of Lots 15 through 20, both inclusive, in Block 4 of the resubdivision of Blocks 3 and 4 of the resubdivision of Reform School Property and along the westerly extension thereof to the east line of Lot 27 in said Block 4 of the resubdivision of Blocks 3 and 4 of the resubdivision of Reform School Property, said east line of Lot 27 being also the west line of the alley east of South Cottage Grove Avenue; thence north along said west line of the alley east of South Cottage Grove Avenue to the south line of East 42nd Place; thence west along said south line of East 42nd Place to the east line of South Cottage Grove Avenue; thence north along said east line of South Cottage Grove Avenue to the north line of East 42nd Street; thence east along said north line of East 42nd Street to the east line of Lot 30 in Block 2 of Chas. R. Steele's Resubdivision of Block 1 of Bayard and Palmer's Addition, made by the Circuit Court Partition, being a subdivision of the 11.22 chains north of and adjoining the south 25 rods of the northwest fractional quarter of Section 2, Township 38 North, Range 14 East of the Third Principal Meridian lying west of Hyde Park Avenue, except the north 53 feet, 4% inches, said east line of Lot 30 being also the west line of the alley west of South Drexel Boulevard; thence north along said east line of Lot 30 in Block 2 of Chas. R. Steele's Resubdivision and along the northerly extension thereof and along the east line of Lot 19 in said Block 2 of Chas. R. Steele's Resubdivision to the south line of East Bowen Avenue; thence west along said south line of East Bowen Avenue to the southerly extension of the west line of Lots 3 in the subdivision of Lots 1, 2, 3 and 4 and the alley west of and adjoining Lot 5 of Block 1 of aforesaid Chas. R. Steele's Resubdivision, said west line of Lot 3 being also the

east line of South Cottage Grove Avenue; thence north along said southerly extension and the west line of Lots 3 and 4 in the subdivision of Lots 1, 2, 3 and 4 and the alley west of and adjoining Lot 5 of Block 1 of aforesaid Chas. R. Steele's Resubdivision and along the northerly extension thereof to the south line of the vacated alley lying south of and adjoining the south line of Lots 7 through 11, both inclusive, in Jordan and Sawyer's Resubdivision of Lots 5, 6, 7, 8, 15 and all of Lots 9, 10, 12 and 14 lying west of the boulevard, together with the alley between Lots 5, 6 and 7 and so much of the alley between Lots 12 and 14 as lies west of the boulevard and the south half of the alley north of Lots 14 and 15, all in Block 15 in James Hood's Resubdivision of Blocks 15 and 16 of Cleaverville, being a subdivision of the north part of fractional Section 2, Township 38 North, Range 14 East of the Third Principal Meridian and the south part of fractional Section 35, Township 39 North, Range 14 East of the Third Principal Meridian; thence west along said south line of the vacated alley lying south of and adjoining the south line of Lots 7 through 11, both inclusive, in Jordan and Sawyer's Resubdivision to the west line of said vacated alley, said west line of the vacated alley being also the east line of South Cottage Grove Avenue; thence north along said east line of South Cottage Grove Avenue to the north line of East 41st Street; thence east along said north line of East 41st Street and along the easterly extension thereof to the easterly line of South Drexel Boulevard; thence southerly along said easterly line of South Drexel Boulevard to the north line of East 41st Street; thence continuing southerly along a straight line to the northwesterly corner of Lot 1 in Block 2 of Bayard and Palmer's Addition, made by the Circuit Court Partition, being a subdivision of the 11.22 chains north of and adjoining the south 25 rods of the northwest fractional quarter of Section 2, Township 38 North, Range 14 East of the Third Principal Meridian lying west of Hyde Park Boulevard, except the north 53 feet, 4% inches, the westerly line of said Lot 1 being also the

easterly line of South Drexel Boulevard; thence continuing southerly along said easterly line of South Drexel Boulevard to the northwest corner of Lot 36 in Block 3 of aforesaid resubdivision of Blocks 3 and 4 of the resubdivision of Reform School Property, the north line of said Lot 36 being also the south line of East 42nd Place; thence west along a straight line to the point of beginning at the point of intersection of the westerly line of South Drexel Boulevard with the south line of East 42nd Place, all in the City of Chicago, Cook County, Illinois.

Exhibit B Area Map

43rd St.

VACANT BLIGHTED AREA FACTORS

IL Deterioration in Neighboring Areas

B. Need for Environmental Remediation

C. Declining/Lagging EAV

d. Properties subject of Tax Sale - Limited Extent

Figure 2

Distribution of Factors

N

CA)

Drexel Boulevard

Tax Increment Financing Redevelopment Prefect

Exhibit C List of Parcels within the Area

1. 20-02-110-033-0000
2. 20-02-110-034-0000
3. 20-02-110-035-0000
4. 20-02-110-036-0000
5. 20-02-110-037-0000
6. 20-02-111-012-0000
7. 20-02-111-020-0000
8. 20-02-111-021-0000
9. 20-02-111-022-0000
10. 20-02-112-012-0000
11. 20-02-112-013-0000
12. 20-02-112-015-0000
13. 20-02-112-016-0000
14. 20-02-112-017-0000
15. 20-02-112-018-0000
16. 20-02-112-019-0000 17. 20-02-119-009-0000
18. 20-02-119-010-0000
19. 20-02-119-011-0000

20. 20-02-119-012-0000 21.20-02-119-013-0000 22.20-02-119-014-0000