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Legislation Text

File #: O2022-1744, Version: 1

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OFFICE OF THE MAYOR

CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

May 23, 2022

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

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the approval of the Cicero/Stevenson TIF Redevelopment Plan and Project.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours.

AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS APPROVING
A REDEVELOPMENT PLAN FOR THE CICERO/STEVENSON
REDEVELOPMENT PROJECT AREA

WHEREAS, it is desirable and in the best interest of the citizens of the City of Chicago, Illinois (the "City") for the City to implement tax increment allocation financing ("Tax Increment Allocation Financing") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et. seq., as amended (the "Act"), for a proposed redevelopment project area to be known as the Cicero/Stevenson Redevelopment Project Area (the "Area") described in Section 2 of this ordinance, to be redeveloped pursuant

to a proposed redevelopment plan and project attached hereto as Exhibit A (the "Plan"); and

WHEREAS, by authority of the Mayor and the City Council of the City (the "City Council," referred to herein collectively with the Mayor as the "Corporate Authorities") and pursuant to Section 5/11-74.4-5(a) of the Act, the City's Department of Planning and Development established an interested parties registry and, on December 21, 2021 published in a newspaper of general circulation within the City a notice that interested persons may register in order to receive information on the proposed designation of the Area or the approval of the Plan; and

WHEREAS, notice of a public meeting (the "Public Meeting") was made pursuant to notices from the City's Commissioner of the Department of Planning and Development, given on dates not less than 15 days before the date of the Public Meeting: (i) on January 11, 2022 by certified mail to all taxing districts having real property in the proposed Area and to all entities requesting that information that have taken the steps necessary to register to be included on the interested parties registry for the proposed Area in accordance with Section 5/11-74.4-4.2 of the Act, and (ii) with a good faith effort, on January 11, 2022 by regular mail to all residents and the last known persons who paid property taxes on real estate in the proposed Area (which good faith effort was satisfied by such notice being mailed to each residential address and the person or persons in whose name property taxes were paid on real property for the last preceding year located in the proposed Area), which to the extent necessary to effectively communicate such notice, was given in English and in other languages; and

WHEREAS, the Public Meeting was held in compliance with the requirements of Section 5/11-74.4-6 (e) of the Act on January 27, 2022 at 6:00 p.m. via Zoom; and

WHEREAS, the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act since January 26, 2022, being a date not less than 10 days before the meeting of the Community Development Commission of the City (the "Commission") at which the Commission adopted Resolution 22-CDC-4 on February 8, 2022 fixing the time and place for a public hearing (the "Hearing"), at the offices of the City Clerk and the City's Department of Planning and Development; and

WHEREAS, pursuant to Section 5/11-74.4-5(a) of the Act, notice of the availability of the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study) was sent by mail on February 9, 2022, which is

within a reasonable time after the adoption by the Commission of Resolution 22-CDC-4 to: (a) all residential addresses that, after a good faith effort, were determined to be (i) located within the Area and (ii) located within 750 feet of the boundaries of the Area (or, if applicable, were determined to be the 750 residential addresses that were closest to the boundaries of the Area); and (b) organizations and residents that were registered interested parties for such Area; and

WHEREAS, due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having property within the Area and to the Department of Commerce and Economic Opportunity of the State of Illinois by certified mail on February 9, 2022, by publication in the Chicago Tribune on March 15 and March 17, 2022, and by certified mail to taxpayers within the Area on March 15, 2022; and

WHEREAS, a meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the

Act (the "Board") was convened upon the provision of due notice on March 3, 2022 at 10:00 a.m., to review the matters properly coming before the Board and to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area, and other matters, if any, properly before it; and

WHEREAS, pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Commission held the Hearing concerning approval of the Plan, designation of the Area as a redevelopment project area pursuant to the Act and adoption of Tax Increment Allocation Financing within the Area pursuant to the Act on April 5, 2022; and

WHEREAS, the Commission has forwarded to the City Council a copy of its Resolution 22-CDC-10 attached hereto as Exhibit B, adopted on April 5, 2022, recommending to the City Council approval of the Plan, among other related matters; and

WHEREAS, the Corporate Authorities have reviewed the Plan (including the related eligibility report attached thereto as an exhibit and, if applicable, the feasibility study and the housing impact study), testimony from the Public Meeting and the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Area; now, therefore,

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

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

Section 2. The Area. The Area is legally described in Exhibit C attached hereto and incorporated herein. The street location (as near as practicable) for the Area is described in Exhibit D attached hereto and incorporated herein. The map of the Area is depicted on Exhibit E attached hereto and incorporated herein.

Section 3. Findings. The Corporate Authorities hereby make the following findings as required pursuant to Section 5/11-74.4-3(n) of the Act:

a. The Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be expected to be developed without the adoption of the Plan;

b. The Plan:

i) conforms to the comprehensive plan for the development of the City as a whole; or

ii) either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land uses that have been approved by the Chicago Plan Commission;

c. The Plan meets all of the requirements of a redevelopment plan as defined in the Act and, as set forth in the Plan, the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8

of the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year in which the ordinance approving the redevelopment project area is adopted, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than 20 years;

d. The Plan will not result in displacement of residents from inhabited units.

Section 4. Approval of the Plan. The City hereby approves the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 5. Powers of Eminent Domain. In compliance with Section 5/11-74.4-4(c) of the Act and with the Plan, the Corporation Counsel is authorized to negotiate for the acquisition by the City of parcels contained within the Area. In the event the Corporation Counsel is unable to acquire any of said parcels through negotiation, the Corporation Counsel is authorized to institute eminent domain proceedings to acquire such parcels. Nothing herein shall be in derogation of any proper authority.

Section 6. Invalidity of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

Section 7. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 8. Effective Date. This ordinance shall be in full force and effect immediately upon its passage and approval.

LIST OF ATTACHMENTS

- Exhibit A: The Plan
- Exhibit B: CDC Resolution recommending to City Council approval of a redevelopment plan, designation of a redevelopment project area and adoption of tax increment allocation financing
- Exhibit C: Legal Description of the Area
- Exhibit D: Street Location of the Area
- Exhibit E: Map of the Area

EXHIBIT A

THE PLAN (Attached)

CICERO/STEVENSON TAX INCREMENT FINANCING REDEVELOPMENT AREA PROJECT AND PLAN

Prepared for: The City of Chicago, Illinois

January 25, 2022

City of Chicago Lori Lightfoot, Mayor

Department of Planning and Development Maurice D. Cox,
Commissioner

Prepared by:

Ernest R. Sawyer Enterprises, Inc. 100 North LaSalle St.,
Suite 1515 Chicago, Illinois 60602

This plan is subject to review and may be revised after comment and public
hearing

TABLE OF CONTENTS

1. INTRODUCTION	1
2. PROJECT AREA DESCRIPTION	4
3. ELIGIBILITY OF THE PROJECT AREA	7
4. REDEVELOPMENT PLAN GOALS AND OBJECTIVES*	8

5. REDEVELOPMENT PLAN	10	
6. REDEVELOPMENT PROJECT DESCRIPTION	12	
7. GENERAL LAND USE PLAN AND MAP	13	
8. REDEVELOPMENT PLAN FINANCING	14	
9. PROVISIONS FOR AMENDING THE PLAN	25	
10.COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION		26
11.HOUSING IMPACT	27	
APPENDIX A. FIGURES 1-5		
APPENDIX B. LEGAL DESCRIPTION		
APPENDIX C. ELIGIBILITY STUDY		
APPENDIX D. LIST OF PROJECT AREA PROPERTY INDEX NUMBERS (PIN'S)		

i

LIST OF FIGURES

REDEVELOPMENT PLAN FIGURES

FIGURE 1. COMMUNITY CONTEXT MAP	A-1
FIGURE 2. PROJECT AREA BOUNDARY MAP	A-2
FIGURE 3. EXISTING LAND USE	A-3
FIGURE 4. GENERAL LAND USE PLAN	A-4
FIGURE 5. COMMUNITY FACILITIES MAP	A-5

ELIGIBILITY STUDY FIGURES

FIGURE A. STUDY AREA BOUNDARY MAP	C-24
FIGURE B. EXISTING LAND USE	C-25
FIGURE C. DISTRIBUTION OF BLIGHTED IMPROVED AREA FACTORS	C-26

LIST OF TABLES

REDEVELOPMENT PLAN TABLE

TABLE 1. ESTIMATED REDEVELOPMENT PROJECT COSTS	19
--	----

ELIGIBILITY STUDY TABLES

TABLE A. VACANT BLIGHTING FACTORS MATRIX	C-22
TABLE B. IMPROVED BLIGHTING FACTORS (PRIOR TO BECOMING VACANT) MATRIX	C-23

1. INTRODUCTION

This document is to serve as the redevelopment plan (hereinafter referred to as the "Plan"), pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended, (the "Act") for the Cicero/Stevenson Redevelopment Project Area located on the south west side of the City of Chicago, Illinois (the "City"). The area is currently a vacant 65 acre tract of vacant land that is in need of infrastructure repair and improvements. The Project Area is generally bounded by the Interstate 55 Stevenson Expressway ("I-55") and the Canadian National Railroad on the north, Cicero Avenue on the east, 45th Street on the south, and Laramie and Laverne Avenues on the west (the "Project Area") (See Figure 1. Community Context Map and Figure 2. Project Area Boundary Map, included in Appendix A). A legal description of the Project Area is included in Appendix B.

Along with the Chicago Housing Authority (the "CHA"), the City is committed to providing housing that promotes the health and vitality of neighborhoods and a supportive environment that enables people to improve their quality of life. In furtherance of this effort, the CHA has approved the selection of LeClaire Partners, LLC (the "Developer"), a development team of Cabrera Capital and The Habitat Company, to oversee the redevelopment of the Project Area. The redevelopment project is comprised of three development zones and includes housing, retail, and commercial components. The LeClaire Courts Working Group, which includes former LeClaire Courts residents, community members and other key stakeholders, will work with the Developer in guiding the planning and implementation of the Plan.

The Plan summarizes the analyses and findings of Ernest R. Sawyer Enterprises, Inc. (the "Consultant") which, unless otherwise noted, is the responsibility of the Consultant. The City is entitled to rely on the findings and conclusions of this Plan in designating the Project Area as a redevelopment project area under the Act. The Consultant has prepared this Plan and the related eligibility study with the understanding that the City would rely: 1) on the findings and conclusions of the Plan and the related eligibility study in proceeding with the designation of the Project Area and the adoption and implementation of the Plan, and 2) on the fact that the Consultant has obtained the necessary information so that the Plan and the related eligibility study will comply with the Act.

The Plan presents certain factors, research and analysis undertaken to document the eligibility of the Project Area for designation as a redevelopment project area as defined in the Act. The need for public intervention, goals and objectives, land use policies, and other policy materials are presented in the Plan. The results of a study documenting the eligibility of the Project Area as a blighted area are presented in Appendix C, Cicero/Stevenson Tax Increment Financing Eligibility Study (the "Eligibility Study").

Tax Increment Financing

In adopting the Act, the Illinois State Legislature pursuant to Section 5/11-74.4-2(a) found that:

I

and pursuant to Section 5/11-74.4-2(b) also found that:

In order to use tax increment financing, a municipality must first establish that the proposed redevelopment project area meets the statutory criteria for designation as a "blighted area," "conservation area" or "industrial park conservation area." A redevelopment plan must then be prepared pursuant to Sections 65 ILCS 5/11-74.4-3, et seq. of the Act, which describes the development or redevelopment program intended to be undertaken to reduce or eliminate those conditions which qualified the redevelopment project area as a "blighted area," "conservation area," or combination thereof, or "industrial park conservation area," and thereby enhance the tax base of the taxing districts which extend into the redevelopment project area.

For the purposes of the Plan, in order to be adopted, a municipality seeking to qualify a redevelopment project area as a "blighted area," must find that a plan meets the following conditions pursuant to Section 5/11-74.4-3 (n) of the Act:

- (1) The redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without

the adoption of the redevelopment plan, provided, however, that such a finding shall not be required with respect to any redevelopment project area located within a transit facility improvement area established pursuant to Section 11-74.4-3.3; (2) the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole, or, for municipalities with a population of 100,000 or more, regardless of when the redevelopment plan and project was adopted, the redevelopment plan and project either: (i) conforms to the strategic economic development or redevelopment plan issued by the designated planning authority of the municipality, or (ii) includes land uses that have been approved by the planning commission of the municipality; and (3) the redevelopment plan establishes the estimated dates of completion of the redevelopment project and retirement of obligations issued to finance redevelopment project costs. Those dates may not be later than the dates set forth under Section 11-74.4-3.5.

Under Section 11-74.4-3(0) of the Act, a redevelopment project means any public or private development projects in furtherance of the objectives of the redevelopment plan. 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 eligible "redevelopment project costs" with incremental property tax revenues. "Incremental Property Tax(es)" are derived from the increase in the current equalized assessed value (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 to arrive at the 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 the redevelopment 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. This revenue is then reinvested in the area through rehabilitation, developer subsidies, public improvements, and other eligible redevelopment activities. 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 (1) annual Incremental Property Taxes received exceed principal and interest obligations for that year, (2) all redevelopment project costs necessary to implement the redevelopment plan have been paid, and (3) such excess Incremental Property Taxes are not otherwise required, pledged or are in any way designated for other redevelopment projects. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

The CHA authorized an evaluation to determine whether a portion of the City, to be known as the

Cicero/Stevenson Tax Increment Financing District, qualifies for designation as a redevelopment project area pursuant to the provisions contained in the Act. If the Project Area is so qualified, CHA requested the preparation of a redevelopment plan for the Project Area in accordance with the requirements of the Act.

2. PROJECT AREA DESCRIPTION

Cicero/Stevenson Redevelopment Project Area Overview

The Project Area is within the Garfield Ridge Community Area, approximately 10 miles southwest of downtown Chicago. The Garfield Ridge stretches from Harlem Avenue on the west to a line four blocks east of Cicero Avenue on the east, and from 59th Street on the south to I-55 on the north. The land in this community area was annexed to Chicago gradually in the 19th and 20th centuries, though its population grew slowly before surging in the 1920s after experiencing industrial development, a new streetcar line on Archer Avenue, and the construction of Midway International Airport. The area's population peaked in the 1970s after the loss of traffic at Midway in favor of O'Hare Airport caused a decline in jobs and population.

The Project Area comprises currently vacant land where the previous LeClaire Courts public housing complex once stood. The Chicago Housing Authority's ("CHA") LeClaire Courts development was initially built in 1950, expanded in 1954, and consisted of approximately 600 units of low-rise rowhomes. It was once one of the most desirable public housing projects in Chicago and was the first project in the state to be managed by its residents in 1987. However, after several decades of insufficient funding for public housing maintenance, the buildings gradually deteriorated and became obsolete to the point where renovation was far more costly than building new structures up to modern building codes and standards. By 2009 a large percentage of units were already vacant and the remaining residents were relocated to allow for demolition of the entire complex. The demolition was completed in 2011. Now the intent of the CHA and the City is to facilitate the comprehensive redevelopment of the Project Area into a thriving mixed-income neighborhood of residential and commercial uses.

The Project Area is approximately 65 acres in size, including streets and rights-of-way. There are a total of 19 parcels and 17 tax blocks within the Project Area. The Project Area consists entirely of vacant land and public park land and is generally bounded by I-55 and the Canadian National Railroad on the north, 45th Street on the south, Cicero Avenue on the east, and Laramie and Laverne Avenues on the west (See Figure 3. Existing Land Use Map).

The immediate neighborhood is a mixed-use area, with Chicago Midway International Airport residential apartments and single-family homes being the dominant land uses. There are commercial uses along Cicero Avenue, and clusters of industrial uses situated north of Interstate 55, a few blocks west of the Project Area, and also a few blocks east of Cicero Avenue. These industrial clusters are generally light industrial in nature, predominantly consisting of warehouse, distribution and logistics facilities, but several heavy industry sites

are located north of I-55.

There has been limited new residential construction activity in this area over the past 15 years, most of which has consisted of affordable and mixed income apartment

4

development. The current population within a 3-mile radius of the Project Area is 308,812, and the average household size is 3.5 which is larger than the overall Chicago average household size of 2.54 (in 2019). Population in the area has decreased marginally since the 2010 census, and this trend is projected to continue over the next five years. By comparison, population in the Chicago MSA is projected to increase slightly.

Median household income is \$50,911, which is 12.5 percent lower than the median household income of the City, which was \$58,247 in 2019. Residents within a 3-mile radius have a lower level of educational attainment than those of the Chicago MSA, while median owner-occupied home values are also lower.

The Project Area has not attracted any private investment projects in at least 11 years. As a result of these conditions, the Project Area is in need of public intervention. In recognition of the unrealized potential of the Project Area, the City and the CHA are taking action to facilitate its revitalization.

The Act defines two sets of eligibility criteria under which a vacant area may qualify as a blighted area (Vacant Area Option A criteria and Vacant Area Option B criteria). Vacant Area Option A criteria are defined in the Act as six factors for vacant areas, such that the presence of two or more of these factors qualifies an area as a vacant blighted area (the "Vacant Blighted Area Option A Factors"). The Vacant Area Option B criteria are defined in the Act as six stand-alone factors for vacant areas, such that the presence of any one of these factors qualifies an area as a vacant blighted area (the "Vacant Blighted Area Option B Factors"). The Project Area is characterized by the following two Vacant Blighted Area Option A Factors and one Vacant Blighted Area Option B Factor for a vacant blighted area under Section 5/11 -74.4-3(a)(3) of the Act:

Vacant Blighted Area Option A Factors:

- Obsolete platting; and
- The area has incurred Illinois Environmental Protection Agency remediation costs for the cleanup of hazardous wastes, hazardous substances, and the remediation costs constitute a material impediment to the redevelopment of the redevelopment project area.

Vacant Blighted Area Option B Factor:

- The Study Area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

The Study Area so qualifies due to the meaningful presence and reasonable distribution of the following six improved area factors, prior to becoming vacant:

- Dilapidation;
- Obsolescence;
- Deterioration;

5

- Presence of structures below minimum code standards;
- Excessive vacancies; and
- Environmental clean-up costs were necessary and were incurred.

The Project Area, as a whole, has not been subject to growth and development by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Plan. The Eligibility Study, attached hereto as Appendix C, provides evidence of the Project Area current conditions and the conditions prior to demolition, and concludes that the property within the Project Area is experiencing deterioration and disinvestment. The analysis of conditions within the Project Area indicate that it is appropriate for designation as a redevelopment project area in accordance with the Act.

The purpose of the Plan is to create a mechanism to allow for a large neighborhood revitalization effort on Chicago's southwest side and foster economic opportunity for the local community and beyond. The Cicero/Stevenson development will further support CHA's right of return for previously displaced residents from the former LeClaire Courts, fulfill a vital need for affordable housing in Chicago, bring new retail and/or grocery and health care options to the area, create new construction and permanent jobs for residents, and generate new sales and property tax revenue. The development of the Project Area is also expected to encourage residential and economic revitalization in the surrounding area.

The Plan has been formulated in accordance with the provisions of the Act. This document is a guide to all proposed public and private actions in the Project Area that are assisted with tax increment financing.

3. ELIGIBILITY OF THE PROJECT AREA FOR DESIGNATION AS A BLIGHTED AREA

The Project Area, on the whole, has not been subject to significant growth and development through investment by private enterprise. Based on the conditions present, the Project Area is not likely to be comprehensively or effectively developed without the adoption of the Plan. A series of studies were undertaken to establish whether the proposed Project Area is eligible for designation as a blighted area in accordance with the requirements of the Act. This analysis concluded that the Project Area so qualifies.

The Project Area is comprised of vacant land and a public park and the sound growth of Project Area is impaired by the following Vacant Blighted Area factors as set forth in Section 11.74.4-3(a)(3)(F) of the Act:

Vacant Blighted Area Option A Factors:

- Obsolete platting; and
- The area has incurred Illinois Environmental Protection Agency remediation costs for the cleanup of hazardous wastes, hazardous substances, and the remediation costs constitute a material impediment to the redevelopment of the redevelopment project area.

Vacant Blighted Area Option B Factor:

- The Project Area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.
 - o The Project Area so qualifies due to the meaningful presence and reasonable distribution of the following six improved area factors, prior to becoming vacant:
 - Dilapidation;
 - Obsolescence;
 - Deterioration;
 - Presence of structures below minimum code standards;
 - Excessive vacancies.
 - Environmental clean-up costs were necessary and were incurred.

Consequently, immediately prior to the Project Area becoming vacant, the Project Area qualified as a blighted improved area, as set forth in Section 11.74.4-3(a)(1) of the Act. For more detail on the basis for eligibility, refer to the Eligibility Study in Appendix C.

Need for Public Intervention

Given the documented blighting factor, and lack of development within the Project Area now spanning over 10 years, the overall redevelopment of the Project Area would not reasonably be expected to occur without public intervention and the adoption of the Plan.

4. REDEVELOPMENT PLAN GOALS AND OBJECTIVES

Comprehensive and coordinated investment in new public and private improvements and facilities is essential for the successful redevelopment of the Project Area. Redevelopment of the Project Area will benefit the City through improvements in the physical environment, an increased tax base, and additional employment opportunities. This section identifies the general goals and objectives adopted by the City for redevelopment of the Project Area. Section 5 presents more specific redevelopment activities that the City plans to undertake to achieve the goals and objectives presented in this section.

General Goals

As previously stated, the purpose of the Plan is to create a mechanism to allow for the neighborhood revitalization effort on Chicago's southwest side and foster economic opportunity for the local community and beyond. The Cicero/Stevenson development will further support CHA's right of return for previously displaced residents from LeClaire Courts, fulfill a vital need for affordable housing in Chicago, bring new grocery and health care options to the area, create new construction and permanent jobs for residents, and generate new sales and property tax revenue. The development of the Project Area is expected to encourage residential and economic revitalization in the surrounding area.

- Create a vibrant mixed-income community with both residential and commercial uses.
- Reactivate long-vacant land into a lively, active mixed-use development.
- Offer a range of affordable and market rate housing opportunities that intersect with commercial amenities, safe neighborhoods, good schools and supportive services.
- Ensure safe, sustainable and quality housing that serves as the building block for residential wellbeing and a vibrant community.
- Coordination with City departments and other public agencies to carefully leverage public resources and activities to maximize private investment and public benefit.

Development Objectives

- Encourage private investment.
- Create affordable housing opportunities and provide opportunities for former LeClaire Courts CHA residents to return to the Project Area.
- Direct development activities to appropriate locations within the Project Area in accordance with the land use plan and general land use strategies.
- Facilitate development of underutilized property for uses that have demonstrated market support.

8

- Encourage the development of new commercial and retail uses that serve the Project Area and surrounding communities.
- Promote the hiring of local residents.
- Strengthen the economic well-being of the Project Area.
- Encourage visually attractive buildings, appropriate rights-of-way, and encourage high standards of design.
- Utilize open space where appropriate.
- Encourage accessibility for people with disabilities.

Overall Design Objectives

- Establish design standards for mixed use commercial, residential, and retail development to ensure compatible high-quality development.
- Develop a series of connected open spaces.

- Create high quality, pedestrian friendly streets.
- Create multi-modal corridors that allow for smooth transitions to and from the various parcels within the development.
- Identify streets, walking paths and park like seating with the appropriate signage to guide residents/visitors throughout the Project Area smoothly.

5. REDEVELOPMENT PLAN

The Redevelopment Plan proposes to achieve its redevelopment goals and objectives for the Project Area using public financing techniques, including tax increment financing, and by undertaking some or all the following actions:

Site Assembly

To meet the goals and objectives of this 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 development.

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 Plan.

Intergovernmental Agreements and Redevelopment Agreements

The City may enter into redevelopment agreements or intergovernmental agreements with private entities or public entities to construct, rehabilitate, renovate, or restore private or public improvements on one or several parcels (collectively referred to as "Redevelopment Projects").

Analysis, Professional Services and Administrative Activities

The City may undertake or engage professional consultants, engineers, architects, attorneys, and others to conduct various analyses, studies, administrative or legal services to establish, implement, and manage the Plan.

Financing Costs Pursuant to the Act

Interest on any obligations issued under the Act accruing during the estimated period of construction of the redevelopment project and other financing costs may be paid from the incremental tax revenues pursuant to the provisions of the Act.

Interest Costs Pursuant to the Act

Pursuant to the Act, the City may allocate a portion of the incremental tax revenues to pay or reimburse developers for interest costs incurred in connection with redevelopment activities in order to enhance the redevelopment potential of the Project Area.

6. REDEVELOPMENT PROJECT DESCRIPTION

Mixed Use Redevelopment

Mixed use commercial and residential redevelopment is proposed for all of the Project Area. Neighborhood open space and community facilities shall be incorporated into the overall development pattern as appropriate.

Affordable Housing

The Plan envisions creation of a mixed-income, mixed use community, including a significant number of units dedicated to former residents of the prior LeClaire Courts CHA development as well as other units that will be affordable to households with incomes below the area median income.

The City requires that developers who receive TIF assistance for market rate housing set aside 20 percent of the units to meet affordability criteria established by the City's Department of Planning and Development 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.

Public Improvements

The creation of public infrastructure and facilities are needed to complement and attract private sector investment. Infrastructure improvements for the Project Area may include:

- Construction and dedication of streets to provide adequate access to individual properties;
- Sidewalks and other pedestrian-friendly amenities;
- Street lighting;
- Water and sewer infrastructure;
- Recreation areas;
- Public facilities that meet the needs of the community.

7. GENERAL LAND USE PLAN AND MAP

Figure 4. General Land Use Plan (see Appendix A), identifies land use policies to be pursued in the implementation of the Plan. The land use categories planned for the Project Area are mixed use, public park/open space, and institutional.

Mixed uses are planned for most of the vacant land where the former LeClaire Courts housing complex stood. The mixed use category is intended to be flexible and include residential, office, retail, other commercial and recreational uses.

Institutional uses are designated for the land associated with PIN number 19-04-404-037, which has been acquired by an institution that plans to build a charter school.

The existing LeClaire-Hearst Public Park is designated as public park/open space, and this park will continue to benefit the surrounding neighborhood residents as well as future new residents and occupants of the redeveloped area within the TIF.

The general land use plan will complement the existing low-density character of the neighborhood, which consists mainly of residential uses with supporting commercial and light industrial uses, as well as institutional uses. See Figure 5. Community Facilities.

The land uses proposed for the Project Area are consistent with the redevelopment goals of this Plan and are generally consistent with existing zoning or zoning that will be approved near the time of the adoption of the Plan. The Land Use Plan is intended to serve as a broad guide for land use and redevelopment policy. The plan is general in nature to allow adequate flexibility to respond to shifts in the market and private investment.

8. REDEVELOPMENT PLAN FINANCING

Tax increment financing is an economic development tool designed to facilitate the development of blighted areas and to prevent decline in areas that may become blighted without public intervention. It is expected that tax increment financing will be an important means, but not the only means of financing improvements and providing development incentives in the Project Area throughout its 23-year life.

Tax increment financing can only be used when private investment would not reasonably be expected to occur without public assistance. The Act sets forth the range of public assistance that may be provided.

It is anticipated that expenditures for redevelopment project costs will be carefully staged in a reasonable and proportional basis to coincide with expenditures for redevelopment by private developers and the projected availability of tax increment revenues.

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 Plan (the "Redevelopment Project Costs").

In the event the Act is amended after the date of the approval of this Plan by the City Council 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 5/11-74.4-3(q)(11)), this Plan shall be deemed to incorporate such additional, expanded or increased eligible costs as Redevelopment Project Costs under the 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 Table 1 or otherwise adjust the line items in Table 1 without amendment to this 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 Plan.

1. Eligible Redevelopment Costs

Redevelopment project costs include the sum total of all reasonable or necessary costs incurred, estimated to be incurred, or incidental to this 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 Plan including but not limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services (excluding

14

lobbying expenses), provided that no charges for professional services are based on a percentage of the tax increment collected;

b) The costs 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 costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;

e) Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification 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 cost of "welfare to work" programs implemented by businesses located within the Project Area;

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 thereunder 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 Plan.

i) An elementary, secondary, or unit school district's increased costs attributable to

assisted housing units will be reimbursed as provided in the Act;

j) Relocation costs to the extent that the City 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 "Relocation" section);

k) Payment in lieu of taxes, as defined in the Act;

15

l) 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 the 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;

m) Interest costs 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 the 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) cost paid or incurred by the redeveloper for such redevelopment project; (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 for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act.

n) Instead of the eligible costs provided for in (m) 2, 4 and 5 above, the City may pay up to 50 percent of the cost of construction, renovation and/or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project

16

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;

o) The costs 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 from time to time by the United States Department of Housing and Urban Development.

p) Unless explicitly provided in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

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

Estimated Redevelopment Project Costs

A range of activities and improvements may be required to implement the Plan. The proposed eligible activities and their estimated costs over the life of the Project Area are briefly described below and shown in Table 1, Estimated Redevelopment Project Costs.

1. Professional services including planning studies, legal, surveys, real estate marketing costs, fees and other costs related to the implementation and administration of the Plan. This budget element provides for studies and survey costs for planning and implementation of the project, including planning and legal fees, architectural and engineering, development site marketing, financial and special service costs.
2. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, and other appropriate and eligible costs needed to prepare the property for redevelopment. These costs may include the reimbursement of acquisition costs incurred by the CHA and private developers. Land acquisition may include acquisition of both improved and vacant property in order to create development sites, accommodate public rights-of-way or to provide other public facilities needed to achieve the goals and objectives of the Plan. Property assembly costs also include: demolition of existing improvements, including clearance of blighted properties or clearance required to prepare sites for new development, site preparation, including grading, and other

appropriate and eligible site activities needed to facilitate new construction, and environmental remediation costs associated with property assembly which are required to render the property suitable for redevelopment.

17

3. Costs of Rehabilitation, reconstruction, repair, or remodeling of existing public or private buildings and fixtures.
4. Costs of Construction of public improvements, infrastructure, and facilities. These improvements are intended to improve access within the Project Area, stimulate private investment and address other identified public improvement needs, and may include all or a portion of a taxing district's eligible costs within the Project Area, in accordance with the requirements of the Act.
5. TIF may be provided to developers for up to 50 percent of the cost of construction, renovation or rehabilitation of all low- and very low-income housing units (for ownership or rental) as defined in Section 3 of the Illinois Affordable Housing Act. If the units are part of a residential redevelopment project that includes units not affordable to low- and very low-income households, only the low- and very low-income units shall be eligible for benefits under this paragraph, pursuant to the Act.
6. Relocation costs.
7. Job Training, Retraining, and Welfare to Work Programs, for businesses located within the Project Area implementing such programs.
8. Interest costs related to redevelopment projects, pursuant to the provisions of the Act.
9. Provision of day care services as provided in the Act.
10. Financing costs, including but not limited to the issuance of tax increment allocation revenue obligations.

The estimated total eligible project cost over the life of the Project Area is approximately \$80 million. All project cost estimates are in 2022 dollars. Any bonds or other tax increment allocation revenue obligations issued to finance portions of the redevelopment project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with issuance of such obligations, as well as to provide for capitalized interest and reasonably required reserves. The total project cost figure excludes any costs for the issuance of bonds. Adjustments to estimated line items, which are upper estimates for these costs, are expected and may be made without amendment to the Plan.

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.

18

**TABLE 1
ESTIMATED REDEVELOPMENT PROJECT COSTS**

Eligible Expense	Estimated Cost
1. Analysis, Administration, Studies, Surveys, Legal, Marketing, etc.	\$ 2,000,000
2. Property Assembly including Acquisition, Site Prep and Demolition, Environmental Remediation	4,000,000
3. Rehabilitation of Existing Buildings, Fixtures and Leasehold Improvements, Affordable Housing Construction and Rehabilitation Costs	30,500,000
4. Public Works & Improvements, including streets and utilities, parks and open space, public facilities (schools & other public facilities) ¹¹¹	20,000,000
5. Relocation Costs	1,500,000
6. Job Training, Retraining, Welfare-to-Work	7,000,000
7. Interest Subsidy	10,000,000
8. <u>Day Care Services</u>	<u>5,000,000</u>
8. <u>TOTAL REDEVELOPMENT COSTS</u> ¹² ¹³	<u>\$ 80,000,000</u>

¹This category may also include paying for or reimbursing (i) an 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.

²Total Redevelopment Project Costs represent an upper limit on expenditures that are to be funded using tax increment revenues and 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. Within this limit, adjustments may be made in line items without amendment to this Plan, to the extent permitted by the Act.

³The amount of the Total Redevelopment Project 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.

⁴ All costs are in 2022 dollars and may be increased by five percent (5%) after adjusting for inflation reflected in the Consumer Price Index (CPI) for All Urban Consumers for All Items for the Chicago-Gary-Kenosha, IL-IN-WI CMSA, published by the U.S. Department of Labor. 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.

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 primarily 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 taxes, and the City may then be reimbursed from such costs from incremental 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 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 project 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 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 the furtherance of the purposes of the 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 described in the preceding paragraph, shall not at any time exceed the total redevelopment project costs described in Table 1, Estimated Redevelopment Project Costs of this Plan.

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. 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 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.

The Initial Equalized Assessed Valuation of Properties

The purpose of identifying the most recent equalized assessed valuation ("EAV") of the Project Area is to provide an estimate of the initial EAV, which the Cook County Clerk will certify for the purpose of annually calculating the incremental EAV and Incremental Property Taxes of the Project Area. The 2020 EAV of all taxable parcels in the Project Area is \$0. This total EAV amount, by PIN, is summarized in Appendix D.

The EAV is subject to verification by the Cook County Clerk. After verification, the final figure shall be certified by the Cook County Clerk and shall become the Certified Initial EAV from which all Incremental Property Taxes in the Project Area will be calculated by Cook County. The Plan has utilized the EAVs for the 2020 tax year. If the 2021 EAV shall become available prior to the date of the adoption of the Plan by the City Council, the City may update the Plan by replacing the 2020 EAV with the 2021 EAV.

Anticipated Equalized Assessed Valuation

By tax year 2045 (collection year 2046) and following substantial completion of the Cicero/Stevenson Redevelopment Project, the EAV of the Project Area is estimated to be approximately \$82 million. The estimated value is based on several key assumptions

21

including: 1) substantial development of residential and commercial properties in the project area will occur over the next five to ten years; 2) all undeveloped land will be built with new development; 3) an estimated annual inflation rate in EAV of 2.5% through 2045, realized in triennial assessment years only; and 4) a state equalization factor for Cook County of 3.2234 (based on the most recent value for the 2020 tax year), which is used in all years to calculate the EAV.

Real estate tax revenues resulting from increases in the EAV, over and above the Certified Initial EAV established with the adoption of the Plan, will be used to pay eligible redevelopment costs in the Project Area. Following termination of the redevelopment project area, the real estate tax revenues attributable to the increase in the EAV over the Certified Initial EAV will be distributed to all taxing districts levying taxes against property located in the Project Area. Successful implementation of the Plan is expected to result in new development and private investment on a scale sufficient to overcome blighted conditions and substantially improve the long-term economic value of the Project Area.

Financial Impact on Taxing Districts

The Act requires an assessment of any financial impact of the Project Area on, or any increased demand for services from, any taxing district affected by the Plan and a description of any program to address such financial impacts or increased demand. In this instance, property which has been tax exempt for decades will now become taxable. 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 following taxing districts levy taxes against properties within the Project Area:

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

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 Cook County for the education, pleasure and recreation of the public. There are no Cook County Forest Preserve District facilities located within the boundaries of the Project Area.

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

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

22

City of Chicago Library Fund ("Chicago Library Fund"). General responsibilities of the Chicago Library Fund include the provision, maintenance and operation of the City's library facilities. There are no public library facilities within the Project Area.

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

Board of Education of the City of Chicago ("Board of Education"). 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.

Chicago Park District and Chicago Park District Aquarium & Museum Bonds. The Chicago 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 is one public park in the Project Area-LeClaire Courts-Hearst Park at 5120 West 44th Street-located in the western portion of the Project Area.

Impact of the Redevelopment Project and Plans to Address Increased Demand for Services or Capital

Improvements

Redevelopment of the Project Area may result in changes to the level of required public services. The required level of these public services will depend upon the uses that are ultimately included within the Project Area. Although the specific nature and timing of the private investment expected to be attracted to the Project Area cannot be precisely quantified at this time, a general assessment of financial impact can be made based upon the level of development and timing anticipated by the proposed Plan.

When completed, developments in the Project Area will generate property tax revenues for all taxing districts. Other revenues may also accrue to the City in the form of sales tax, business fees and licenses, and utility user fees. The costs of some services such as water and sewer service, building inspections, etc. are typically covered by user charges. However, others are not and should be subtracted from the estimate of property tax revenues to assess the net financial impact of the Plan on the affected taxing districts.

Metropolitan Water Reclamation District. The development of new residential and commercial properties in the Project Area will cause increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District.

It is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Project Area can be adequately served by existing treatment facilities maintained and operated by the Metropolitan Water

23

Reclamation District. Therefore, no special program is proposed for the Metropolitan Water Reclamation District.

City of Chicago. The development of new residential and commercial properties in the Project Area will increase the demand for services and programs provided by the City, including police protection, fire protection, sanitary collection, recycling, and other programs.

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, sanitary collection and recycling services and programs maintained and operated by the City. Therefore, no special programs are proposed for the City.

Board of Education. The development of new residential properties in the Project Area is expected to cause an increase in the number of school age children that will require services and programs provided by the Board of Education.

Over the next ten years, the potential residential development program for the Project Area includes approximately 650 new residential units. For the purpose of estimating potential school-age children, the City assumes the Project Area residential units will be similar to suburban occupancy levels, so child-per-unit metrics found in Chicago suburban municipal ordinances are utilized herein. The estimated number of students generated by the redevelopment project over a ten-year period is approximately 155 elementary and middle school age children and 51 high school age children, for a total of 206 school age children.

It is anticipated that the number of school age children to be generated by redevelopment within the Project Area can be sufficiently accommodated by the existing facilities provided by the Board of Education. The City and the Board of Education will monitor development in the Project Area to ensure

that residents are adequately served and any increased demand for services and capital improvements provided by the Board of Education are addressed.

Other Taxing Districts. It is expected that any increase in demand for Chicago Park District, Chicago Library Fund, Cook County, Cook County Forest Preserve District, and Chicago Community College District 508's services and programs associated with the Project Area can be adequately served by existing services and programs maintained and operated by these taxing districts. Therefore, at this time, no special programs are proposed for these taxing districts.

Completion of the Redevelopment Project and Retirement of Obligations to Finance Redevelopment Project Costs

The Plan will be completed, and all obligations issued to finance redevelopment costs shall be retired, no later than December 31st of the year in which the payment to the City Treasurer as provided in the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year following the year in which the ordinance approving the Plan is adopted (assuming adoption in 2022, by December 31, 2046).

24

9. PROVISIONS FOR AMENDING THE PLAN

The Plan may be amended pursuant to the provisions of the Act.

10. COMMITMENT TO FAIR EMPLOYMENT PRACTICES AND AFFIRMATIVE ACTION

The City and CHA are committed to and will affirmatively implement the following principles with respect to this 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 26 percent Minority Business Enterprises and 6 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.

11. HOUSING IMPACT

As set forth in the Act, if the redevelopment plan for a redevelopment project area would result in the displacement of residents from 10 or more inhabited residential units, or if the redevelopment project area contains 75 or more inhabited residential units and the City is unable to certify that such displacement will not result from the Redevelopment Plan, the City must prepare a housing impact study and incorporate the study in the redevelopment project and plan.

The Project Area contains zero residential units.

Based on the assessment above, the City certifies that no displacement of residents will occur as a result of the Redevelopment Plan. Therefore, a full housing impact study has not been undertaken as part of this Redevelopment Plan.

27

APPENDIX A

CICERO/STEVENSON REDEVELOPMENT PROJECT AREA

FIGURES 1-5

Prepared By: ERS Enterprises, Inc. (May 2021)

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Figure 3. Existing Land Use Cicero/Stevenson TIF

Prepared By: ERS Enterprises, Inc. (May 2021)

| Project Area Boundary | | Vacant Parcels MI Public Park-Open Space (412) Block Numbers



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Figure 5. Community Facilities

Cicero/Stevenson TIF

Prepared by: ERS Enterprises, Inc. (May 2021)

^1 Project Area Boundary CTA Rail Lines

H Public Park-Open Space Orange Line

• Chicago Public Schools CTA Bus Routes

O Libraries ° CTA Rail Stations

• Fire Stations Metra Rail Line

APPENDIX B

CICERO/STEVENSON REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

B - 1

APPENDIX "B"

LAND DESCRIPTION OF THE LECLAIRE SITE TIF DISTRICT:

A TRACT OF LAND IN THE EAST HALF OF SECTION 4. TOWNSHIP 38 NORTH. RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WEST LINE OF S. CICERO AVENUE AND THE SOUTH LINE OF W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF BLOCK 5 IN FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE EAST CROSSING SAID S. CICERO AVENUE TO THE INTERSECTION OF THE EAST LINE OF SAID S. CICERO AVENUE, AS WIDENED AND THE SOUTH LINE OF SAID W. 44TH STREET; THENCE SOUTH ON SAID EAST LINE OF S. CICERO AVENUE, AS WIDENED TO THE INTERSECTION WITH THE NORTH LINE OF W. 45TH STREET; THENCE WEST CROSSING SAID S. CICERO AVENUE TO THE INTERSECTION WITH THE WEST LINE OF SAID S. CICERO AVENUE AND THE SAID NORTH LINE OF W. 45TH STREET, BEING ALSO THE SOUTHEAST CORNER OF SAID BLOCK 5 IN FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE CONTINUING WEST ON THE NORTH LINE OF SAID W. 45TH STREET TO THE INTERSECTION WITH THE NORTHERLY PROJECTION OF THE WEST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 20 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE SOUTH ON SAID NORTHERLY PROJECTION CROSSING SAID W. 45TH STREET TO THE INTERSECTION WITH THE SOUTH LINE OF SAID W. 45TH STREET, BEING ALSO THE NORTHEAST CORNER OF LOT 40 IN SAID BLOCK 20; THENCE WEST ON SAID SOUTH LINE OF W. 45TH STREET CROSSING S. LA CROSSE AVENUE, S. LAMON AVENUE, S. LAPORTE AVENUE, AND S. LAVERGNE AVENUE TO THE INTERSECTION WITH THE WEST LINE OF SAID S. LAVERGNE AVENUE, BEING ALSO THE NORTHEAST CORNER OF BLOCK 16 IN SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE NORTH CROSSING SAID W. 45TH STREET TO THE INTERSECTION WITH THE NORTH LINE OF SAID W. 45TH STREET, BEING THE SOUTHEAST CORNER OF BLOCK 9 IN SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE CONTINUING NORTH ON SAID WEST LINE OF S. LAVERGNE AVENUE TO THE INTERSECTION WITH THE SOUTH LINE OF SAID W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF SAID BLOCK 9; THENCE WEST ON THE SOUTH LINE OF SAID W. 44TH STREET TO THE INTERSECTION WITH THE EAST LINE OF S. LAWLER AVENUE, BEING ALSO THE NORTHWEST CORNER OF SAID BLOCK 9; THENCE SOUTH ON SAID EAST LINE OF S. LAWLER AVENUE TO THE INTERSECTION WITH THE EASTERLY PROJECTION OF THE SOUTH LINE OF LOT 3 IN BLOCK 10 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE WEST ON SAID EASTERLY PROJECTION CROSSING SAID S. LAWLER AVENUE AND CONTINUING ON THE SOUTH LINE OF SAID LOT 3 TO THE SOUTHWEST CORNER OF SAID LOT; THENCE CROSSING THE NORTH-SOUTH 16 FOOT ALLEY IN SAID BLOCK 10 TO THE SOUTHEAST CORNER OF LOT 34 IN SAID BLOCK 10; THENCE CONTINUING WEST ON THE SOUTH LINE OF SAID LOT 34 TO THE SOUTHWEST CORNER OF SAID LOT, BEING ALSO A POINT ON THE EAST LINE OF S. LEAMINGTON AVENUE; THENCE WEST CROSSING SAID S. LACLAIRE AVENUE TO THE SOUTHEAST CORNER OF LOT 3 IN BLOCK 11 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION. BEING A POINT ON THE WEST LINE OF SAID S. LACLAIRE AVENUE; THENCE WEST ON THE SOUTH LINE OF SAID LOT 3 IN BLOCK 11 AND THE WESTERLY PROJECTION THEREOF CROSSING THE NORTH-SOUTH ALLEY IN SAID BLOCK 11 TO THE WEST LINE OF SAID NORTH-SOUTH ALLEY; THENCE SOUTH ON THE WEST LINE OF SAID NORTH-SOUTH ALLEY TO THE SOUTHEAST CORNER OF LOT 30 IN SAID BLOCK 11; THENCE WEST ON THE SOUTH LINE OF SAID LOT 30 TO THE SOUTHWEST CORNER OF SAID LOT, BEING A POINT ON THE EAST LINE OF S. LEAMINGTON AVENUE; THENCE WEST CROSSING SAID S. LEAMINGTON AVENUE TO THE SOUTHEAST CORNER OF LOT 7 IN BLOCK 12 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION, BEING A POINT ON THE WEST LINE OF SAID S. LEAMINGTON AVENUE; THENCE NORTH ON THE WEST LINE OF SAID S. LEAMINGTON AVENUE TO THE INTERSECTION WITH THE SAID SOUTH LINE OF W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF SAID BLOCK 12; THENCE WEST ON THE SOUTH LINE OF SAID W. 44TH STREET TO THE INTERSECTION WITH THE CENTERLINE OF S. LARAMIE AVENUE. BEING ALSO THE WEST LINE OF THE EAST HALF OF SAID SECTION 4; THENCE NORTH ON SAID CENTERLINE OF S. LARAMIE AVENUE AND THE WEST LINE OF SAID EAST HALF OF SECTION 4. TO THE INTERSECTION WITH THE SOUTH LINE OF THE CANADIAN NATIONAL RAILWAY (FORMERLY THE GULF, MOBILE AND OHIO RAILROAD): THENCE NORTHEAST ON THE SOUTH LINE OF SAID CANADIAN NATIONAL RAILWAY TO THE INTERSECTION WITH THE WEST LINE OF S. CICERO AVENUE, AS WIDENED; THENCE SOUTH ON SAID WEST LINE OF S. CICERO AVENUE, AS WIDENED AND THE WEST LINE OF SAID S. CICERO AVENUE CROSSING W. 43RD STREET AND SAID W. 44TH STREET TO THE POINT OF BEGINNING, SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

SAID LAND DESCRIPTION OF THE LECLAIRE SITE TIF DISTRICT TRACT CONTAINING 65 ACRES, MORE OR LESS.

SURVEY PREPARED FOR CHICAGO HOUSING AUTHORITY

TO BE MAILED TO CAROL D STUBBLEFIELD Neal and Leroy, LLC
20 S Clark St Ste 2050
Chicago, Illinois 60603 SHEET 2 OF 2

AMERICAN

SURVEYING & ENGINEERING, P.C. 30 N LaSalle Street Suite 3440 / Chicago, IL 60602 312-277-2000 / Fax 312-277-2002 Illinois Professional Design Firm No. 184-0031S2

APPENDIX C

CICERO/STEVENSON TAX INCREMENT FINANCING ELIGIBILITY STUDY CICERO/STEVENSON TAX INCREMENT FINANCING ELIGIBILITY STUDY

The City of Chicago, Illinois January 25, 2022

City of Chicago Lori Lightfoot, Mayor

Department of Planning and Development Maurice D. Cox, Commissioner

Prepared by: Ernest R. Sawyer Enterprises, Inc. 100 North LaSalle Street, Suite 1515 Chicago, Illinois 60602

1. INTRODUCTION

The purpose of this report entitled, the Cicero/Stevenson Tax Increment Financing Eligibility Study, (the "Eligibility Study") is to determine whether approximately 65 acres of land located on the southwest side of the City of Chicago (the "City") qualifies for designation as redevelopment project area based on findings for a "conservation area," and/or a "blighted area" within the requirements 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 irregularly shaped area examined in this Eligibility Study is generally bounded by the Canadian National Railroad on the north; Cicero Avenue on the east; 45th Street on the south; and Lavergne and Laramie Avenues on the west. This area is referred to in this document as the Cicero/Stevenson Tax Increment Financing Study Area (the "Study Area"). The boundaries of the Study Area are shown on a map entitled Figure A. Study Area Boundary.

The findings and conclusions presented in this report are based on surveys, documentation, and analyses conducted by Ernest R. Sawyer Enterprises, Inc. ("ERS" or the "Consultant") for the Study Area. This report summarizes the analyses and findings of the Consultant's work, which is the responsibility of the Consultant. The Consultant has prepared this report with the understanding that the City would rely 1) on the findings and conclusions of this report in proceeding with the designation of the Study Area as a redevelopment project area under the Act, and 2) on the fact that the Consultant has obtained the necessary information to conclude that the Study Area can be designated as a redevelopment project area in compliance with the Act.

The determination of whether the Study Area qualifies for designation as redevelopment project area based on findings of the area as a conservation area, or a blighted area, or a combination of both, pursuant to the Act is made by the City of Chicago after careful review and consideration of the conclusions contained in this Eligibility Study.

Tax Increment Financing and Vacant Area Eligibility Criteria

The Tax Increment Allocation Redevelopment Act (the "Act") permits municipalities to induce redevelopment of

eligible "blighted," "conservation" or "industrial park conservation areas" in accordance with an adopted redevelopment plan. The Act stipulates specific procedures, which must be adhered to, in designating a redevelopment project area. One of those procedures is the determination that the area meets the statutory eligibility requirements. Under 65 ILCS 5/11-74.4-3(p), the Act defines a "redevelopment project area" as:

"... an area designated by the municipality, which is not less in the aggregate than 1-1/2 acres, and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area, conservation area or industrial park conservation area, or combination of both blighted and conservation areas."

C-1

In adopting the Act, the Illinois State Legislature found that:

The legislative findings were made on the basis that the presence of blight, or conditions that lead to blight, is detrimental to the safety, health, welfare, and morals of the public. The Act specifies certain requirements, which must be met before a municipality may proceed with implementing a redevelopment project, in order to ensure that the exercise of these powers is proper and in the public interest.

Before the tax increment financing ("TIF") technique can be used, the municipality must first determine that the proposed redevelopment area qualifies for designation as a "blighted area," "conservation area," or "industrial park conservation area." Based on the conditions present, this Eligibility Study (the "Study") finds that the Study Area qualifies for designation as a blighted area.

As set forth in the Act, a blighted area is:

"any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where:

Vacant Blighted Area Option A Factors

(1) If vacant, the sound growth of the redevelopment project area is impaired by a combination of two (2) or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

- a. Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements or platting that failed to create rights-of-way for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easement for public utilities.*
- b. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.*

C-2

- c. *Tax and special assessment delinquencies exist, or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.*
- d. *Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.*
- e. *The area has incurred Illinois Environmental Protection Agency or United State Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.*
- f. *The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.*

Vacant Blighted Area Option B Factors

- (2) *If vacant, the sound growth of the redevelopment project area is impaired by any one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:*
- a. *The area consists of one or more unused quarries, mines, or strip mine ponds.*
 - b. *The area consists of unused rail yards, rail tracks, or railroad rights-of-way.*
 - c. *The area, prior to its designation, is subject to chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency.*

C-3

- d. *The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.*
- e. *Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within five (5) years prior to the*

designation of the redevelopment project area), and the area meets at least one (1) of the factors itemized in paragraph (1) of this subsection, 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.

- f. *The area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area."*

Improved Area Eligibility Criteria

Under Section 11-74.4-3 of the Act, an improved area qualifies as a blighted area if industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following 13 factors, each of which is (i) present, with that presence documented, to a meaningful extent so that the City may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the Project Area:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light, or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities
10. Deleterious land use or layout
11. Environmental remediation costs have been incurred or are required
12. Lack of community planning
13. Declining or lagging rate of growth of total equalized assessed valuation

As long as a factor is present to a meaningful extent and reasonably distributed throughout the improved part of the Project Area, it is not required that the factor apply to every parcel within the Project Area.

C-4

ELIGIBILITY STUDIES AND ANALYSIS

An analysis was undertaken to determine whether any or all of the blighting factors listed in the Act are present in the Study Area, and if so, to what extent and in which locations.

In order to accomplish this evaluation, the following tasks were undertaken:

1. Field survey of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, and fences.
2. Analysis of existing land uses and their relationships to the surroundings.
3. Analysis of the current platting and current parcel size and layout.

4. Analysis of real estate assessment and ownership data.
5. Review of previously prepared plans, studies and data;
6. Review of HUD/CHA Demolition Authorization Reports.
7. Review of CHA documentation of environmental remediation costs.

The site conditions survey of the Study Area was undertaken in December 2020 and again in November 2021 to identify the presence of eligibility factors.

The Study Area consists of the LeClaire-Hearst Park and vacant land. The existing land uses are shown in Figure B: Existing Land Use.

C-5

3. PRESENCE AND DISTRIBUTION OF ELIGIBILITY FACTORS

The Act establishes different eligibility factors for improved property versus vacant land. Property within the Study Area consists exclusively of vacant land.

Improved property includes parcels that contain buildings, structures, parking areas or other physical improvements. Improved property may include single parcels or multiple parcels under single or common ownership. Landscaped yards, open space or other ancillary functions may also be classified as improved property for the purposes of the eligibility analysis if they are obviously accessory to an adjacent building (primary use).

For vacant land, either two Vacant Blighted Area Option A Factors or one Vacant Blighted Area Option B Factor must be meaningfully present and reasonably distributed with respect to the vacant land.

Summary of Study Area Eligibility

This eligibility study finds that the Study Area qualifies for designation as a vacant blighted area under two of the criteria contained in the Act. The Study Area qualifies as a vacant blighted area due to the meaningful presence and reasonable distribution of two of the qualifying Vacant Blighted Area Option A Factors and one of the Vacant Blighted Area Option B Factors.

The following Vacant Blighted Area Option A Factors were found to be meaningfully present and reasonably distributed within the Study Area:

- Obsolete platting; and
- The area has incurred Illinois Environmental Protection Agency remediation costs for the cleanup of hazardous wastes, hazardous substances, and the remediation costs constitute a material impediment to the redevelopment of the redevelopment project area.

The following Vacant Blighted Area Option B Factor was found to be meaningfully present and reasonably distributed within the Study Area:

- The Study Area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

These factors were all found to be meaningfully present and reasonably distributed throughout the Study Area, as indicated in Figure C: Distribution of Blighting Factors.

C-6

Eligibility Criteria Analysis

The Study Area consists of two subareas—the 8 tax parcels of LeClaire-Hearst Park and the 11 tax parcels of the vacant area, which is the area where the former LeClaire Courts CHA development was sited prior to its demolition ("Vacant Area"). The park is included in the Study Area as this public resource will benefit from inclusion in the redevelopment project area.

Vacant Area Eligibility Analysis Vacant Blighted Area Option

A Factors

The vacant portion of the Project Area must exhibit a combination of 2 or more of the 6 Vacant Area Option A factors listed below for qualification as a blighted area under the criteria set forth in the Act.

- a. Obsolete platting of vacant land that results in parcels of limited or narrow size or*

configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements or platting that failed to create rights-of-way for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easement for public utilities.

Obsolete platting is found throughout the 11 parcels of the vacant area. Most of the parcels are of irregular shapes and are configured in a way that would be difficult to develop on a planned basis in a manner compatible with current development standards. One parcel (PIN 19-04-200-015-0000) has no access to any road or street right of way. Six other parcels are split by a street in a way that would be difficult or impossible to develop without subdivision and reconfiguration of adjacent parcels. In the area south of 44th Street, the existing street called LaPorte Avenue lies within a tax parcel (PIN 19-04-413-037-0000) and there is no right-of-way provided in the platting. In addition, the curvilinear roads north of 44th Street are laid out in a way that does not easily allow for a comprehensive mixed-use redevelopment of the area. Any redevelopment of the area will require removal and reconfiguring of most of the existing streets north of 44th Street.

Finding: Obsolete platting of vacant land is meaningfully present and reasonably distributed through the Vacant Area.

C-7

- b. *Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.*

Finding: Diversity of Ownership is not present in the Vacant Area.

- c. *Tax and special assessment delinquencies exist, or the property has been the subject of tax sales under the Property Tax Code within the last five (5) years.*

All parcels in the Study Area are tax-exempt so this factor does not apply.

Finding: Tax and special assessment delinquencies is not present in the Vacant Area.

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

Some of the large vacant properties east of Cicero exhibit deteriorated site conditions. However, most of the adjacent properties to the south along 45th Street are well maintained residences, and this is also true of the large property adjacent on the east side of Cicero Avenue-Symphony at Midway.

Finding: Deterioration of Adjacent Improvements is not present to a meaningful extent in the Vacant Area.

- e. *The area has incurred Illinois Environmental Protection Agency or United State Environmental*

Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

Prior to the demolition of the LeClaire Courts CHA residential buildings, a comprehensive analysis of the buildings revealed the presence of asbestos, lead paint, and extensive mold. Therefore as part of the demolition methodology, an expensive remediation process was conducted to remove the asbestos, and then the lead and mold, strictly adhering to the requirements of the U.S. and Illinois Environmental Protection Agencies. CHA reports indicate that all of the buildings contained lead and asbestos.

C-8

The asbestos abatement was completed separately as part of the demolition and was documented in weekly reports as well as reports submitted by the environmental consultant and abatement contractor. The other hazards were removed and disposed as part of the demolition waste according to demolition regulatory requirements.

The CHA documented costs of \$1,151,858 just for the asbestos abatement, with the subsequent demolition costing an additional \$2.8 million for the LeClaire Courts Extension buildings (51 of the 106 buildings). These remediation costs constitute a material impediment to the redevelopment of the area, as such costs must be recovered by the CHA in the redevelopment as part of prudent stewardship of public funds. The need for TIF funding in order to facilitate redevelopment of the project area stems partly from the need to recover these spent costs.

Finding: Incurred Environmental Remediation Costs as a factor is meaningfully present and reasonably distributed throughout the Vacant Area.

- f. The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.*

All parcels in the Study Area are tax-exempt so this factor does not apply. Finding: Declining or Lagging EAV is not present in the Vacant Area.

C-9

Summary Finding: The Vacant Area exhibits the presence of two (2) of the six (6) Vacant Blighted Area Option A Factors listed in Section 11-74.4-3(a)(2) of the Act for qualification as a blighted vacant area. Two are required for qualification as a vacant blighted area. The factors found present are:

- Obsolete Platting
- Environmental Remediation Costs Have Been Incurred/Are Required

Each of these factors is present to a meaningful extent and is reasonably distributed throughout the vacant part of the Study Area.

C- 10

Vacant Blighted Area Option B Factors

The Vacant Area must exhibit any one of the Vacant Blighted Area Option B Factors listed below for qualification as a blighted area under the criteria set forth in the Act.

- a. The area consists of one or more unused quarries, mines, or strip mine ponds.

Finding: This factor is not present within the Vacant Area.

- b. The area consists of unused rail yards, rail tracks, or railroad rights-of-way.

Finding: This factor is not meaningfully present within the Project Area.

- c. The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

Finding: This factor is not present within the Vacant Area.

- d. The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

Finding: This factor is not present within the Vacant Area.

- e. Prior to November 1, 1999, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, 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.

Finding: This factor is not present within the Vacant Area.

- f. The area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

C-11

Finding: This factor is meaningfully present and reasonably distributed throughout the Vacant Area as documented by the information contained in CHA's demolition applications and approval by the U.S. Department of Housing and Urban Development (HUD).

ERS' analysis and findings of the presence of blighted improved area factors is discussed in detail in the next section.

Improved Area Eligibility Analysis (Prior to Becoming Vacant) Description of the

Improved Area Prior to Demolition

The LeClaire Courts public housing complex was built in two major phases from 1949 through 1954. The first phase, called "LeClaire Courts", consisted of 55 buildings and 316 units and the second phase-called "LeClaire Courts Extension"-added another 51 buildings and 300 units. Most of the residential units were two-story rowhouses and there were also several non-dwelling buildings including a gymnasium, community center and maintenance office. In total, prior to the demolition, the Study Area consisted of a total of 106 buildings with approximately 616 units.

In the year 2009, after several decades of insufficient funding for property maintenance and repairs, the vast majority of the residential units were vacant, severely deteriorated to the point where full renovation was extremely costly, and most units were unsuitable for habitation. These conditions were documented via retrieval of hundreds of pages of historical property reports and summarized in descriptions of property conditions in required applications for federal approval of the demolition.

The following is an excerpt from a U.S.HUD letter to the CHA, dated July 28, 2010, approving the CHA's request for permission to demolish the entire LeClaire Courts Extension (51 buildings), in a section explaining the "Reason for Action (Justification)". The excerpt summarizes the existing conditions and provides the necessary documentation for various Improved Area eligibility factors.

Excerpt from July 28, 2010 U.S. Housing and Urban Development letter of approval of demolition of LeClaire Courts Extension ("7/28/2010 HUD Demolition Approval Letter")

"The CHA proposed the demolition based on 24 CFR 970.15, which requires the PHA to certify that the project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes and no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life."

"The CHA conducted an assessment of the development because of the physical condition of the buildings and the low occupancy levels. From the assessment, it was determined that the amount of repairs needed to return the buildings to current

C - 12

Chicago and CHA standards was economically infeasible. The rehabilitation would entail major upgrades and/or replacement of the mechanical, plumbing and electrical systems. Doors and windows,

kitchen and bathroom components and all fixtures must be replaced. In addition extensive interior remediation and reconstruction would be required due to lead, asbestos, mold contamination and deteriorating interior walls and supports."

The Total Development Cost (TDC) limit for the units proposed for demolition is calculated below. The Department used the TDC applicable at the time of submission of this demolition application."

"The CHA provided the cost estimate for rehabilitation based on the existing condition of the buildings. The rehabilitation cost estimate for the 49 dwelling buildings is \$72,664,551, which is 96.1 of TDC. The rehabilitation costs estimate of the 2 non-dwelling buildings is \$4,021,251, which is 136.4 percent of TDC. The total rehabilitation cost estimate is \$76,685,802, which is 97.6 percent of TDC.

We concur with the CHA's determination that the dwelling buildings are functionally obsolete due to out-dated kitchens and bathrooms. The non-dwelling buildings are functionally obsolete due to the mixed use of maintenance and gymnasium space and inadequate community space for a development of 291 family units. The rehabilitation cost for the dwelling and non-dwelling buildings exceed the current HUD standard of 57.14 percent of TDC to cure the physical deterioration of the buildings and no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life."

Another section of the same July 28, 2010 HUD letter discusses the vacancy and relocation of residents:

"Relocation"

"When the application was developed and transmitted to the Department, all units proposed for demolition were vacant. The LeClaire Courts Extension development became 100 percent vacant on September 19, 2009. The buildings were closed due to the expiration of the of the Section 8 Housing Assistance Program (HAP) contract which ended September 30, 2009. The remaining 161 residents were given the option of relocating to other public housing units or using Housing Choice Vouchers which was consistent with the CHA's relocation guidelines."

The original 55 buildings of LeClaire Courts were operating under a different program than LeClaire Courts Extension buildings at that time and were -not required to obtain approval from HUD for their demolition. CHA officials indicate that, prior to the demolition, all of the LeClaire Courts buildings were in very similar condition and vacancy as the LeClaire Courts Extension buildings, and thus the conditions were consistently present throughout the 106 building complex.

C- 13

The following is the summary evaluation of the improved area eligibility factors that existed in the Study Area prior to demolition of the LeClaire Courts housing development, presented in the order in which they appear in the Act.

Dilapidation

Section 11-74.4-3(a)(1)(A) of the Act: "Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a

documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed."

Analysis: Prior to the demolition of the LeClaire Courts complex, virtually all of the structures had deteriorated to the extent that significant major repairs and renovations were necessary. After detailed physical inspections and financial analysis of the multiple building defects and deficiencies, the CHA came to the conclusion that the cost of fully repairing and renovation the structures would be infeasible and more costly and inefficient than building new and improved residential structures built to modern building codes.

As stated in the 7/28/2010 HUD Demolition Approval Letter, "The rehabilitation would entail major upgrades and/or replacement of the mechanical, plumbing and electrical systems. Doors and windows, kitchen and bathroom components and all fixtures must be replaced. In addition extensive interior remediation and reconstruction would be required due to lead, asbestos, mold contamination and deteriorating interior walls and supports."

Finding: Dilapidation as a factor was meaningfully present and reasonably distributed throughout the Study Area immediately prior to becoming vacant.

Obsolescence

Section 11-74.4-3(a)(1)(B) of the Act: "Obsolescence. The condition or process of falling into disuse. Structures have become ill suited for the original use."

Analysis: Prior to the demolition of the LeClaire Courts complex, the vast majority of the structures and their residential units had deteriorated extensively and become vacant and unused. Over 70 percent of the units were vacant prior to the final relocation of the remaining residents from the limited number of still-functioning units. The vacant and severely deteriorated residential units core functioning systems had become outdated.

As stated in another section of the 7/28/2010 HUD Demolition Approval Letter, "with the CHA's determination that the dwelling buildings are functionally obsolete due to out-dated kitchens and bathrooms. The non-dwelling buildings are functionally obsolete due to the mixed use of maintenance and gymnasium space and inadequate community space for a development of 291 family units."

C- 14

Finding: Obsolescence as a factor was meaningfully present and reasonably distributed throughout the Study Area immediately prior to becoming vacant.

Deterioration

Section 11-74.4-3(a)(1)(C) of the Act: "Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces."

Analysis: As stated in the 7/28/2010 HUD Demolition Approval Letter, "The rehabilitation would entail

major upgrades and/or replacement of the mechanical, plumbing and electrical systems. Doors and windows, kitchen and bathroom components and all fixtures must be replaced. In addition extensive interior remediation and reconstruction would be required due to lead, asbestos, mold contamination and deteriorating interior walls and supports."

Finding: Deterioration as a factor was meaningfully present and reasonably distributed throughout the Study Area immediately prior to becoming vacant.

Presence of Structures Below Minimum Code Standards

Section 11-74.4-3(a)(1)(D) of the Act: "Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes."

Analysis: According to the documents provided by the CHA, prior to the demolition, most of the 106 buildings exhibited conditions that were not up to present standards of local, state, and federal building and fire codes. Most importantly, the majority of the units' mechanical, plumbing and electrical systems were damaged and below Chicago building codes (that were in effect at the time).

As stated in the 7/28/2010 HUD Demolition Approval Letter, "...rehabilitation would entail major upgrades and/or replacement of the mechanical, plumbing and electrical systems. Doors and windows, kitchen and bathroom components and all fixtures must be replaced. In addition extensive interior remediation and reconstruction would be required due to lead, asbestos, mold contamination and deteriorating interior walls and supports."

Finding: The presence of structures below minimum code standards, as a factor, was meaningfully present and reasonably distributed throughout the Study Area, immediately prior to becoming vacant.

C- 15

Illegal Use of Individual Structures

Section 11-74.4-3(a)(1)(E) of the Act: "Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards."

Analysis: CHA officials discussed and reported numerous incidents of illegal activities taking place in the vacant units, including vandalism, gang activity, and other more serious crimes. However, this illegal activity was not sufficiently documented to demonstrate that such activity was widespread throughout the complex.

Finding: Illegal use of individual structures, as a factor, was meaningfully present but was not documented as reasonably distributed throughout the Project Area, and thus is not a supporting factor for eligibility.

Excessive Vacancies

Section 11-74.4-3(a)(1)(F) of the Act: "Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies."

Analysis: In order to demolish the entire complex, 100 percent of the units had to be vacated. However, even prior to the final decision to demolish the complex and vacate the remaining residents and units, most of the buildings were already largely vacant.

As stated in the 7/28/2010 HUD Demolition Approval Letter, in the section entitled Relocation, "When the application was developed and transmitted to the Department, all units proposed for demolition were vacant. The LeClaire Courts Extension development became 100 percent vacant on September 19, 2009. The buildings were closed due to the expiration of the of the Section 8 Housing Assistance Program (HAP) contract which ended September 30, 2009. The remaining 161 residents were given the option of relocating to other public housing units or using Housing Choice Vouchers which was consistent with the CHA's relocation guidelines."

Average occupancy per unit was well over 2 persons, so no more than 80 of the 291 units of the LeClaire Courts Extension were still occupied (72 percent vacant) prior to the final relocation of residents. Vacancy in the LeClaire Courts buildings was similar at that time. Any vacancy in a building over 20 percent is considered a detrimental vacancy level, and when many concentrated buildings have similar high vacancy levels, there is a strong adverse effect on the immediate and surrounding property.

C-16

Finding: Excessive vacancies, as a factor, was meaningfully present and reasonably distributed throughout the Study Area immediately prior to becoming vacant.

Lack of Ventilation, Light, or Sanitary Facilities

Section 11-74.4-3(a)(1)(G) of the Act: "Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building."

Analysis: No condition pertaining to a lack of ventilation, light, or sanitary facilities has been documented in the review of the CHA documentation of site and building conditions prior the demolition of the structures.

Finding: Lack of Ventilation, Light, or Sanitary Facilities, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

Inadequate Utilities

Section 11-74.4-3(a)(1)(H) of the Act: "Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in

the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area."

Analysis: No condition pertaining to inadequate utilities has been documented in the review of the CHA documentation of site and building conditions prior to demolition of the structures.

Finding: Inadequate utilities, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

Excessive Land Coverage & Overcrowding of Structures & Community Facilities

Section 11-74.4-3(a)(1)(I) of the Act: "Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions

C- 17

warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service."

Analysis: No condition pertaining to "excessive land coverage and overcrowding of structures and community facilities" has been documented in the review of the CHA documentation of site and building conditions prior to the demolition of the structures.

Finding: Excessive land coverage and overcrowding of structures and community facilities, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

Deleterious Land Use or Layout

Section 11-74.4-3(a)(1)(J) of the Act: "Deleterious land-use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area."

Analysis: No condition pertaining to deleterious land use or layout has been documented in the review of the CHA documentation of site and building conditions prior to the demolition of the structures.

Finding: Deleterious land use or layout, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

Environmental Clean-Up

Section 11-74.4-3(a)(1)(K) of the Act: Environmental clean-up. The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in

environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area."

Analysis: Prior to the demolition of the LeClaire Courts CHA residential buildings, a comprehensive analysis of the buildings revealed the presence of asbestos, lead paint, and extensive mold. Therefore as part of the demolition

C- 18

methodology, an expensive remediation process was conducted to remove the asbestos, and then the lead and mold, strictly adhering to the requirements of the U.S. and Illinois Environmental Protection Agencies. CHA reports indicate that all of the buildings contained lead and asbestos.

The asbestos abatement was completed separately as part of the demolition and was documented in weekly reports as well as reports submitted by the environmental consultant and abatement contractor. The other hazards were removed and disposed as part of the demolition waste according to demolition regulatory requirements.

The CHA documented costs of \$1,151,858 just for the asbestos abatement, with the subsequent demolition and disposal of all materials costing an additional \$2.8 million for the LeClaire Courts Extension buildings (51 of the 106 buildings). These remediation costs constitute a material impediment to the redevelopment of the area, as such costs must be recovered by the CHA in the redevelopment as part of prudent stewardship of public funds. The need for TIF funding in order to facilitate redevelopment of the project area stems partly from the need to recover these spent costs.

Finding: Environmental clean-up, as a factor, was meaningfully present and reasonably distributed throughout the Study Area immediately prior to becoming vacant.

Lack of Community Planning

Section 11-74.4-3(a)(1)(L) of the Act: "Lack of community planning. The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning."

Analysis: No condition pertaining to lack of community planning has been documented in the review of the CHA documentation of site and building conditions prior to the demolition of the structures.

Finding: Lack of community planning, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

C- 19

Declining or Lagging Equalized Assessed Valuation

Section 11-74.4-3(a)(1)(M) of the Act: "The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated."

Analysis: All of the Study Area parcels have been tax-exempt for many years, , including prior to the area becoming vacant, so this factor does not apply to the Study Area.

Finding: Declining or lagging equalized assessed valuation, as a factor, was not documented as present in the Study Area and thus is not a supporting factor for eligibility.

Lack of Substantial Private Investment in the Surrounding Area

The above detailed discussion has demonstrated that six of the improved area eligibility factors existed in the Study Area immediately prior to becoming vacant. This vacant area qualifying factor also requires that there has not been substantial private investment in the immediately surrounding area.

With the sole exception of the Symphony at Midway Rehabilitation Center at the northeast corner of Cicero and 45th Street, there is very little evidence of any substantial investment in the adjacent properties surrounding the Study Area. The older residential properties to the south, west and east of the Study Area are reasonably well-maintained, but there has been little or no new construction in the area in at least ten years.

Summary of Improved Area Eligibility Prior to Becoming Vacant

Based on ERS' analysis of the documents provided by the CHA, the Study Area was found to be impaired by the following six (6) Blighted Improved Area factors as set forth in Section 11.74.4-3(a)(1) of the Act:

- Dilapidation;
- Obsolescence;
- Deterioration;
- Presence of structures below minimum code standards;
- Excessive vacancies;
- Environmental clean-up costs were necessary and were incurred.

Each of these six factors was meaningfully present and reasonably distributed throughout the Study Area. Therefore the Study Area qualified as a blighted improved area immediately prior to becoming vacant.

C-20

DETERMINATION OF STUDY AREA ELIGIBILITY

The Study Area meets the requirements of the Act for designation as a blighted vacant area.

This eligibility study finds that the Study Area qualifies for designation as a vacant blighted area under two of the criteria contained in the Act. The Study Area qualifies as a vacant blighted area due to the meaningful presence and reasonable distribution of two of the qualifying Vacant Blighted Area Option A Factors and one of the Vacant Blighted Area Option B Factors.

These factors were all found to be meaningfully present and reasonably distributed throughout the Study Area, as indicated in Figure C: Distribution of Blighting Factors.

Blighted Vacant Area

The Vacant Area qualifies as a blighted vacant area described in Section 11-74.4.3(a)(2) of the Act since the sound growth of the Study Area is impaired by the presence of the following two Vacant Blighted Area Option A Factors, and one Vacant Blighted Area Option B Factor, all of which are (i) present, with that presence documented, to a meaningful extent so that the City may reasonably find that the factors are clearly present within the intent of the Act and (ii) reasonably distributed throughout the Study Area:

Vacant Blighted Area Option A Factors:

- Obsolete platting; and
- The area has incurred Illinois Environmental Protection Agency remediation costs for the cleanup of hazardous wastes, hazardous substances, and the remediation costs constitute a material impediment to the redevelopment of the redevelopment project area.

Vacant Blighted Area Option B Factor:

- The Study Area qualified as a blighted improved area immediately prior to becoming vacant unless there has been substantial private investment in the immediately surrounding area.

The Study Area so qualified due to the meaningful presence and reasonable distribution of the following six improved area factors, prior to becoming vacant:

- Dilapidation;
- Obsolescence;
- Deterioration;
- Presence of structures below minimum code standards;
- Excessive vacancies; and
- Environmental clean-up costs were necessary and were incurred.

C-21

A summary of the blighted vacant area factors within the Study Area is documented on a block-by-block basis in Table A: Distribution of Blighted Vacant Area Factors.

The summary of blighted improved area factors that were present in the Study Area immediately prior to becoming vacant is documented on a block-by-block basis in Table B: Distribution of (formerly) Blighted Improved Area Factors.

TABLE A: Distribution of Blighted Vacant Area Factors

Vacant Area Option A Factors Vacant Area Option B Factors

o a

Vacant Block

19-04-200 19-04-201

19-04-202 19-04-400

19-04-401 * 19-04-402 * 19-04-403 *

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19-04-404

19-04-405

19-04-406 19-04-407 19-04-409 *

19-04-410 *

19-04-412

19-04-413

19-04-414

19-04-415

These blocks are all within the LeClaire-Hearst Public Park

Factor is present to major extent

C - 22

In addition, a map of the distribution of blighted-before-vacant factors within the Study Area is illustrated in Figure C: Distribution of Blighted Improved Area Factors.

TABLE B: Distribution of (formerly) Blighted Improved Area Factors

Block Number	Dilapidation Excessive Vacancies Community Planning	Obsolescence Lack of Vent./ Light Environmental	Deterioration Inadequate Utilities Clean-up	Illegal Use of Individual Structures	Structures below mm. code Land Use/Layout Declining or Lagging
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19-04-200 1.
-04-400 * 1.
19-04-403 *
19-04-406 1
19-04-410 *
19-04-414 1
* The
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The eligibility findings presented in this report indicate that the Study 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 Study Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan.

C-23



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Figure B. Existing Land Use Cicero/Stevenson TIF

Prepared By: ERS Enterprises, Inc. (May 2021)

Project Area Boundary | 1 Vacant Parcels (m Public Park-Open Space (^2) Block Numbers

Figure C. Distribution of Blighted Improved Boundary

Area FaCtOrS (Prior to Demolition)
Cicero/Stevenson TIF

A
//\

Project Area

Six Factors Meaningfully Present
 Public Park-open space

Prepared By: ERS Enterprises, Inc. (May 2021)

(^) Block Numbers

APPENDIX D LIST OF PROJECT AREA PINS

	Project Area PINs	2020 EAV
1	19-04-200-015-0000	0
2	19-04-201-016-0000	0
3	19-04-202-025-0000	0
4	19-04-400-007-0000	0
5	19-04-401-016-0000	0
6	19-04-402-025-0000	0
7 8	19-04-403-034-0000 0000	19-04-0 0
9	19-04-405-037-0000	0
10	19-04-406-037-0000	0

11	19-04-407-040-0000	0
12	19-04-409-041-0000	0
13 14	19-04-409-042-0000	0
	19-04-410-039-0000	0
15	19-04-410-040-0000	0
16	19-04-412-037-0000	0
17	19-04-413-037-0000	0 0
18 19	19-04-414-037-0000	
	19-04-415-041-0000	0

EXHIBIT B

CDC RESOLUTION RECOMMENDING TO CITY COUNCIL APPROVAL OF A REDEVELOPMENT PLAN, DESIGNATION OF A REDEVELOPMENT PROJECT AREA AND ADOPTION OF TAX INCREMENT ALLOCATION FINANCING

(Attached)

STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

CERTIFICATE

I, Robert McKenna, the duly authorized and qualified Assistant Secretary of the Community Development Commission of the City of Chicago, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the Community Development Commission of the City of Chicago at a Regular Meeting held on the 5th Day of April, 2022 with the original resolution adopted at said meeting, and noted in the minutes of the Commission, and do hereby certify that said copy is a true, correct, and complete transcript of said Resolution.

ASSISTANT SECRETARY Robert McKenna

Dated this Sth Day of April, 2022

22-CDC-10

TIF Area Designation: CDC Formib-«comm11190+

**COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF
CHICAGO**

RESOLUTION 22 -CDC-10

**RECOMMENDING TO THE CITY COUNCIL OF THE CITY OF
CHICAGO FOR THE PROPOSED CICERO / STEVENSON
REDEVELOPMENT PROJECT AREA:**

**APPROVAL OF THE REDEVELOPMENT PLAN, DESIGNATION AS A
REDEVELOPMENT PROJECT AREA AND ADOPTION OF TAX INCREMENT
ALLOCATION FINANCING**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council ("City Council," referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers set forth in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

WHEREAS, staff of the City's Department of Planning and Development has conducted or caused to be conducted certain investigations, studies and surveys of the Cicero /Stevenson area, the street boundaries of which are described on Exhibit A hereto (the "Area"), to determine the eligibility of the Area as a redevelopment project area as defined in the Act (a "Redevelopment Project Area") and for tax increment allocation financing pursuant to the Act ("Tax Increment Allocation Financing"), and previously has presented the following documents to the Commission for its review:

Cicero/Stevenson Tax Increment Financing Eligibility Study (the "Report"); and Cicero/Stevenson Tax Increment Financing Redevelopment Project Area and Plan (the

"Plan"); and

TIF Arsa Designation: COC Form2b-recomm11904

WHEREAS, notice of the Hearing was given by mail to taxpayers by depositing such notice in the United States mail by certified mail addressed to the persons in whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the Area, on March 15, 2022, being a date not less than 10 days prior to the date set for the Hearing; and where taxes for the last preceding year were not paid, notice was also mailed to the persons last listed on the tax rolls as the owners of such property within the preceding three years; and

WHEREAS, notice of the Hearing was given by mail to the Illinois Department of Commerce and Economic Opportunity ("DCEO") and members of the Board (including notice of the convening of the Board), by depositing such notice in the United States mail by certified mail addressed to DCEO and all Board members, on February 9, 2022, being a date not less than 45 days prior to the date set for the Hearing; and

WHEREAS, notice of the Hearing and copies of the Report and Plan were sent by mail to taxing districts having taxable property in the Area, by depositing such notice and documents in the United States mail by certified mail addressed to all taxing districts having taxable property within the Area, on February 9, 2022, being a date not less than 45 days prior to the date set for the Hearing; and

WHEREAS, the Hearing was held on April 5, 2022 at 1:00 p.m. at City Hall, 121 North LaSalle Street, Chicago, Illinois, or via Zoom as the official public hearing, and testimony was heard from all interested persons or representatives of any affected taxing district present at the Hearing and wishing to testify, concerning the Commission's recommendation to City Council regarding approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; and

WHEREAS, the Board meeting was convened on March 3, 2022 at 10:00 A.M. (being a date at least 14 days but not more than 28 days after the date of the mailing of the notice to the taxing districts on February 9, 2022, via Zoom, to review the matters properly coming before the Board to allow it to provide its advisory recommendation regarding the approval of the Plan, designation of the Area as a Redevelopment Project Area, adoption of Tax Increment Allocation Financing within the Area and other matters, if any, properly before it, all in accordance with Section 5/11-74.4-5(b) of the Act; and

WHEREAS, the Commission has reviewed the Report and Plan, considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other matters or studies as the Commission deemed necessary or appropriate in making the findings set forth herein and formulating its decision whether to recommend to City Council approval of the Plan, designation of the Area as a Redevelopment Project Area and adoption of Tax Increment Allocation Financing within the Area; now, therefore,

TIF Area Designation: CDC Fom)2fe-recomm11904

(i) The Area is not less, in the aggregate, than one and one-half acres in size; and

(ii) Conditions exist in the Area that cause the Area to qualify for designation as a redevelopment project area and a vacant blighted area as defined in the Act;

h. If the Area is qualified as a "blighted area", whether improved or vacant, each of the factors necessary to qualify the Area as a Redevelopment Project Area on that basis is (i) present, with that presence documented to a meaningful extent so that it may be reasonably found that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part or vacant part, as applicable, of the Area as required pursuant to Section 5/11-74.4-3(a) of the Act;

i. If the Area is qualified as a "conservation area", the combination of the factors necessary to qualify the Area as a redevelopment project area on that basis is detrimental to the public health, safety, morals or welfare, and the Area may become a blighted area; [and]

Section 3. The Commission recommends that the City Council approve the Plan pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area as a Redevelopment Project Area pursuant to Section 5/11 -74.4-4 of the Act.

Section 5. The Commission recommends that the City Council adopt Tax Increment Allocation Financing within the Area.

Section 6. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

List of Attachments:

5

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

Exhibit A: Street Boundary Description of the Area

EXHIBIT A

Street Boundary Description of the Cicero /Stevenson Tax
Increment Financing Redevelopment Project Area

The Area is generally bounded by the Stevenson Expressway on the north, south Cicero Avenue on the east, west 44th and 45th Streets on the south, and south Lavergne and south Laramie Avenues on the west.

EXHIBIT C

LEGAL DESCRIPTION OF THE AREA

(Attached)

LAND DESCRIPTION OF THE LECLAIRE SITE TIF DISTRICT:

A TRACT OF LAND IN THE EAST HALF OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WEST LINE OF S. CICERO AVENUE AND THE SOUTH LINE OF W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF BLOCK 5 IN FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE EAST CROSSING SAID S. CICERO AVENUE TO THE INTERSECTION OF THE EAST LINE OF SAID S. CICERO AVENUE, AS WIDENED AND THE SOUTH LINE OF SAID W. 44TH STREET; THENCE SOUTH ON SAID EAST LINE OF S. CICERO AVENUE, AS WIDENED TO THE INTERSECTION WITH THE NORTH LINE OF W. 45TH STREET; THENCE WEST CROSSING SAID S. CICERO AVENUE TO THE INTERSECTION WITH THE WEST LINE OF SAID S. CICERO AVENUE AND THE SAID NORTH LINE OF W. 45TH STREET, BEING ALSO THE SOUTHEAST CORNER OF SAID BLOCK 5 IN FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE CONTINUING WEST ON THE NORTH LINE OF SAID W. 45TH STREET TO THE INTERSECTION WITH THE NORTHERLY PROJECTION OF THE WEST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 20 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE SOUTH ON SAID NORTHERLY PROJECTION CROSSING SAID W. 45TH STREET TO THE INTERSECTION WITH THE SOUTH LINE OF SAID W. 45TH STREET, BEING ALSO THE NORTHEAST CORNER OF LOT 40 IN SAID BLOCK 20; THENCE WEST ON SAID SOUTH LINE OF W. 45TH STREET CROSSING S. LA CROSSE AVENUE, S. LAMON AVENUE, S. LAPORTE AVENUE, AND S. LAVERGNE AVENUE TO THE INTERSECTION WITH THE WEST LINE OF SAID S. LAVERGNE AVENUE, BEING ALSO THE NORTHEAST CORNER OF BLOCK 16 IN SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE NORTH CROSSING SAID W. 45TH STREET TO THE INTERSECTION WITH THE NORTH LINE OF SAID W. 45TH STREET, BEING THE SOUTHEAST CORNER OF BLOCK 9 IN SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE CONTINUING NORTH ON SAID WEST LINE OF S. LAVERGNE AVENUE TO THE INTERSECTION WITH THE SOUTH LINE OF SAID W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF SAID BLOCK 9; THENCE WEST ON THE SOUTH LINE OF SAID W. 44TH STREET TO THE INTERSECTION WITH THE EAST LINE OF S. LAWLER AVENUE, BEING ALSO THE NORTHWEST CORNER OF SAID BLOCK 9; THENCE SOUTH ON SAID EAST LINE OF S. LAWLER AVENUE TO THE INTERSECTION WITH THE EASTERLY PROJECTION OF THE SOUTH LINE OF LOT 3 IN BLOCK 10 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION; THENCE WEST ON SAID EASTERLY PROJECTION CROSSING SAID S. LAWLER AVENUE AND CONTINUING ON THE SOUTH LINE OF SAID LOT 3 TO THE SOUTHWEST CORNER OF SAID LOT; THENCE CROSSING THE NORTH-SOUTH 16 FOOT ALLEY IN SAID BLOCK 10 TO THE SOUTHEAST CORNER OF LOT 34 IN SAID BLOCK 10; THENCE CONTINUING WEST ON THE SOUTH LINE OF SAID LOT 34 TO THE SOUTHWEST CORNER OF SAID LOT, BEING ALSO A POINT ON THE EAST LINE OF S. LECLAIRE AVENUE; THENCE WEST CROSSING SAID S. LACLAIRE AVENUE TO THE SOUTHEAST CORNER OF LOT 3 IN BLOCK 11 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION, BEING A POINT ON THE WEST LINE OF SAID S. LACLAIRE AVENUE; THENCE WEST ON THE SOUTH LINE OF SAID LOT 3 IN BLOCK 11 AND THE WESTERLY PROJECTION THEREOF CROSSING THE NORTH-SOUTH ALLEY IN SAID BLOCK 11 TO THE WEST LINE OF SAID NORTH-SOUTH ALLEY; THENCE SOUTH ON THE WEST LINE OF SAID NORTH-SOUTH ALLEY TO THE SOUTHEAST CORNER OF LOT 30 IN SAID BLOCK 11; THENCE WEST ON THE SOUTH LINE OF SAID LOT 30 TO THE SOUTHWEST CORNER OF SAID LOT, BEING A POINT ON THE EAST LINE OF S. LEAMINGTON AVENUE; THENCE WEST CROSSING SAID S. LEAMINGTON AVENUE TO THE SOUTHEAST CORNER OF LOT 7 IN BLOCK 12 OF SAID FREDRICK H. BARTLETT'S CENTRAL CHICAGO SUBDIVISION, BEING A POINT ON THE WEST LINE OF SAID S. LEAMINGTON AVENUE; THENCE NORTH ON THE WEST LINE OF SAID S. LEAMINGTON AVENUE TO THE INTERSECTION WITH THE SAID SOUTH LINE OF W. 44TH STREET, BEING ALSO THE NORTHEAST CORNER OF SAID BLOCK 12; THENCE WEST ON THE SOUTH LINE OF SAID W. 44TH STREET TO THE INTERSECTION WITH THE CENTERLINE OF S. LARAMIE AVENUE, BEING ALSO THE WEST LINE OF THE EAST HALF OF SAID SECTION 4; THENCE NORTH ON SAID CENTERLINE OF S. LARAMIE AVENUE AND THE WEST LINE OF SAID EAST HALF OF SECTION 4, TO THE INTERSECTION WITH THE SOUTH LINE OF THE CANADIAN NATIONAL RAILWAY (FORMERLY THE GULF, MOBILE AND OHIO RAILROAD); THENCE NORTHEAST ON THE SOUTH LINE OF SAID CANADIAN NATIONAL RAILWAY TO THE INTERSECTION WITH THE WEST LINE OF S. CICERO AVENUE, AS WIDENED; THENCE SOUTH ON SAID WEST LINE OF S. CICERO AVENUE, AS WIDENED AND THE WEST LINE OF SAID S. CICERO AVENUE CROSSING W. 43RD STREET AND SAID W. 44TH STREET TO THE POINT OF BEGINNING, SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

SAID LAND DESCRIPTION OF THE LECLAIRE SITE TIF DISTRICT TRACT CONTAINING 65 ACRES, MORE OR LESS.

EXHIBIT D

STREET LOCATION OF THE AREA

The Area is generally bounded by the Interstate 55 Stevenson Expressway and the Canadian National Railroad on the north, south Cicero Avenue on the east, west 44th and 45th Streets on the south, and south Lavergne and south Laramie Avenues on the west.

EXHIBIT E

MAP OF THE AREA

(Attached)

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H O
H I >
Z
O
33
5
Z O
33 O
46TH ST

Figure 2. Project Area Boundary

Cicero/Stevenson TIF

fZt Project Area Boundary ©Block Number

Prepared By: ERS Enterprises, Inc. (May 2021)