



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
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Legislation Details (With Text)

File #: O2013-3167
Type: Ordinance **Status:** Passed
File created: 4/10/2013 **In control:** City Council
Final action: 4/10/2013
Title: Loan agreement and associated conveyance and tax credits for North and Pulaski Elderly, LP
Sponsors: Emanuel, Rahm
Indexes: Loan & Security
Attachments: 1. O2013-3167.pdf

Date	Ver.	Action By	Action	Result
5/8/2013	1	Office of the Mayor	Signed by Mayor	
5/8/2013	1	City Council	Passed	Pass
5/6/2013	1	Committee on Finance	Recommended to Pass	Pass
4/10/2013	1	City Council	Referred	

ORDINANCE

WHEREAS, the City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low and moderate income; and

WHEREAS, the City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, the City has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families-served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing and Economic Development ("HED"); and

WHEREAS, HED has preliminarily reviewed and approved the making of a loan to North and Pulaski Elderly Limited Partnership, an Illinois limited partnership (the "Borrower") with North and Pulaski Corporation, an Illinois corporation (whose sole owner is Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC") of which Hispanic Housing Development Corporation, an Illinois not-for-profit corporation ("HHDC"), is the sole member), as the sole general partner, in an amount not to exceed \$3,500,000 (the "Loan"), to be funded from Multi-Family Program Funds pursuant to the terms and conditions set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, the City has established the Community Development Commission ("CDC") to, among other things, designate redevelopment areas, approve redevelopment plans, and recommend the sale or lease of parcels of land located in redevelopment areas, subject to the approval of the City Council of the City ("City Council"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 9, 1999, and published at pages 3704 to 3851 in the Journal of the Proceedings of the City Council of the City of Chicago (the "Journal") of such date, the City Council approved a certain redevelopment plan and project (the "Original Redevelopment Plan") for the Pulaski Corridor Redevelopment Project Area (the "Redevelopment Area") pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq. (as amended, the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 9, 1999, and published at page 3850 and pages 3852 to 3868 in the Journal of such date, the City Council designated the Redevelopment Area as a "redevelopment project area" within the requirements of the Act; and

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WHEREAS, pursuant to an ordinance (the "Adoption Ordinance") adopted by the City Council on June 9, 1999, and published at pages 3869 to 3885 in the Journal of such date, the City Council adopted tax increment financing pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) in the Redevelopment Area incurred pursuant to the Redevelopment Plan; and

WHEREAS, pursuant to an ordinance adopted by the City Council on October 3, 2012, and published at pages 33746 to 33748 in the Journal of such date, the City Council amended the Original Redevelopment Plan to permit residential uses at street level on certain parcels of property; and

WHEREAS, the City is the owner of the vacant land commonly known as 3939-59 West North Avenue, Chicago, Illinois 60651, which is located in the Redevelopment Area and legally described on Exhibit B attached hereto (the "Property"); and

WHEREAS, HHDC has submitted a proposal to the HED to purchase the Property from the City for One Dollar (\$1.00), and thereafter immediately transfer the Property to the Borrower for the redevelopment project described in Exhibit A hereto (the "Project"); and

WHEREAS, the Borrower and the LLC (collectively, the "Developer") propose to undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Developer, HHDC and the City to be financed in part by incremental taxes, if any; and

WHEREAS, by Resolution 12-CDC-39 adopted by the CDC on October 9, 2012 (the "Resolution"), the CDC authorized HED to publish notice pursuant to Section 5/11 -74.4(c) of the Act of its intention to convey the Property for \$1.00 to HHDC, to negotiate a redevelopment agreement with the Developer and HHDC for the Project, and to request alternative proposals for redevelopment of the Property; and

WHEREAS, HED published notice in the Chicago Sun-Times on October 12, 15 and 22, 2012, requested alternative proposals for the sale and redevelopment of the Property and provided reasonable opportunity for other persons to submit alternative bids or proposals; and

WHEREAS, since no other responsive proposals were received by HED for the redevelopment of the Property by the deadline indicated in the aforesaid notices, pursuant to the Resolution, the CDC has recommended that the Developer be designated as the Developer for the Project and that HED be authorized

to convey the Property to HHDC and negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer and HHDC for the Project; and

WHEREAS, by Resolution No. 12-063-21 adopted on October 18, 2012, the Chicago Plan Commission recommended the disposition of the Property for private use and development; and

WHEREAS, on January 16, 2002, the City Council enacted an ordinance published in the Journal for such date at pages 77362 through 77366, inclusive, as amended by an ordinance adopted by City Council on September 4, 2003 and published in the Journal for such

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date at pages 6475 through 6626, inclusive, which authorized the establishment of a program (as supplemented, amended and restated from time to time, the "Donation Tax Credit Program") to be implemented by HED in connection with the use of certain tax credits authorized by the Illinois General Assembly pursuant to Public Act 92-0491 (as supplemented, amended and restated from time to time) for donations made in connection with affordable housing projects; and

WHEREAS, the City's conveyance of the Property to HHDC may qualify under the Donation Tax Credit Program as an eligible donation, and may generate certain additional proceeds for the Project; and

WHEREAS, the Developer will redevelop the Property in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Developer, HHDC and the City, including but not limited to construction of the facilities, to be financed in part by incremental taxes deposited in the Pulaski Corridor Redevelopment Project Area Special Tax Allocation Fund (as defined in the Adoption Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, pursuant to the Resolution, the CDC recommended that Developer be designated as the developer for the Project and that the HED be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer and HHDC for the Project; now therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. Upon the approval and availability of the Additional Financing as shown in Exhibit A hereto, the Commissioner of HED (the "Commissioner") and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Loan. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Loan which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Loan to the Borrower.

SECTION 3. The sale of the Property to HHDC for One Dollar (\$1.00) is hereby approved. This approval is expressly conditioned upon the City entering into: (a) a redevelopment agreement in substantially the form attached hereto as Exhibit C and made a part hereof (the "Redevelopment Agreement") and (b) such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons

executing the Redevelopment Agreement.

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SECTION 4. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying, the Property to HHDC, or to a business entity of which HHDC is the sole controlling party or which is comprised of the same principal parties, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

SECTION 5. The City hereby approves the conveyance of the Property as a donation to HHDC from the City under the Donation Tax Credit Program in connection with the Project. The Authorized Officer is hereby authorized to transfer the tax credits allocated to the City under the Donation Tax Credit Program in connection with the conveyance of the Property to an entity satisfactory to the Authorized Officer on such terms and conditions as are satisfactory to the Authorized Officer (the "Transfer"). The proceeds, if any, received by the City in connection with the Transfer are hereby appropriated, and the Authorized Officer is hereby authorized to use such proceeds, to make a grant to HHDC or the Developer or to another entity affiliated with the Developer, in his or her sole discretion, for use in connection with the Project (the "Grant"). The Authorized Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Transfer and the Grant. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Grant to HHDC, the Developer, or another entity affiliated with the Developer, as applicable.

SECTION 6. Developer is hereby designated as the developer for the Project under Section 5/11-74.4-4 of the Act.

SECTION 7. The Commissioner or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement among the Developer, HHDC and the City in substantially the form attached hereto as Exhibit C and made a part hereof, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 8. To the extent that any ordinance, resolution, rule,, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph,, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. Section 2-45r110 of the Municipal Code of Chicago shall not apply to the Project or the Property.

SECTION 9. This ordinance shall be effective as of the date of its passage and
approval.

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EXHIBIT A

BORROWER: North and Pulaski Elderly Limited Partnership, an Illinois limited partnership with North and Pulaski Corporation, an Illinois corporation (whose sole owner is Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC") of which Hispanic Housing Development Corporation, an Illinois not-for-profit corporation ("HHDC"), is the sole member), as the sole general partner (the "General Partner") and others to be hereafter selected as the limited partners

PROJECT: Acquisition of vacant land and construction of a multi-story building to be located thereon at 3939-3959 West North Avenue in Chicago, Illinois (the "Property") and of approximately 71 dwelling units contained therein as one- and two-bedroom units for low- and moderate-income persons, together with one maintenance employee dwelling unit, certain common space, offices, and parking.

LOAN:

ADDITIONAL FINANCING:
Source: Amount: Term: Interest:

Security:

Amount: Term: Source: Interest:

Security:

Multi-Family Program Funds Not to exceed \$3,500,000 Not to exceed 32 years
Zero percent per annum, or another interest rate acceptable to the Authorized Officer Non-recourse loan;
second mortgage on the Property (the "City Mortgage")

Not to exceed \$11,500,000 (the "Construction Loan")

Not to exceed 36 months, or another term
acceptable to the Authorized Officer

U.S. Bank National Association, or another entity
acceptable to the Authorized Officer

A variable rate of interest not to exceed 12 percent
per annum, or another interest rate acceptable to
the Authorized Officer

A mortgage on the Property senior to the
lien of the City Mortgage, a pledge of capital
contributions and general partner interests,
and a pledge of the Borrower's, the LLC's
and HHDC's interests in the Redevelopment
Agreement, or such other security as may
be acceptable to the Authorized Officer

Low-Income Housing Tax Credit ("LIHTC")

Proceeds: Approximately \$10,100,000, all or a portion of which may be paid in on a
delayed basis, and all or a portion of which may be used to retire a portion
of the Construction Loan

Source: To be derived from the syndication of a LIHTC allocation of approximately \$1,000,000
by the City

3. Amount: Not to exceed \$4,000,000

3. Term: Not to exceed 32 years

Source: LLC, derived from Tax Increment Financing proceeds, a portion of which shall be used
to retire a portion of the Construction Loan, or another source acceptable to the
Authorized Officer

Interest: A fixed interest rate of interest not to exceed 10 percent per annum, or another interest
rate acceptable to the Authorized Officer

Security: Mortgage on the Property junior to the lien of the City Mortgage, or such other
security as may be acceptable to the Authorized Officer

4. Amount: Approximately \$543,610

4. Term: Not to exceed 32 years

Source: HHDC, derived from the proceeds of a grant from the Chicago Low-Income Housing
Trust Fund, or another source acceptable to the Authorized Officer

Interest: A fixed rate of interest not to exceed 10 percent per annum, or another interest rate

acceptable to the Authorized Officer
Security: Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

5. Amount: Approximately \$336,250
Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer
Source: HHDC or an affiliate thereof, derived from the Grant proceeds that result from the transfer of Donation Tax Credits in connection with the Project, or another source acceptable to the Authorized Officer
Interest: A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer
Security: Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

Approximately \$267,648

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Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer
Source: HHDC, derived from the proceeds of a grant from the Illinois Department of Commerce and Economic Opportunity, or another source acceptable to the Authorized Officer
Interest: A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer
Security: Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

7. Amount: Approximately \$725,000
Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer
Source: HHDC or an affiliate thereof, representing seller financing, or another source acceptable to the Authorized Officer
Interest: A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer
Security: Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

Amount: \$100
Source: General Partner

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EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY (Subject to Final Title and Survey)

Legal Description:

LOTS 3 THROUGH 11 IN BLOCK 1 IN HOSMER AND MACKEY'S SUBDIVISION OF BLOCKS 1 TO 6 AND 12 TO 16 BOTH INCLUSIVE IN SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THOSE PARTS OF EACH OF SAID LOTS 10 AND 11 DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 11; RUNNING THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 11 A DISTANCE OF 125 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 11 A DISTANCE OF 7 FEET; THENCE NORTH ALONG A STRAIGHT LINE 7 FEET EAST FROM AND PARALLEL WITH THE SAID WEST LINE OF LOT 11 A DISTANCE OF 19 FEET; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE A DISTANCE OF 112.67 FEET TO THE INTERSECTION WITH THE NORTH LINE OF SAID LOTS 10 AND 11 AFORESAID, SAID INTERSECTION BEING 46 FEET EAST OF THE NORTHWEST CORNER OF LOT 11; THENCE WEST ALONG THE NORTH LINE OF SAID LOTS 10 AND 11 A DISTANCE OF 46 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PINS:16-02-100-001, 16-02-100-002, 16-02-100-003, 16-02-100-004

Commonly Known Address: 3939-3959 West North Avenue in Chicago, Illinois

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EXHIBIT C

FORM OF REDEVELOPMENT AGREEMENT (ATTACHED)

[leave blank 3" x 5" space for recorder's office]

This agreement was prepared by and
after recording return to:
Judith A. El-Amin, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

NORTH AND PULASKI ELDERLY LIMITED PARTNERSHIP REDEVELOPMENT AGREEMENT

This North and Pulaski Elderly Limited Partnership Redevelopment Agreement (this "Agreement") is made as of this day of , 2013, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), and North and Pulaski Elderly Limited Partnership, an Illinois limited partnership (the "Partnership"), Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC" and collectively with the Partnership, the "Developer"), and Hispanic Housing Development Corporation, an Illinois not-for-profit corporation ("HHDC"). Capitalized terms not otherwise defined herein shall have the meaning given in Section 2.

RECITALS

A. City Council Authority: To induce redevelopment pursuant to provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act") the City Council of the City (the "the

City Council") adopted certain ordinances on June 9, 1999, approving a redevelopment plan (the "Original Plan") for the Pulaski Corridor TIF Redevelopment Area (the "Area"), designating the Area as a "redevelopment project area" under the Act, and adopting tax increment allocation financing for the Area (collectively, the "Original TIF Ordinances"). The Original Plan was amended by an ordinance (the "Plan Amended Ordinance") adopted by the City Council on October 2, 2012 (the "Plan Amendment" together with the Original Plan are referred to herein as the "Redevelopment Plan") (collectively, the Original TIF Ordinances with the Plan Amended Ordinance are referred to herein as the "TIF Ordinances"). The Area is legally described in Exhibit A hereto.

B. The Project: The Developer intends to undertake the redevelopment project described in Exhibit B hereto with respect to certain property located within the Area and commonly known as 3939-59 W. North Ave., Chicago, Illinois 60651 and legally described on Exhibit C-1 (the "Property"). HHDC has submitted a proposal to HED to purchase the Property from the City for One Dollar (\$1.00), and thereafter immediately transfer the Property to the Partnership for the redevelopment project described in Exhibit B hereto.

C. Redevelopment Plan: The Project will be carried out in accordance with this Agreement, the Redevelopment Plan, attached hereto as Exhibit D, as amended from time-to-time, and the Planned Development, as defined in Section 2.

D. Prior TIF Obligations: The City's TIF payment obligations in the Area have priority to this Project are: (i) Chicago/Central Park (Modern Schools-Westinghouse), (ii) Chicago Public School ADA Renovations Ph.1 McAuliffe, (iii) Small Business Improvement Fund, and (iv) TIF Works Job Training.

E. City Financing: The City agrees to use Available Incremental Taxes to reimburse the LLC for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this agreement by reference.

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

"2FM" shall mean the City's Department of Fleet and Facilities Management.

"Affiliate" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the Agreement during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not

previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Affordable Housing Covenant (Section 8.20); (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance

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certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); and (6) compliance with all other executory provisions of the RDA.

"Area TIF Fund" shall mean the special tax allocation fund created by the City in connection with the Area into which the Incremental Taxes have been and will be deposited.

"Architect's Certificate" shall mean a certificate from an architect indicating that the Project is 25% complete or 50% complete, as applicable.

"Authorized Officer" shall mean the Commissioner of HED and a designee of the Commissioner of HED.

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes now and hereafter on deposit in the Area TIF Fund after payment by the City of the Prior Obligations as defined in Paragraph D of the Recitals.

"Business Relationship" shall have the meaning set forth for such term in Section 2-156-080 of the Municipal Code of Chicago.

"Certificate" shall mean the Certificate of Completion described in Section 7.01 hereof.

"City Council" shall have the meaning set forth in the Recitals hereof.

"City Fee" shall mean the fee described in Section 4.02 hereof.

"City Funds" shall mean the funds paid to the LLC described in Section 4.03 hereof.

"Closing Date" shall mean the date of execution and delivery of this Agreement, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"Completion Date" shall mean the date the City issues its Certificate of Completion.

"Corporation Counsel" shall mean the City's Office of Corporation Counsel.

"DCEO Grant" shall mean the grant in the amount of \$[267,648] awarded by the Illinois Department of Commerce and Economic Opportunity to HHDC for the Project. HHDC shall loan the proceeds of the DCEO Grant to the Partnership, which loan shall be evidenced by a note and secured by a mortgage junior to this Agreement.

"Donation Tax Credit Agreement" shall mean that certain Tax Credit Disposition Agreement dated of even date herewith by and among the City, HHDC, the Partnership and US Bank, National Association.

"Draft NFR Letter" shall mean a draft of the NFR Letter prepared by the Illinois Environmental

Protection Agency based on TACO Tier I residential remediation objectives, as amended or supplemented from time to time.

"Energy Star Certification" shall mean a requirement of the Planned Development.

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"Environmental Laws" means any and all federal, state, local or other laws (including common law) relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., any and all regulations promulgated thereunder, and all analogous state and local counterparts or equivalents, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., and any theory of common law tort or toxic tort, including, without limitation, negligence, trespass, nuisance, strict liability or ultrahazardous activity.

"Equity" shall mean funds of the Partnership (other than funds derived from Lender Financing) in an amount not less than that set forth in Section 4.01 hereof.

"Event of Default" shall have the meaning set forth in Section 15 hereof.

"Facility" shall have the meaning set forth on Exhibit E, attached hereto.

"Final NFR Letter" shall mean a final comprehensive NFR Letter from the IEPA approving the use of the Property for the construction, development and operation of the Project in accordance with the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final NFR Letter shall state that the Property meets TACO Tier 1 remediation objectives for residential properties and the construction worker exposure route as set forth in 35 (AC Part 742, but may be conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

"General Contractor" shall mean Tropic Construction Corp., or another entity approved by HED, which shall be hired by the Developer.

"General Partner" shall mean North and Pulaski Corporation, an Illinois corporation.

"Green Roof shall mean a requirement of the Planned Development.

"Hazardous Substances" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Laws, or any pollutant, toxic vapor, or contaminant, and shall include, but not be limited to, polychlorinated biphenyls (PCBs), crude oil, any fraction thereof, or refined petroleum products such as oil, gasoline, or other petroleum-based fuels, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, any radioactive material or byproduct material, radon and mold.

"IEPA" shall mean the Illinois Environmental Protection Agency and any successor department thereto.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11 -74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the Area TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Lender Financing" shall mean funds borrowed by the Partnership from lenders, if any, and used to pay for Costs of the Project otherwise secured by the Property. The Lender Financing for the Project is summarized on Exhibit E.

"Limited Partner" shall mean U.S. Bancorp Community Development Corporation, a Minnesota corporation.

"Losses" shall mean any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

"MBE(s)" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise related to the Procurement Program or the Construction Program, as applicable.

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit F-2.

"Municipal Code" shall mean the Municipal Code of the City of Chicago.

"NFR Letter" shall mean a "No Further Remediation" letter issued by the IEPA pursuant to the SRP and, with respect to any USTs subject to Title 16 of the Illinois Environmental Protection Act, a "No Further Remediation" letter with respect to such USTs pursuant to Title 16, whichever is applicable, as amended or supplemented from time to time.

"Non-Governmental Charges" shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

"Permitted Liens" shall mean those liens and encumbrances against the Property and/or the Project set forth on Exhibit G hereto.

"Planned Development" shall mean the Planned Development No. 1205, passed by City Council on October 31, 2012 relating to the Property and Vacant Building described in Exhibit C-1 and Exhibit C-2, respectively, attached hereto.

"Prior Expenditure(s)" shall mean those prior expenditures relating to the Project set forth in Exhibit H hereto that have been incurred by the LLC prior to the Closing Date and in accordance with the Project Budget and which qualify as TIF Funded Improvements.

"Project Budget" shall mean the budget attached hereto as Exhibit F-1, showing the total cost of the Project by line item, as the same may be amended from time to time with the consent of HED.

"RACR" shall mean a Remedial Action Completion Report submitted to the IEPA in connection with a request for a Final NFR Letter.

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan, attached as Exhibit D, or otherwise referenced in the Redevelopment Plan.

"Released Claims" shall have the meaning set forth in Section 3.02(g).

"Remediation Work" shall mean all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary to obtain a Final NFR Letter for the Property, in accordance with the terms and conditions of the Draft NFR Letter for the Property, SRP Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws

"Report" shall mean the Report of Visual Survey of the Exterior Facade of the Building at 1535 North Pulaski, Chicago, IL 60651 dated December 4, 2012 prepared by GFGR, Inc., 216 South Jefferson Street, Suite 200, Chicago, Illinois 60661.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit I. to be delivered by the Developer to HED pursuant to Section 4.03 of this Agreement.

"SRP" or "Site Remediation Program" means the IEPA's Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 et seq., and the regulations promulgated thereunder.

"SRP Documents" means the Comprehensive Site Investigation/ Remediation Objectives Report/ Remedial Action Plan submitted to the IEPA in connection with a request for a Draft NFR Letter, dated November 2012, prepared by GSG Consultants, Inc., as amended or supplemented from time to time.

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project and related improvements as required by the City or lender (s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on June 9, 2022, the date that the Redevelopment Area expires

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement, as set forth on Exhibit J, as the same may be amended with HED's consent.

"Title Commitment" shall have the meaning set forth in Section 3.02(c) hereof.

"Title Company" shall mean Title Services, Inc., as agent for Commonwealth Land Title Insurance Company.

"Title Policy" shall mean a title insurance policy, issued in favor of the Partnership, in the most recently revised ALTA or equivalent form, showing the Partnership as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"UST(s)" means underground storage tank(s) whether or not subject to Title 16 of the Illinois Environmental Protection Act, including without limitation (a) any underground storage tank as defined in 415 ILCS 5/57.2, (b) any farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes, (c) any tank used for storing heating oil for consumption on the Property where stored, (d) any septic tank, (e) any tank that is excluded from the definition in 415 ILCS 5/57.2 based upon the existence of any Hazardous Substance therein, and (f) any pipes connected to items (a) through (e) above.

"Vacant Building" shall mean the building commonly known as The Pioneer Bowling and Billiards Building located at 1535-1541 North Pulaski Road that is solely owned by HHDC. The Report as defined in this Section 2, requires that HHDC make certain repairs to the Vacant Building.

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

1 The Project. The Developer will complete construction of the Project no later than December 31, 2014, or such later date as to which HED may consent.

2 Conveyance of Property. The following provisions shall govern the City's conveyance of the Property to HHDC:

(a) Purchase Price. The City hereby agrees to sell, and HHDC hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement and the Donation Tax Credit Agreement, the Property, for One Dollar (\$1.00) (the "Purchase Price"), which is to be paid to the City on or before the Closing Date in cash or by certified or cashier's check or wire transfer of immediately available funds. HHDC shall pay all escrow fees and other title insurance fees, premiums and closing costs. HHDC and Developer acknowledge and agree that (i) the appraised fair market value of the Property is approximately \$[725,000] based on an appraisal prepared in July, 2012, which is the maximum total amount of the land write-down of the Property (with such donation value of the Property to be adjusted by the amount of the environmental remediation costs for purposes of compliance with the Illinois Affordable Housing Tax Credit Act and regulations), (ii) the Purchase Price reflects a "Discounted Sale" as defined in 47 Ill. Admin. Code Section 355.306 to

the Illinois Affordable Housing Tax Credit Act, and (iii) the City has only agreed to sell the Property to HHDC for the Purchase Price because HHDC and the Developer have agreed to execute this Agreement and comply

with its terms and conditions.

b) Form of Deed. The City shall convey the Property to HHDC by quitclaim deed (the "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the deed, the following:

- i) the Redevelopment Plan;
- ii) the standard exceptions in an ALTA title insurance policy;
- iii) all general real estate taxes and any special assessments or other taxes;
- iv) all easements, encroachments, covenants and restrictions of record and not shown of record;
- v) such other title defects as may exist; and
- vi) any and all exceptions caused by the acts of HHDC, the Developer and their Affiliates and agents.

c) Title and Survey. HHDC has obtained a commitment for an owner's policy of title insurance for the Property, Commitment No. 212222, with an effective date of November 1, 2012, issued by the Title Company (the "Title Commitment"), showing the City in title to the Property. HHDC shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later-date fees), and obtaining the Title Policy. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate taxes due or unpaid prior to the Closing Date with respect to the Property or liens for such unpaid property taxes, the City shall, as applicable, request that the County void the unpaid taxes as provided in Section 21-100 of the Property Tax Code, 35 ILCS 200/21-100, or file an application for a Certificate of Error with the Cook County Assessor, or file a tax injunction suit or petition to vacate a tax sale in the Circuit Court of Cook County. If, after taking the foregoing actions and diligently pursuing same, the Property remains subject to any tax liens, or if the Property is encumbered with any other exceptions that would adversely affect the use and insurability of the Property for the development of the Project, the Developer shall have the option to do one of the following: (i) accept title to the Property subject to the exceptions; or (ii) terminate this Agreement. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to all exceptions. The Developer has obtained and shall deliver to the City three (3) copies of the Survey at the Developer's sole cost and expense.

d) The Land Closing. The conveyance of the Property shall take place on the Closing Date at the downtown offices of the Title Company or such other place as the parties may mutually agree upon in writing; provided, however, in no event shall the closing of the land sale occur unless HHDC and the Developer have satisfied all conditions precedent set forth in this Agreement, unless HED, in its sole discretion, waives such conditions. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement. The City will not provide a gap undertaking.

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e) Recording Costs. HHDC shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to HHDC.

f) "AS IS" SALE. HHDC AND THE DEVELOPER ACKNOWLEDGE THAT THEY HAVE HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND

ENVIRONMENTAL CONDITION AND RISKS OF THE PROPERTY AND ACCEPT THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE PROPERTY. HHDC AND THE DEVELOPER AGREE TO ACCEPT THE PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY OR THE SUITABILITY OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER. HHDC AND THE DEVELOPER ACKNOWLEDGE THAT THEY ARE RELYING SOLELY UPON THEIR OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. HHDC (FOR SO LONG AS IT OWNS THE PROPERTY) AND THE DEVELOPER AGREE THAT IT IS THEIR SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

g) Release and Indemnification. HHDC and the Developer (upon its acquisition of the Property), on behalf of themselves and their officers, directors, employees, successors, assigns and anyone claiming by, through or under them (collectively, "Developer Parties"), hereby release, relinquish and forever discharge the City, its officers, agents and employees, from and against any and all Losses which HHDC, the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, foreseen or unforeseen, now existing or occurring after the Closing, based upon, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (b) the structural, physical or environmental condition of the Property, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the Property or the migration of Hazardous Substances from or to other Property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any governmental or regulatory body response costs, natural resource damages or Losses arising under CERCLA, and (d) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, HHDC and the Developer shall indemnify, defend (through an attorney reasonably acceptable to the City) and hold the City and its officers, agents and employees harmless from and against any and all Losses which may be made or asserted by any third parties (including, without limitation, any of the Developer Parties) arising out of or in any way connected with, directly or indirectly, any of the Released Claims; provided, however, HHDC shall be obligated and liable hereunder only to the extent that such obligation or liability accrues during HHDC's period of ownership.

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(h) Release Runs with the Land. The covenant of release in Section 3.02(g) above shall run with the Property, and shall be binding upon all successors and assigns of the Developer with respect to the Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the Property under or through HHDC or the Developer following the date of the Deed. HHDC and the Developer acknowledge and agree that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the

City would not have agreed to convey the Property to HHDC. It is expressly agreed and understood by and between HHDC, the Developer and the City that, should any future obligation of HHDC, the Developer or any of the Developer Parties arise or be alleged to arise in connection with any environmental, soil or other condition of the Property, neither HHDC nor the Developer nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because Section 3.02(g) contains a full, complete and final release of all such claims.

(i) Survival. This Section 3.02 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

3 Scope Drawings and Plans and Specifications. The Developer has delivered the Scope Drawings and Plans and Specifications to HED for the Project and HED has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to HED as a Change Order pursuant to Section 3.05 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

4 Project Budget. The Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in the approximate amount of \$[19,388,555]. The Developer hereby certifies (a) the Partnership has the necessary Lender Financing and Equity in an amount sufficient to pay for the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer, as necessary and whenever applicable, shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.05 hereof.

5 Change Orders. All Change Orders (and documentation substantiating the need and identifying the source of funding therefor) that individually or in the aggregate (a) reduce the square footage of the Facility, (b) result in a delay of completion of the Project in excess of 120 days, (c) changes the basic use of the Project, or (d) permanently increase or decrease any line item in the Project Budget must be submitted by the Developer to HED for HED's prior written approval, which shall not be unreasonably withheld or delayed. The Developer shall not authorize or permit the performance of any work relating to any Change Order described in (a), (b), (c) or (d) above, or the furnishing of materials in connection therewith, prior to the receipt by the Developer of HED's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

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The Developer must provide HED with copies of all HED-approved Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project concurrently with the progress reports described in Section 3.08 hereof.

6 HED Approval. Any approval granted by HED of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by HED pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

7 Other Approvals. Any HED, City Department of Transportation, City Department of Buildings, or other City departmental approval under the Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to HED's approval of the Scope Drawings and Plans and Specifications) and, to the extent required, proof of the General Contractor's and each subcontractor's bonding.

8 Progress Reports and Survey Updates. After commencement of construction, the Developer shall provide HED with written monthly progress reports detailing the status of the Project, including the amount of TIF-Funded Improvements incurred and revised completion dates if necessary (with any change in completion date being considered a Change Order, requiring HED's written approval pursuant to Section 3.05). The Developer shall provide three (3) copies of an updated Survey to HED if the same is required by any lender providing Lender Financing, reflecting improvements made to the Property.

9 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by HED shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project. At the Developer's option, the inspecting architect may be the inspecting architect engaged by any lender providing Lender Financing for the Project, provided that said architect is an independent architect licensed by the State of Illinois, or an inspecting agent of HED.

3.10 Barricades. Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations.

HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.11 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

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12 Utility Connections. The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

13 Permit Fees. In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City and are of general applicability to other property within the City.

SECTION 4. FINANCING

1 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$[19,388,555], to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources as set forth on Exhibit E attached hereto.

2 Developer Funds. Equity and/or Lender Financing may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

3 City Funds.

a) Uses of City Funds. City Funds may only be used to reimburse the LLC for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit J sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be reimbursed from City Funds for each line item therein (subject to Section 4.03(b)) contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost.

b) Sources of City Funds, (i) Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds in a principal amount not to exceed Four Million Dollars (\$4,000,000) (the "City Funds") from Available Incremental Taxes to reimburse the LLC for the costs of the TIF-Funded Improvements in three payments on a pay-as-you-go basis in the amounts as follows: i) the first payment of up to \$1,000,000 will occur at 25% completion, as evidenced by an Architect's Certificate; ii) the second payment of up to \$1,000,000 will be paid at 50% completion, as evidenced by an Architect's Certificate; and (iii) the final payment of \$2,000,000 will occur upon the issuance of the Certificate of Completion.

City Funds derived from Available Incremental Taxes shall be available to pay such costs and allocated for such purposes only so long as:

- i) The amount of the Available Incremental Taxes is sufficient to pay for such costs; and
- ii) The City has been paid the City Fee described in Section 4.06 below.

(c) The City hereby approves HHDC, the LLC and the Partnership's assignment of this Agreement in connection with Lender Financing described in Exhibit E attached hereto.

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4 Requisition Form. Every three months after the Closing Date, the LLC shall provide HED with a Requisition Form, along with the documentation described therein, until the Certificate of Completion is issued by HED. Upon HED's request, the Developer shall meet with HED to discuss any Requisition Form(s).

5 Prior Expenditures. Exhibit H hereto sets forth the prior expenditures approved by HED as of the date hereof.

6 City Fee. Annually, the City may allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

7 Cost Overruns. The Developer shall be solely responsible for any Project costs in excess of those set forth in the Project Budget and shall hold the City harmless from any and all such costs.

8 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional

basis, subject to the Developer's compliance with the provisions of this Agreement. The payment of City Funds is subject to being terminated and/or reimbursed as provided in Section 15.

SECTION 5. CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date:

1 Project Budget. The Developer has submitted to HED, and HED has approved, a Project Budget in accordance with the provisions of Section 3.04 hereof.

2 Scope Drawings and Plans and Specifications. The Developer has submitted to HED, and HED has approved, the Scope Drawings and Plans and Specifications accordance with the provisions of Section 3.03 hereof.

3 Other Governmental Approvals. The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to HED.

4 Financing. The Developer has furnished proof reasonably acceptable to the City that the Partnership has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Partnership as needed and are sufficient (along with the Equity set forth in Section 4.01) to complete the Project. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form

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acceptable to the City/executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5 Acquisition and Title. On the Closing Date, the Developer has furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Partnership as the named insured (following HHDC's conveyance of the Property to the Partnership on or prior to the Closing Date). The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.2 with parking), contiguity, location, access and survey.

6 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the names of the Partnership, the General Partner, the LLC, HHDC, and Tropic Construction Corp, and any other entities the Corporation Counsel reasonably deems necessary) as follows:
Secretary of State Secretary of State Cook County Recorder Cook County Recorder Cook County Recorder
Cook County Recorder Cook County Recorder U.S. District Court

UCC search Federal tax search UCC search Fixtures search Federal tax search State tax search
Memoranda of judgments search Pending suits and judgments

Clerk of Circuit Court, Pending suits and judgments Cook County

showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

7 Surveys. The Developer has furnished the City with three (3) copies of the Survey.

8 Insurance. The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to Section 12 hereof evidencing the required coverages to HED.

9 Opinion of the Developer's Counsel. On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit L, with such changes as required by or acceptable to Corporation Counsel.

10 Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to HED in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.06 hereof.

5.11 Financial Statements. The Partnership and the LLC have provided, if either such entity has completed a fiscal year prior to the execution of this Agreement, Financial Statements

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to HED for its most recent fiscal year, and audited or unaudited interim financial statements, if applicable.

12 Documentation. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters.

13 Environmental. The Developer has provided HED with copies of the Phase I Report, the SRP Documents and any other reports, data or correspondence relating to the environmental condition of the Property. The Developer has provided the City with a letter from the environmental engineer(s) who completed the foregoing environmental documents authorizing the City to rely on such audits. The Developer has provided the City with a copy of a Draft NFR Letter, which has been approved by 2FM.

14 Corporate Documents; Economic Disclosure Statement. The Partnership, the General Partner, the LLC, and HHDC, have each provided a copy of its Articles or Certificate of Incorporation, Certificate of Organization, or Certificate of Limited Partnership, as applicable, containing the original certification of the Secretary of State of its state of incorporation; certificates of good standing from the Secretary of State of its state of incorporation and all other states in which each is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the corporation, partnership agreement, or operating agreement, as applicable; and such other corporate documentation as the City has requested. Each entity in this Section and the Limited Partner and its affiliate, or some other limited partner approved by the HED Commissioner has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

15 Litigation. The Developer has provided to Corporation Counsel and HED, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. The City has approved the Developer's selection of Tropic Construction Corporation, an Illinois corporation, as the General Contractor. The Developer shall submit copies of the Construction Contract to HED in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by HED and all requisite permits have been obtained.

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2 Construction Contract. Prior to the execution thereof, the Developer shall deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for HED's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

3 Performance and Payment Bonds. Prior to commencement of construction of any portion of the Project, the Developer shall require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit N hereto. The City shall be-named as obligee or co-obligee on any such bonds.

4 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof.

5 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.05 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBEAA/BE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the of the Project in accordance with the terms of this Agreement and upon the Developer's written request, HED shall either issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement or a written statement detailing the

measures which must be taken in order to obtain the Certificate. HED may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. The Developer may resubmit a written request for a Certificate upon completion of such measures.

The Certificate will not be issued until:

a) The Developer has notified the City in writing that the Project has been completed as defined in this Agreement and according to the Plans and Specifications; and

b) The Developer has received a Certificate of Occupancy (or other evidence acceptable to HED that the Developer has complied with building permit requirements) for all components of the Project; and

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c) The City's Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in Section 11, Section 10, and Section 8.09 - Davis-Bacon wages with respect to the construction of the Project; and

d) The Developer has demonstrated to the City that it has incurred costs of TIF-Funded Improvements for the Project in at least the amount requested in the Requisition Form; and

e) The Developer has complied with the Affordable Housing Covenant in Section 8.20.

f) 80% of the 72 units are leased; and

g) Developer has submitted and recorded its "No Further Remediation Letter" from the Illinois Environmental Protection Agency; and

h) Developer has provided proof to HED and Corporation Counsel that it has completed the exterior repairs to the Building, as described on Exhibit C-2, in accordance with the requirements set forth in the Report, as defined in Section 2, herein. A certificate of completion issued by GFGR, Inc. and accepted by an inspector with the City's Department of Buildings shall evidence Developer's compliance with the Report.

2 The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.19(c), 8.20 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that the covenants set forth in Section 8.02 shall be deemed to have been fulfilled upon the issuance of a Certificate. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

3 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto; and

b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing the

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TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.03, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds.

7.04 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, HED shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

8.01 General. The Developer and HHDC, where specifically noted, each represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

a) the Partnership is an Illinois limited partnership, the LLC is an Illinois limited liability company, and HHDC is an Illinois not-for-profit corporation, each duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

b) each of the Partnership, the LLC and HHDC has the right, power and authority to enter into, execute, deliver and perform this Agreement, as applicable;

c) the execution, delivery and performance by the Developer and HHDC of this Agreement has been duly authorized by all necessary action, and does not and will not violate, as applicable, the LLC's Articles of Organization, or operating agreement as amended and supplemented, or the Partnership's amended and restated limited partnership agreement, as amended and supplemented, or HHDC's Articles of Incorporation, its Bylaws as amended and supplement, by any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer or HHDC is now a party or by which the Developer or HHDC is now or may become bound;

d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Partnership (following the sale and conveyance of the Property to it by HHDC) shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof and governmental charges that the Developer is contesting in good faith pursuant to Section 8.19(a) hereof);

e) the Developer is now and for the Term of the Agreement shall remain solvent and able to pay its debts as they mature;

f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer which would impair

its ability to perform under this Agreement;

g) the Developer has obtained or will obtain and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals)

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necessary to conduct its business and to construct, complete and, following the City's issuance of all applicable certificates of occupancy, operate the Project;

(h) the Developer is not in default with respect to any agreement or instrument related to the borrowing of money to which the Developer is bound or for which the Property serves as collateral;

(i) any financial statements provided to the City are and will be, at the time of submittal, true, complete and correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;

(j) prior to the issuance of the Certificate pursuant to Section 7.01, the Developer shall not directly or indirectly do any of the following without the prior written consent of HED, which consent shall be in HED's sole discretion: (1) be a party to any merger, liquidation or consolidation; (2) sell (including, without limitation, any sale and leaseback), transfer, convey, lease (except for residential rental leases for the units in the Project entered in the ordinary course of business) or otherwise dispose of all or substantially all of its assets or any portion of the Property; (3) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition; or (4) a transfer by the Limited Partner of its limited partner interest after the Closing Date to an unaffiliated entity; provided, however, that the prior written consent of HED shall not be required for (x) a transfer by the Limited Partner of its limited partner interest after the Closing Date to an affiliated entity, but notice to HED is required.

(k) the Developer, HHDC, or any affiliate of the Developer or HHDC have not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City;

(l) neither the Developer, HHDC nor any affiliate of the Developer or HHDC is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise; and

(m) the Developer agrees that the Developer, any person or entity who directly or indirectly has an

ownership or beneficial interest in the Developer or HHDC of more than 7.5 percent

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("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (the Developer, HHDC and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Agreement by the Developer and HHDC, (ii) while this Agreement or any Other Contract (as defined below) is executory, (iii) during the term of this Agreement or any Other Contract among the Developer, HHDC and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer and HHDC represent and warrant that from the date the City approached the Developer or HHDC or the date the Developer or HHDC approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No.05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment

or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

- A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- B) neither party is married; and
- C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- E) two of the following four conditions exist for the partners:
 - 1. The partners have been residing together for at least 12 months.
 - 2. The partners have common or joint ownership of a residence.
 - 3. The partners have at least two of the following arrangements:
 - a. joint ownership of a motor vehicle;
 - b. a joint credit account;
 - c. a joint checking account;
 - d. a lease for a residence identifying both domestic partners as tenants.
 - 4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

2 Covenant to Redevelop. Upon HED's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.03 and 3.04 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

3 Redevelopment Plan. The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

4 Use of City Funds. City Funds disbursed to the LLC shall be used by the LLC solely to reimburse the LLC for the TIF-Funded Improvements as provided in this Agreement. The City acknowledges that the LLC shall loan the City Funds to the Partnership in accordance with the Partnership's amended and restated limited partnership agreement for the Project.

8.05 Bonds. The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Area; provided, however, that any such

amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at

the Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto. If any such bonds are issued, the City may use the proceeds thereof to reimburse the Developer for any amounts remaining due under this Agreement.

8.06 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered quarterly to the City. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED's satisfaction, the manner in which the Developer shall correct any shortfall.

8 Employment Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to HED, from time to time, statements of its employment profile upon HED's request.

9 Prevailing Wage. Unless required to pay federal "Davis-Bacon" wages pursuant to the terms of the Lender Financing or project-based section 8 federal rental subsidy for the Project, the Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09.

10 Arms-Length Transactions. Unless HED has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

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12 Disclosure of Interest. The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

13 Financial Statements. The Developer shall obtain and provide to HED Financial Statements for the Developer's for the first fiscal year for which such statements are available and each year thereafter for

the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

14 Insurance. The Developer, at its own expense, shall comply with all provisions of Section 12 hereof.

15 Non-Governmental Charges.

a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other proof satisfactory to HED, evidencing payment of the Non-Governmental Charge in question.

b) Right to Contest. The Developer has the right, before any delinquency occurs:

i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or

ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify HED of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

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17 Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property, including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560, whether or not in the performance of this Agreement.. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by

Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions,

(a) Governmental Charges.

i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Property or the Project, or become due and payable, and which create, may create a lien upon the Developer or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City) relating to the Developer, the Property or the Project including but not limited to real estate taxes.

ii) Right to Contest. The Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. The Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in anyway as relieving, modifying or extending the Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless the Developer has given prior written notice to HED of the Developer's intent to contest or object to a Governmental Charge and, unless, at HED's sole option,

(i) the Developer shall demonstrate to HED's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

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(ii) the Developer shall furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the Developer shall advise HED thereof in writing, at which time HED may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and

other charges relating thereto, shall be promptly disbursed to HED by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

c) Real Estate Taxes.

(i) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect; provided, however, nothing contained in this provision shall preclude Developer from applying for and receiving any reduction in the amount of real estate taxes payable for the Project or the Property, subject to the provisions of clause (ii) below.

ii) No Reduction in Real Estate Taxes. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property; provided, however, the Developer is permitted to apply for a Class 9 or similar designation from Cook County even if such designation with respect to the Property would result in a reduced assessed value.

iii) No Objections. Neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property; provided, however, the Developer is permitted to apply for a Class 9 or similar designation from Cook County.

iv) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County

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Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof; provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale (including, without limitation, any sale and leaseback), lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof, including the transfer of title from HHDC to the Partnership, shall be made explicitly subject to such covenants and restrictions.

20 Affordable Housing Covenant. In connection with the Affordable Housing Loan described on the attached Exhibit E, in Section A.3.. a certain Regulatory Agreement between the City and the Developer, dated as of the date hereof, shall be recorded against the Property, which shall impose certain affordability restrictions on the Project as set forth therein.

21 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete

at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in Section 7 hereof upon the issuance of a Certificate) shall be in effect throughout the Term of the Agreement.

22 Annual Compliance Report. Beginning with the calendar year in which the Certificate is issued and continuing throughout the Term of the Agreement, the Developer shall submit to HED the Annual Compliance Report by February 1st of the year following the end of the calendar year to which the Annual Compliance Report relates. For example, if the Certificate is issued in 2012, then the first Annual Compliance Report will be due no later than February 1, 2013.

23 FOIA and Local Records Act Compliance

a) FOIA. Each of the Partnership and the LLC acknowledge that the City is subject to the Illinois Freedom of Information Act, 5ILCS 140/1 et seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then such Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request will be a breach of the Agreement.

b) Exempt Information. Documents that the Developer submits to the City under Section 8.22 (Annual Compliance Report) or otherwise during the term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that the Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then HED will evaluate whether such document may be withheld under the FOIA. HED, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act

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provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with the Agreement and the transactions contemplated in the Agreement

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

1 General Covenants. The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

2 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors or any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

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c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

f) Failure to comply with the employment obligations described in this Section 10.01 shall be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof.

10.02 City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50

percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

"Actual residents of the City" shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of HED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of HED, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of HED, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data

may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer shall cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project.

10.03. MBEAA/BE Commitment The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor to agree that during the Project:

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(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the aggregate hard construction costs (as set forth in Exhibit H hereto) shall be expended for contract participation by MBEs and by WBEs:

- 1) At least 24 percent by MBEs.
- 2) At least four percent by WBEs.

b) For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBEAA/BE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBEAA/BE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

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e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

f) Any reduction or waiver of the Developer's MBEAA/BE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBEA/VBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

11.01 Environmental Assessment. HHDC and the Developer hereby represent and warrant to the City that HHDC has obtained a Phase I Report and other environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, and the Redevelopment Plan. Notwithstanding the foregoing or any other provision to

the contrary contained in this Agreement, 2FM shall have the right to review and approve the sufficiency of the Phase I Report and any other reports prepared for the Property, including, without limitation the SRP Documents. Upon 2FM's request, the Developer shall perform additional studies and tests for the purpose of determining whether any environmental or health risks would be associated with the development of the Project, including, without limitation, updating or expanding the Phase I Report and performing Phase II testing. HHDC and the Developer agree to deliver to the City a copy of each report prepared by or for HHDC or the Developer regarding the environmental condition of the Property.

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11.02 Environmental Remediation, (a) The environmental investigation of the Property has disclosed that the Property is contaminated. HHDC has enrolled the Property in the SRP and submitted the SRP Documents to the IEPA. The IEPA has reviewed the SRP Documents and requested several follow-up actions and corrections by letter dated January 29, 2013. The Developer agrees to take all such follow-up actions and other necessary and proper steps to obtain a Draft NFR Letter for the Property. The Developer acknowledges and agrees that it may not commence construction on the Property until the IEPA issues, and 2FM approves, a Draft NFR Letter. After 2FM approves the Draft NFR Letter, the Developer covenants and agrees to complete the Remediation Work. The City shall have the right to review in advance and approve any material changes to the SRP Documents, the RACR for the Property and the Developer's estimate of the cost to perform the Remediation Work. The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters, including, without limitation, any plans or proposals the Developer may have that would materially increase or decrease the costs of the Remediation Work. The Developer shall bear sole responsibility for all aspects of the Remediation Work and any other investigative and cleanup costs associated with the Property, including, without limitation, the removal and disposal of all Hazardous Substances, debris and other materials excavated during the performance of the Remediation Work. The Developer shall promptly transmit to the City copies of all documents and other written communications delivered to or received from the IEPA or other regulatory agencies with respect to the Remediation Work. The Developer acknowledges and agrees that the City will not issue a Certificate until the IEPA has issued, and the City has approved, a Final NFR Letter for the Property, and the Final NFR Letter has been recorded against the Property; provided, however, if the Final NFR Letter is materially consistent with the Draft NFR Letter (as approved by the City in accordance with this Section 11.02) and no new environmental conditions were discovered on the Property during construction of the Project, then the Final NFR Letter shall be presumed reasonably satisfactory to the City.

11.03 Survival. This Section 11 shall survive the termination of this Agreement.

SECTION 12. INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's own expense, during the Term of the Agreement (or as otherwise specified below), the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

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(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work;

(b) Construction

i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.

ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory bases.

iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or transit property, Contractor shall provide, or cause to be provided with respect to the operations that the Contractor performs, Railroad Protective Liability

Insurance in the name of railroad or transit entity. The policy has limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

v) Builders Risk Insurance

When the Contractor undertakes any construction, including improvements, betterments, and/or repairs, the Contractor shall provide,

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or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and has limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

c) Term of the Agreement

i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

d) Other Requirements

The Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or

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renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section (d)) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase these requirements.

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Each of the Partnership and the LLC agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates

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(individually an "Indemnitee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate of the Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto; provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

1 Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

2 Inspection Rights. Upon three (3) business days'notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, shall constitute an "Event of Default" by the Developer hereunder:

a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity (after the expiration of any applicable cure period) if such failure may have a material adverse effect on the Developer's ability to perform, keep or observe any of its conditions, promises or obligations hereunder;

c) the making or furnishing by the Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens and/or liens bonded by the Developer or insured by the Title Company, or the making or any attempt to make any levy, seizure or attachment thereof;

e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

g) the entry of any judgment or order against the Developer that impacts the Developer's ability to perform, keep or observe any of its conditions, promises or obligations hereunder and which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

cured within any applicable cure period;

(i) the dissolution of the Developer.

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor);

(k) prior to the expiration of the Term of the Agreement and without the prior written consent of the City, (i) the sale or transfer of an ownership interest in the Developer, except to the extent that the syndicator of low-income tax credits may acquire or sell an interest in the Project and/or the Developer, but only to one of its affiliates, or (ii) a change in the general partner of the Developer;

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds and seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

3 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within sixty (60) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such sixty (60) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such sixty (60) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, notwithstanding anything to the contrary contained herein, the City hereby agrees that any cure of any default made or tendered by the Limited Partner shall be deemed to be a cure by the Developer and shall be accepted or rejected on the same basis as if made or tendered by the Developer.

4 Right to Cure by Lender or Limited Partner. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in termination of this Agreement and all related agreements, or the suspension, cancellation, reduction of City Funds disbursed or reimbursement of City Funds disbursed hereunder, the City shall prior to exercising such right or remedy, send notice of such intended exercise to the Lender and the Limited Partner in accordance with Section 17 and the Lender or the Limited Partner shall have the right (but not the obligation) to cure such Event of Default as follows:

a) if the Event of Default is a monetary default, the Lender or the Limited Partner may cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such monetary default; or (ii) receipt by the Lender or the Limited Partner, as applicable, of such notice from the City; and

b) if any Event of Default is of a non-monetary nature, the Lender or the Limited Partner shall have the right to cure such default within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such non-monetary default; or (ii) receipt by the Lender or the Limited Partner, as applicable, of such notice from the City; and

c) Notwithstanding the provisions of Section 15.04(b) hereof, if such non-monetary default is an Event of Default set forth in Section 15.01 (e), (f), (g), (h), (i) or (j) hereof or other Event of Default by the Developer that is not reasonably capable of being cured within such 30 day period (each such default being a "Personal Developer Default"), the Lender or the Limited Partner shall provide written notice to the City within 30 days of receipt of notice of such Personal Developer Default stating that it shall cure such Personal Developer Default by the assignment of all of the Developer's rights and interests in this Agreement to the Lender or the Limited Partner or any other party agreed to in writing by the Lender, the Limited Partner and the City. Upon receipt by the City of such notice from the Lender or the Limited Partner, as applicable, the cure period shall be extended for such reasonable period of time as may be necessary to complete such assignment and assumption of Developer's rights hereunder; provided, however, that no payment of City Funds shall occur until such time as such Personal Developer Default is cured.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a

Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default or indemnification obligation of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in

which case the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of HED.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

If to the City: City of Chicago
Department of Housing and Economic Development 121 North
LaSalle Street, Room 1000 Chicago, IL 60602 Attention:
Commissioner

With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division 121 North
LaSalle Street, Room 600 Chicago, IL 60602

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If to the Developer: North and Pulaski Elderly Limited Partnership c/o North and
Pulaski Corp. 325 N. Wells Street, 8th Floor Chicago, Illinois
60647 Attention: Mark Kruse

Hispanic Housing North and Pulaski LLC
c/o Hispanic Housing Development Corporation
325 N. Wells Street, 8th Floor
Chicago, Illinois 60647
Attention: Mark Kruse

With Copies To: Applegate & Thorne-Thomsen, P.C.
626 W. Jackson Blvd, Suite 400 Chicago, Illinois
60661 Attention: Bill Skalitzy

And to:

Lender: U.S. Bank National Association
209 South LaSalle Street, Suite 502 Chicago, IL
60604 Attn: Tania Kadakia

Dykema Gossett PLLC
10 South Wacker Drive, Suite 2300
Chicago, Illinois 60606
Attn: Derek L. Cottier
And to:

Limited Partner: U.S. Bancorp Community Development Corporation
1307 Washington Avenue, 3rd Floor St. Louis,
Missouri 63103 Attention: Kacey Cordes

SNR Denton US LLP 233 S. Wacker Drive, Suite
7800 Chicago, Illinois 60606 Attention: Jana Cohen
Barbe

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (c) shall be deemed received two (2) business days following deposit in the mail.

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SECTION 18. MISCELLANEOUS

1 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit A hereto without the consent of any party hereto, and HED may grant consents as explicitly provided for under certain sections of this Agreement. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 15.01 shall be defined as any deviation from the terms of the Agreement which operates to materially reduce the scope of the Project, to reduce the job-retention obligations in Section 8.05 by more than five percent (5%), to materially change the Project or business operations of the Developer at the Property, or increases the City Funds payable to the Developer.

2 Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

3 Limitation of Liability. No member, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under

the terms of this Agreement.

4 Further Assurances. The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

5 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

6 Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

7 Disclaimer. Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

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18.08 Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

9 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, and any bond ordinances relating to the Area, if any, such ordinance(s) shall prevail and control.

12 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

13 Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

14 Approval. Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined

by the City, HED or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

15 Assignment. Except as provided in Section 8.01 (i), the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, which consent shall be in the City's sole discretion and which, if granted, may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement. The foregoing limitation shall not prevent the Developer from collaterally assigning to a lender that is also providing financing for the Project the Developer's right to receive the payment of City Funds as security for such lender financing. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19(c) and 8.20. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

16 Binding Effect. This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

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17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall within ten (10) business days after the date of the occurrence of the event causing such delay, give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18 Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

20 Venue and Consent to Jurisdiction. If there is a lawsuit under this Agreement, each party may hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

21 Costs and Expenses. In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

18.22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an

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elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

NORTH & PULASKI ELDERLY LIMITED PARTNERSHIP,
an Illinois limited partnership

By: NORTH & PULASKI CORPORATION,
an Illinois corporation and its sole general partner

By:
Name: Hipolito Roldan Its: President

HISPANIC HOUSING NORTH AND PULASKI LLC, an
Illinois limited liability Company

By: HISPANIC HOUSING DEVELOPMENT CORPORATION, an Illinois
not-for-profit corporation, its sole member

By:
Name: Hipolito Roldan Its: President

HISPANIC HOUSING DEVELOPMENT CORPORATION,
An Illinois Not-for-Profit Corporation

By:
Name: Hipolito Roldan Its: President

CITY OF CHICAGO, acting by and through its Department of Housing
and Economic Development

By:
Name:
Its: Commissioner

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STATE OF ILLINOIS COUNTY OF COOK

)
) ss)

I, _____, a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY that Hipolito Roldan, personally known to me to be the President of North
and Pulaski Corporation, an Illinois corporation (the "Corporation"), and personally known to me to be the
same person whose name is subscribed to the foregoing instrument, appeared before me this day in person
and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to
him by the Board of Directors of the Corporation, as his/her free and voluntary act and as the free and
voluntary act of the Corporation, as general partner of North and Pulaski Elderly Limited Partnership, for the
uses and purposes therein set forth.

GIVEN under my hand and official seal this day of , .

Notary Public

My Commission Expires

(SEAL)

STATE OF ILLINOIS)

) ss

COUNTY OF COOK)

I, , a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY that Hipolito Roldan, personally known to me to be the President of
Hispanic Housing Development Corporation, an Illinois not-for profit corporation (the "Corporation") which is
the sole member of Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the
"Company") and personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me in person and acknowledged that he signed, sealed, and delivered said
instrument, pursuant to the authority given to him by the Board of Directors of the Corporation as his free and
voluntary act and as the free and voluntary act of the Corporation on behalf of the Company, for the uses and
purposes therein set forth.

GIVEN under my hand and official seal this day of , 2013.

Notary Public

My commission expires (SEAL)

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STATE OF ILLINOIS COUNTY OF COOK

)
) ss)

I, ; , a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY that Hipolito Roldan, personally known to me to be the President of
Hispanic Housing Development Corporation, an Illinois not-for profit corporation (the "Corporation") and
personally known to me to be the same person whose name is subscribed to the foregoing instrument,
appeared before me in person and acknowledged that he signed, sealed, and delivered said instrument,
pursuant to the authority given to him by the Board of Directors of the Corporation as his free and voluntary act
and as the free and voluntary act of the Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this day of , 2013.

Notary Public

My commission expires

STATE OF ILLINOIS COUNTY OF COOK

)
) ss)

I, _____, a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the
Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"),
and personally known to me to be the same person whose name is subscribed to the foregoing instrument,
appeared before me this day in person and acknowledged that she signed, sealed, and delivered said
instrument pursuant to the authority given to her by the City, as her free and voluntary act and as the free and
voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this _____ th day of _____ - _____, _____.

Notary Public

My Commission Expires_ (SEAL)

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LIST OF EXHIBITS

Exhibit A Exhibit B Exhibit C-1 Exhibit C-2 Exhibit D Exhibit E Exhibit F-1 Exhibit F-2 Exhibit G Exhibit H Exhibit I Exhibit J . Exhibit K Exhibit L Exhibit M
Legal Description of Area*
Description of Project*
Legal Description of Property*
Legal Description of Vacant Building*
Redevelopment Plan
Financing for the Project*
Project Budget*
MBEAA/BE Project Budget*
Permitted Liens*
Approved Prior Expenditures
Requisition Form
TIF-Funded Improvements*
Form of Subordination Agreement
Opinion of Developer's Counsel
Form of Payment Bond

(An asterisk^*) indicates which exhibits are to be recorded.)

EXHIBIT A Legal Description of the Area

(See Attached)

Exhibit A Legal Description

Pulaski Corridor Tax Increment Financing District.

All that part of Sections 26, 27, 34 and 35 in Township 40 North, Range 13 East of the Third Principal Meridian together with that part of Sections 2 and 3 in Township 39 North, Range 13 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the west line of Lowell Avenue with the south line of Barry Avenue and running; thence north along said west line of Lowell Avenue to the north line of Belmont Avenue; thence east along said north line of Belmont Avenue to the northerly extension of the east line of Tripp Avenue; thence south along said east line of Tripp Avenue to its intersection with the northeasterly line of Kearsarge Avenue; thence southeasterly along said northeasterly line of Kearsarge Avenue to the north line of George Street; thence east along said north line of George Street to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the north line of Diversey Avenue; thence east along said north line of Diversey Avenue to the northerly extension of the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Schubert Avenue; thence west along said south line of Schubert Avenue to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision of Lots 28 to 44 of Block 2 in Pennock, a subdivision in the west half of the southwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision being also the south line of the alley south of Diversey Avenue; thence west along said north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision to the west line thereof, said west line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the north line of Lot 22 in Block 19 in Pennock, a subdivision in the west half of the southwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 22 being also the south line of the alley north of Wrightwood Avenue; thence west along said south line of the alley north of Wrightwood Avenue to the east line of the west 12 feet of Lot 23 in said Block 19 in Pennock; thence south along said east line of the west 12 feet of Lot 23 in said Block 19 in Pennock, and along the southerly extension thereof to the south line of Wrightwood Avenue; thence west along said south line of Wrightwood Avenue to the east line of the west 10 feet of Lot 6 in Block 20 in Pennock, aforesaid; thence south along said east line of the west 10 feet of Lot 6 in Block 20 in Pennock to the south line of said Lot 6, said south line of Lot 6 being also the north line of the alley south of Wrightwood Avenue; thence east along said north line of the alley south of Wrightwood Avenue to the northerly extension of the west, line of Lots 28 through 44, inclusive, in said Block 20 in Pennock, said west line of Lots 28 through 44, inclusive, in Block 20 in Pennock being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the south line of Lot 17 in Block 39 in Pennock, said south line of Lot 17 in Block 39 in Pennock being also the north line of the alley north of

Fullerton Avenue; thence east along said north line of the alley north of Fullerton Avenue to the west line of Springfield Avenue; thence south along said west line of Springfield Avenue to the north line of Lot 1 in Haverkamp & Pop's Resubdivision of Lots 28 to 44 in Block 1 in C. Billings' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 1 in Haverkamp & Pop's Resubdivision being also the south line of the alley south of Fullerton Avenue; thence west along said north line and along said south line of the alley south of Fullerton Avenue to the west line of Lot 1 in Haverkamp & Pop's Resubdivision of Lots 28 to 44 in Block 2 in C. Billings' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said west line of Lot 1 in Haverkamp & Pop's Resubdivision being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the north line of Belden Avenue.; thence east along said north line of Belden Avenue to the northerly extension of the west line of Lot 12 in Block 3 in C. Billings' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence south along said northerly extension and the west line of Lot 12 in Block 3 in C. Billings' Subdivision to the south line of said Lot 12, said south line of Lot 12 being also the north line of the alley south of Belden Avenue; thence east along said north line of the alley south of Belden Avenue to the west line of Lot 5 in Ellison's Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said west line of Lot 5 in Ellison's Subdivision being also the east line of the alley west of Springfield Avenue; thence south along said east line of the alley west of Springfield Avenue to the south line of Lot 5 in Neeros & Knudson's Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence east along said south line of Lot 5 in Neeros & Knudson's Subdivision to the centerline of Springfield Avenue; thence south along said centerline of Springfield Avenue to the south line of Palmer Street; thence west along said south line of Palmer Street to the east line of Lot 1 in Block 3 in J. Costello's Subdivision of the northwest quarter of the southwest quarter of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence south along said east line of Lot 1 in Block 3 in J. Costello's Subdivision to the south line of said Lot 1, said south line of Lot 1 being also the north line of the alley south of Palmer Street; thence east along said north line of the alley south of Palmer Street to the west line of Lots 8 through 18, inclusive, in said Block 3 in J. Costello's Subdivision, said west line of Lots 8 through 18, inclusive, in said Block 3 in J. Costello's Subdivision being also the east line of the alley west of Springfield Avenue; thence south along said east line of the alley west of Springfield Avenue to the north line of Lot 9 in Erb's Subdivision in the west half of northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said north line of Lot 9 in Erb's Subdivision to the westerly line of said Lot 9; thence southeasterly along said westerly line of said Lot 9 and along the westerly line of Lots 10 through 13, inclusive, to the north line of Dickens Avenue; thence west along said north line of Dickens Avenue to the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Armitage Avenue; thence west along said south line of Armitage Avenue to the northeasterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence southeasterly along said

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northeasterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the north line of Cortland Street; thence east along said north line of Cortland Street to the east line of Lawndale Avenue; thence south along said east line of Lawndale Avenue to the north line of the Chicago, Milwaukee, St. Paul and

Pacific Railroad Company right-of-way; thence east along said north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the centerline of Kedzie Avenue; thence south along said centerline of Kedzie Avenue to the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence west along said south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the east line of Lawndale Avenue; thence south along said east line of Lawndale Avenue to the easterly extension of the south line of Lot 8 in Block 3 in the subdivision of the southeast quarter of the southwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 8 in Block 3 in the subdivision of the southeast quarter of the southwest quarter and along the westerly extension thereof to the east line of Lot 39 in said subdivision of the southeast quarter of the southwest quarter, said east line of Lot 39 being also the west line of the alley east of Ridgeway Avenue; thence north along said west line of the alley east of Ridgeway Avenue to the north line of aforesaid Lot 39; thence west along said north line of Lot 39 to the east line of Ridgeway Avenue; thence north along said east line of Ridgeway Avenue to the easterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence southwesterly and southeasterly along said easterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the south line of North Avenue; thence west along said south line of North Avenue to the east, line of Ridgeway Avenue; thence south along said east line of Ridgeway Avenue to the easterly extension of the south line of Lot 16 in Block 5 in Beebe's Subdivision of the east half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 16 in Block 5 in Beebe's Subdivision and along the westerly extension thereof to the east line of Lot 41 in said Block 5 in Beebe's Subdivision, said east line of Lot 41 being also the west line of the alley east of Hamlin Avenue; thence north along said west line of the alley east of Hamlin Avenue to the north line of Lot 45 in said Block 3 in Beebe's Subdivision, said north line of Lot 45 being also the south line of the alley south of North Avenue; thence west along said south line of the alley south of North Avenue to the northwesterly line of Lot 47 in Block 1 in Hosmer & Mackey's Subdivision in the west half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence southwest along said northwesterly line of Lot 47 in Block 1 in Hosmer & Mackey's Subdivision to the west line of said Lot 47, said west line of Lot 47 being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the southwesterly line of Lot 38 in Block 2 in said Hosmer & Mackey's Subdivision, said southwesterly line of Lot 38 being also the northwesterly line of the alley northwest of Grand Avenue; thence southeasterly along said northwesterly line of the alley northwest of Grand Avenue and along the southeasterly extension thereof to the east line of Harding Avenue; thence south along said east line of Harding Avenue to the south line of Lot 4 in Block 3 in said Hosmer & Mackey's Subdivision; thence east along said south line of Lot 4 in Block 3 in Hosmer & Mackey's Subdivision and along the easterly extension thereof to the southwesterly line of Lot

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17 in said Block 3 in Hosmer & Mackey's Subdivision; thence, southeasterly along said southwesterly line of Lot 17 in said Block 3 in Hosmer & Mackey's Subdivision and along the southeasterly extension thereof to the east line of Springfield Avenue; thence south along said east line of Springfield Avenue to the south line of Lot 11 in Block 8 in said Hosmer & Mackey's Subdivision; thence east along said, south line of Lot 11 in Block 8 in said Hosmer & Mackey's Subdivision and along the easterly extension thereof to the west line of Lot 24 in said Block 8 in Hosmer & Mackey's Subdivision; thence south along said west line of Lot 24 in said Block 8 in Hosmer & Mackey's Subdivision to the southwesterly line thereof; thence southeasterly along said southwesterly line of Lot 24 in said Block 8 in Hosmer & Mackey's Subdivision and along the southeasterly

extension thereof to the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Lot 19 in Block 9 in said Hosmer & Mackey's Subdivision; thence east along said south line of Lot 19 in Block 9 in Hosmer & Mackey's Subdivision and along the easterly extension thereof to the southwesterly line of Lot 32 in said Block 9 in Hosmer & Mackey's Subdivision; thence southeasterly along said southwesterly line of Lot 32 in said Block 9 in Hosmer & Mackey's Subdivision and along the southeasterly extension thereof to the east line of Hamlin Avenue; thence south along said east line of Hamlin Avenue to the easterly extension of the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision in the west half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 43 and along the northeasterly line of Lot 44 in said Block 6 in Thomas J. Diven's Subdivision and along the northwesterly extension thereof to the west line of Avers Avenue; thence north along said west line of Avers Avenue to the north line of Lot 12 in Block 5 in said Thomas J. Diven's Subdivision; thence west along said north line of Lot 12 in Block 5 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 58 in said Block 5 and along the northwesterly extension thereof to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision to the northeasterly line of Lot 22; thence northwesterly along said northeasterly line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 23 in said Block 1 and along the northwesterly extension thereof to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 35 in Block 2 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 35 in Block

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2 in Thomas J. Diven's Subdivision to the northeasterly line of Lot 36; thence northwesterly along said northeasterly line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 37 in said Block 2 to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the easterly extension of the south line of Kamerling Avenue; thence west along said easterly extension and the south line of Kamerling Avenue to the southerly extension of the east line of Lot 46 in Block 1 in Demarest & Kamerling's Grand Avenue Subdivision in the east half of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian said east line of Lot 46 in Block 1 in Demarest & Kamerlin's Grand Avenue Subdivision being also the west line of the alley west of Pulaski Road; thence north along said southerly extension and the west line of the alley west of Pulaski Road to the south line of Hirsch Street; thence west along said south line of Hirsch Street to the west line of Karlov Avenue; thence north along said west line of Karlov Avenue to the north line of Lot 365 in Davenport's Subdivision a subdivision in the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 365 being also the south line of the alley south of Grand Avenue; thence west along said south line

of the alley south of Grand Avenue to the east line of Lots 351 and 352 in Davenport's Subdivision, said east line of said Lots 351 and 352 being also the west line of the alley west of Karlov Avenue; thence north along said west line of the alley west of Karlov Avenue to the northeasterly line of Lot 351 in Davenport's Subdivision, said northeasterly line of Lot 351 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue and along the northwesterly extension thereof to the west line of Kedvale Avenue; thence north along said west line of Kedvale Avenue to the north line of Lot 349 in Davenport's Subdivision, said north line of Lot 349 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 319 in Davenport's Subdivision, said east line of Lot 319 being also the west line of the alley east of Keeler Avenue; thence north along said west line of the alley east of Keeler Avenue to the northeasterly line of Lot 319 in Davenport's Subdivision, said northeasterly line of Lot 319 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along the southwesterly line of the alley south of Grand Avenue and along the northwesterly extension thereof to the west line of Keeler Avenue; thence north along said west line of Keeler Avenue to the north line of Lot 317 in Davenport's Subdivision, said north line of Lot 317 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 272 in Davenport's Subdivision, said east line of Lot 272 being also the west line of the alley east of Tripp Avenue; thence north along said west line of the alley east of Tripp Avenue to the northeasterly line of Lot 271 in Davenport's Subdivision, said northeasterly line of Lot 271 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the west line of Tripp Avenue; thence north along said west line of Tripp Avenue to the north line of Lot 269 in Davenport's Subdivision, said north line of Lot 269 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the northeasterly line of Lot 213 in Davenport's Subdivision, said northeasterly line of Lot 213 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the west line of Kildare Avenue; thence north along said west line of Kildare Avenue to the north line of Lot 20 in

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William H. Hintze's Subdivision, a subdivision in the west half of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 20 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 50 in William H. Hintze's Subdivision, said east line of Lot 50 being also the west line of the alley west of Kildare Avenue; thence north along said west line of the alley west of Kildare Avenue to the northeasterly line of Lot 51 in William H. Hintze's Subdivision, said northeasterly line of Lot 51 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the east line of Kolin Avenue; thence north along said east line of Kolin Avenue to the westerly extension of the north line of North Avenue; thence east along said westerly extension of the north line of North Avenue to the southerly extension of the east line of Lowell Avenue; thence north along said southerly extension and the east line of Lowell Avenue to the south line of Lot 17 in Block 31 of Garfield's Subdivision, a subdivision of the southeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said south line of Lot 17 being also the north line of the alley north of North Avenue; thence east along said north line of the alley north of North Avenue to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the centerline of the vacated alley north of North Avenue; thence east along said centerline of the vacated alley north of North Avenue to the east line of said vacated alley north of North Avenue; thence north along said east line of the vacated alley north of North Avenue to the north line of the alley north of North Avenue; thence east along said north line of the alley north

of North Avenue to the east line of Harding Avenue; thence south along said east line of Harding Avenue to the south line of Lot 19 in Strobridge's Resubdivision of Lots 1, 4, 5 and 8 in Block 3 and Lots 2 and 3 in Block 4 of Hagen & Brown's Addition to the City of Chicago, a subdivision in the southwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian; thence east along said south line of Lot 19 to its intersection with the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to its intersection with the south line of Lot 16 in Leo Fox's Subdivision of Lots 7 and 10 of Block 4 of Hagen & Brown's Addition to the City of Chicago, said south line of Lot 16 being also the north line of the alley north of North Avenue; thence east along said north line of the alley north of North Avenue to the west line of Hamlin Avenue; thence north along said west line of Hamlin Avenue to the south line of Wabansia Avenue; thence west along said south line of Wabansia Avenue to the west line of Avers Avenue; thence north along said west line of Avers Avenue to the south line of Lot 7 in Hagen & Brown's Addition to the City of Chicago; thence west along said south line of Lot 7 to its intersection with the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the north line of Lot 1 of Geo. E. Dorr's Resubdivision of Lots 5, 6 and 8 of Block 2 of Hagen & Brown's Addition to the City of Chicago; thence west along said north line of Lot 1 to its intersection with the east line of Lot 11 in the resubdivision of Lots 1 and 4 of Block 2 of Hagen & Brown's Addition to the City of Chicago, said east line of Lot 11 being the west line of the alley west of Springfield Avenue; thence north along said west line of the alley west of Springfield Avenue to the north line of Lot 12 in the resubdivision of Lots 1 and 4 of Block 2 of Hagen & Brown's Addition to the City of Chicago, said north line of Lot 12 being the south line of the alley south of Bloomingdale Avenue; thence west along said south line of the alley south of Bloomingdale Avenue to its intersection with the west line of Harding Avenue; thence north along said west line of Harding Avenue to the south line of the

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Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence west along said Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the centerline of Pulaski Road; thence north along said centerline of Pulaski Road to the north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence east along said north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the south line of Cortland Street; thence west along said south line of Cortland Street to its intersection with the east line of Lot 1 in Block 3 of Robert F. Summer's Subdivision in the west half of the southwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 1 being the west line of the alley west of Springfield Avenue; thence north along said west line of the alley west of Springfield Avenue to its intersection with the south line of Lot 11 in Block 2 of Robert F. Summer's Subdivision as extended west to the west line of said alley; thence east along said south line of Lot 11 in Block 2 of Robert F. Summer's Subdivision to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the north line of said Lot 11 in Block 2 of Robert F. Summer's Subdivision, said north line of Lot 11 being also the south line of the alley south of Armitage Avenue; thence west along said south line of the alley south of Armitage Avenue to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the south line of Armitage Avenue; thence west along said south line of Armitage Avenue to the west line of Pulaski Road; thence north along said west line of Pulaski Road to the westerly extension of the south line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian; thence east along said westerly extension and the south line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision to the east line thereof; thence north along said east line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision to the north line thereof; thence west along said north line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision and along the westerly extension thereof to the west line of

Pulaski Road; thence north along said west line of Pulaski Road to the south line of Palmer Street; thence west along said south line of Palmer Street to its intersection with the east line as extended south of Lot 25 in Block 51 of Keeney's Addition to Pennock, a subdivision in the northeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 25 being also the west line of the alley west of Pulaski Road; thence north along said west line of the alley west of Pulaski Road to the south line of Belden Avenue; thence west along said south line of Belden Avenue to the west line of Keystone Avenue; thence north along said west line of Keystone Avenue to the north line of Lot 397 in Sam Brown, Jr.'s Pennock Subdivision, a subdivision in the northeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said north line of Lot 397 being the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to its intersection with the west line of Lot 2 in Block 41 in Pennock's Subdivision; thence north along said west line of Lot 2 to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 6 in Block 41 in Pennock's Subdivision; thence south along said east line of Lot 6 to its intersection with the north line of Lot 1 in the resubdivision of Lots 386 to 393 in Sam Brown, Jr.'s Pennock Subdivision, said north line of Lot 1 being the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley

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south of Fullerton Avenue to its intersection with the east line of Lot 354 in Sam Brown, Jr.'s Pennock Subdivision; thence north along said east line of Lot 354 to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 350 in Sam Brown, Jr.'s Pennock Subdivision; thence south along said east line of Lot 350 to its intersection with the north line of Lot I in Ed G. Uehlein's Resubdivision of Lots 333 to 349 in Sam Brown, Jr.'s Pennock Subdivision, said north line of Lot 1 being the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to the west line of Kedvale Avenue; thence north along said west line of Kedvale Avenue to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 306 in Sam Brown, Jr.'s Pennock Subdivision; thence south along said east line of Lot 306 to its intersection with the north line of Lot 305 in Sam Brown, Jr.'s Pennock Subdivision, said north line being also the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to the east line of Kostner Avenue; thence north along said east line of Kostner Avenue to the south line of Lot 12 in the Owner's ~ Subdivision of Lots 1 to 9, 13 to 16 and 28 to 42 of Block 5 in Keeney & Pemberthy's Addition in the west half of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian said south line of Lot 12 in the Owner's Subdivision being also the north line of the alley north of Fullerton Avenue; thence east along said north line of the alley north of Fullerton Avenue to the west line of Keeler Avenue; thence north along said east line of Keeler Avenue to the south line of Lot 40 in Block 1 in Keeney & Pemberthy's Addition to Pennock, a subdivision of the southwest quarter of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence west along said south line of Lot 40 in Block 1 in Keeney & Pemberthy's Addition and along the westerly extension thereof to the east line of Lot 15 in said Block 1 in Keeney & Pemberthy's Addition to Pennock, said east line of Lot 15 being also the west line of the alley west of Keeler Avenue; thence north along said west line of the alley west of Keeler Avenue to the north line of Lot 11 in said Block 1 in Keeney & Pemberthy's Addition to Pennock, said north line of Lot 11 being also the south line of the alley south of Wrightwood Avenue; thence west along said south line of the alley south of Wrightwood Avenue to the west line of Tripp Avenue; thence north along said west line of Tripp Avenue to the south line of Wrightwood Avenue; thence west along said south line of Wrightwood Avenue to the southerly extension of the east line of Lot 12 in William P. Herbert's Resubdivision of Lots 33 to 48 in Alex J. Robert's Subdivision in the west half of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 12 in William P. Herbert's Resubdivision of Lots 33 to 48 in Alex J.

Robert's Subdivision to the north line of said Lot 12, said north line of Lot 12 being also the south line of the alley north of Wrightwood Avenue; thence west along said south line of the alley north of Wrightwood Avenue to the west line of Kildare Avenue; thence north along said west line of Kildare Avenue to the south line of Diversey Avenue; thence west along said south line of Diversey Avenue to the southerly extension of the west line of Lowell Avenue; thence north along said southerly extension and the west line of Lowell Avenue to the westerly extension of the south line of Lot 15 in Block 3 in J. E. White's Subdivision in the south half of the south half of the northeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian, said south line of Lot 15 in Block 3 in J. E. White's Subdivision being also the north line of the alley north, of Diversey Avenue; thence east along said north line of the alley north of Diversey Avenue to the west line

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of Tripp Avenue; thence north along said west line of Tripp Avenue to the south line of George Street; thence west along said south line of George Street to the southerly extension of the west line of Kenosha Avenue; thence north along said southerly extension of the west line of Kenosha Avenue and the northerly extension thereof to the north line of Wellington Avenue; thence east along said north line of Wellington Avenue to the east line of Lot 60 in W. O. Olsen's Resubdivision of Block 7, part of Block 6 and vacated streets and alleys in Cushing's Subdivision in the west half of the northeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 60 in W. O. Olsen's Resubdivision being also the west line of an alley; thence north along said east line of Lot 60 in W. O. Olsen's Resubdivision and the northerly extension thereof to the northeasterly line of Lot 4 in Nelson Court Apartments Resubdivision of Lots 1 to 8 together with part of vacated streets and alleys adjacent to Lots 18 to 39 in W. O. Olsen's Resubdivision in the west half of the northeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence northwesterly along said northeasterly line of Lot 4 in Nelson Court Apartments Resubdivision and along the northeasterly line of Lot 5 in said Nelson Court Apartments Resubdivision to the north line of said Lot 5; thence west along said north line of Lot 5 in Nelson Court Apartments Resubdivision to the northeasterly line of Lot 6 in said Nelson Court Apartments Resubdivision, said northeasterly line of Lot 6 measuring 72.53 feet; thence northwesterly along said northeasterly line of Lot 6 in Nelson Court Apartments Resubdivision and along the easterly most easterly line of Lot 7, said easterly line measuring 39.02 feet, to a north line of said Lot 7, said north line measuring 32.87 feet; thence west along said north line of said Lot 7, measuring 32.87 feet, to an east line of said Lot 7, said east line of Lot 7 measuring 95.00 feet; thence north along said east line of said Lot 7, measuring 95.00 feet, to the south line of Barry Avenue; thence west along said south line of Barry Avenue to the point of beginning on the west line of Lowell Avenue.

Excepting from the forgoing that part of Section 3 in Township 39 North, Range 13, East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the west line of Karlov Avenue with the westerly extension of the north line of Le Moyne Street and running; thence east along said westerly extension and the north line of Le Moyne Street to the east line of Lot 28 in Block 1 of North Avenue Subdivision, a subdivision of the northeast quarter of the northeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said east line of Lot 28 in North Avenue Subdivision being also the west line of the alley west of Pulaski Road; thence north along said west line of the alley west of Pulaski Road to the north line of Lot 12 in said Block 1 of North Avenue Subdivision, said north line of Lot 12 being also the south line of the alley south of North Avenue; thence west along said south line of the alley south of North Avenue to the east line of Lot 12 in Block 2 in North Avenue Subdivision, a subdivision in the northeast quarter of the northeast

quarter of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said east line of Lot 12 in Block 2 in North Avenue Subdivision being also the west line of the alley west of Keystone Avenue; thence south along said west line of the alley west of Keystone Avenue to the south line of the north 9.00 feet of Lot 14 in said Block 2 in North Avenue

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Subdivision; thence west along said south line of the north 9.00 feet of Lot 14 in said Block 2 in North Avenue Subdivision to the east line of Karlov Avenue; thence north along said east line of Karlov Avenue to the easterly extension of the north line of Lot 45 in Davenport's Subdivision in the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 45 in Davenport's Subdivision being also the south line of the alley south of North Avenue to the east line of Tripp Avenue; thence west long said easterly extension and along the south line of the alley south of North Avenue to the east line of Tripp Avenue; thence south along said east line of Tripp Avenue to the south line of Lot 118 in Davenport's Subdivision, a subdivision of the east half of the northwest quarter of the northeast quarter and of the west half of the northeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said south line of Lot 118 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 115 and 116 in Davenport's Subdivision, said west line of Lots 115 and 116 being also the east line of the alley east of Tripp Avenue; thence south along said east line of the alley east of Tripp Avenue to the southwesterly line of Lot 116 in Davenport's Subdivision, said southwesterly line of Lot 116 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue and along the southeasterly extension thereof to the east line of Keeler Avenue; thence south along said east line of Keeler Avenue to the south line of Lot 98 in Davenport's Subdivision, said south line of Lot 98 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 95 and 96 in Davenport's Subdivision, said west line of Lots 95 and 96 being also the east line of the alley east of Keeler Avenue; thence south along said east line of the alley east of Keeler Avenue to the southwesterly line of Lot 96 in Davenport's Subdivision, said southwesterly line of Lot 96 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue and along the southeasterly extension thereof to the east line of Kedvale Avenue; thence south along said east line of Kedvale Avenue to the south line of Lot 65 in Davenport's Subdivision, said south line of Lot 65 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 62 and 63 in Davenport's Subdivision, said west line of Lots 62 and 63 being also the east line of the alley east of Kedvale Avenue; thence south along said the east line of the alley east of Kedvale Avenue to the southwesterly line of Lot 63 in Davenport's Subdivision, said southwesterly line of Lot 63 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue to the west line of Karlov Avenue; thence north along said west line of Karlov Avenue to the point of beginning, all in the City of Chicago, Cook County, Illinois.

EXHIBIT B Description of the Project

(See Exhibit E)

EXHIBIT C-1 Legal Description of Property

(Subject to Final Title and Survey)

***LOTS 3 THROUGH 11 IN BLOCK 1 IN HOSMER AND MACKEY'S SUBDIVISION OF BLOCKS 1 TO 6 AND 12 TO 16 BOTH INCLUSIVE IN SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THOSE PARTS OF EACH OF SAID LOTS 10 AND 11 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 11; RUNNING THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 11 A DISTANCE OF 125 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE EAST ALONG THE SOUTH LINE OF SAID LOT 11 A DISTANCE OF 7 FEET; THENCE NORTH ALONG A STRAIGHT LINE 7 FEET EAST FROM AND PARALLEL WITH THE SAID WEST LINE OF LOT 11 A DISTANCE OF 19 FEET; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE A DISTANCE OF 112.67 FEET TO THE INTERSECTION WITH THE NORTH LINE OF SAID LOTS 10 AND 11 AFORESAID, SAID INTERSECTION BEING 46 FEET EAST OF THE NORTHWEST CORNER OF LOT 11; THENCE WEST ALONG THE NORTH LINE OF SAID LOTS 10 AND 11 A DISTANCE OF 46 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS. ***

PINS:

16-02-100-001, 16-02-100-002, 16-02-100-003, 16-02-100-004

Commonly Known Address: 3939-3959 West North Avenue in Chicago, Illinois

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EXHIBIT C-2

**Legal Description of the Vacant Building (Subject to
Final Title and Survey)**

LOT 12, 13, 14, 15, 16, 17, 18 AND 19 IN BLOCK 1 IN HOSMER AND MACKEY'S SUBDIVISION OF BLOCKS 1 TO 6 AND 12 TO 16, BOTH INCLUSIVE, IN FREER'S SUBDIVISION OF THE WEST $\frac{1}{2}$ OF THE NORTHWEST $\frac{1}{4}$ OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly Known Address: 1535 N. Pulaski, Chicago, Cook County, Illinois. PINS: 16-02-100-

006, - 007, -008, -009 and - 010

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EXHIBIT D

Redevelopment Plan

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**AUTHORIZATION FOR APPROVAL OF TAX INCREMENT REDEVELOPMENT
PLAN FOR PULASKI CORRIDOR REDEVELOPMENT PROJECT AREA.**

The Committee on Finance submitted the following report:

CHICAGO, June 9, 1999.

To the President and Members of the City Council:

Your Cornrnittee on Finance, having had under consideration an ordinance authorizing approval of a tax increment redevelopment plan for the Pulaski Corridor Tax Increment Redevelopment Project Area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,

Chairman.

On motion of Alderman Burke, the said proposed substitute ordinance transmitted with the foregoing committee report was Passed by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Preckwinkie, Hairston, Dixon, Beale, Pope, Balcer, Frias, Olivo, Burke, Thomas, Peterson, Murphy, Rugai, Troutman, DeVille, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Carothers, Wojcik, Suarez, Matlak, Mell, Austin, Colom, Banks, Giles, Allen, Doherty, Natarus, Daley, Shiller, Schulter, M. Smith, Moore, Stone ~ 42.

Nays - None.

Alderman Rugai moved to reconsider the foregoing vote. The motion was lost.

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The following is said ordinance as passed:

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. (1996 State Bar Edition), as amended (the "Act"), for a proposed redevelopment project area to be known as The Pulaski Corridor 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, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Community Development Commission (the "Commission") of the City, by authority of the Mayor and the City Council of the City (the "City Council"), (with the Mayor and the City Council being collectively defined herein as the "Corporate Authorities") called a public hearing (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 13, 1999; and

WHEREAS, The Plan (including the related eligibility study attached thereto as an exhibit) was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act beginning February 8, 1999, being a date prior to the adoption by the Commission of Resolution 99-CDC-35 on February 9, 1999 fixing the time and place for the Hearing, at the offices of the City Clerk and the City's Department of Planning and Development.

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 Community Affairs of the State of Illinois by certified mail on February 16, 1999, by publication in the Chicago Sun-Times or Chicago Tribune on March 17, 1999 and March 24, 1999 and by certified mail to taxpayers within the Area on March 17, 1999; and

WHEREAS, A meeting of the joint review board (the "Board") established pursuant to Section 5/11-74.4-5(b) of the Act was convened upon the provision of due notice on February 26, 1999 at 10:00 A.M., concerning 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

WHEREAS, The Commission has forwarded to the City Council a copy of its

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Resolution 99-CDC-55 attached hereto as Exhibit B, adopted on April 13, 1999, recommending to the City Council approval of the Plan, among other related matters; and

WHEREAS, After the Plan was made available for public inspection and review on February 8, 1999, certain changes were made to the Plan (which changes are reflected in the Plan attached hereto as Exhibit A) and, pursuant to Section 5/11-74.4-5(a) of the Act, notice of such changes was given by mail to each affected taxing district within the Area, and by publication in the Chicago Sun-Times or Chicago Tribune not less than ten (10) days prior to the adoption of this ordinance; and

WHEREAS, The Corporate Authorities have reviewed the Plan (including the related eligibility study attached thereto as an exhibit), testimony from 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) the Plan either (A) conforms to the strategic economic development or

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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 more than twenty-three (23) years from the date of the adoption of the ordinance approving the designation of the Area as a redevelopment project area, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years.

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.

[Exhibit "E" referred to in this ordinance printed on page 3851 of
this Journal.]

Exhibits "A", "B", "C" and "D" referred to in this ordinance read as follows:

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Exhibit "A". (To Ordinance)

*The Pulaski Corridor Tax Increment Financing Redevelopment Plan And
Project.*

City Of Chicago, Illinois.

January 26, 1999.

Section I.

Introduction And Executive Summary.

A. Area Location.

The Pulaski Corridor Redevelopment Project Area (hereafter referred to as the "Area") is located on the northwest side of the City of Chicago ("City"), approximately four and zero-tenths (4.0) miles from the central business district. The Area is comprised of approximately three hundred eighty-three (383) acres and includes one hundred fourteen (114) (full and partial) city blocks. The Area is generally linear in shape and parallels the former Chicago, Milwaukee, St. Paul and Pacific (C.M.S.P.&P.) railroad right-of-way between West Belmont and West North Avenues along its north/south axis. There are also several linear corridors extending from this main spine. The corridors are aligned along the following arterial streets: North Fullerton Avenue, between North Springfield Avenue and North Kostner Avenue; West North Avenue, between North Lowell Avenue and North Ridgeway Avenue; and West Grand Avenue, between North Hamlin Avenue and North Lowell Avenue (See Location Map on following page).

B. Existing Conditions.

The core of the Area consists primarily of older industrial properties with commercial properties located along Pulaski Road and Fullerton, North, and Grand Avenues, (see Appendix ~ Attachment Two, (Sub)Exhibit B, Existing Land-Use Assessment Map). Many of the structures in the Area are in need of

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repair as documented in Appendix ~ Attachment One, Eligibility Study. Zoning classifications in the Area include varying industrial and commercial categories as shown on Appendix - Attachment Two, (Sub)Exhibit E, Generalized Existing Zoning Map. Ninety-one percent (91%) of the buildings exceed thirty-five (35) years of age. Lack of widespread public and private investment is evidenced by significant needs in the public infrastructure and deterioration of private properties as documented in the Eligibility Study.

The Area is characterized by evidence of the following conditions:

the predominance of structures that are (more than fifty percent (50%)) thirty-five (35) years or greater;

deterioration (and in some instances dilapidation) of buildings and site improvements;

obsolescence;

excessive land coverage;
excessive vacancies;
depreciation of physical maintenance;
deleterious land-use and layout; and

"~ - ■ --- lack of community planning.

In addition, the condition of some streets, sidewalks, curbs, street lighting, viaducts with inadequate clearances and un-signalized intersections further hinder efficient industrial and commercial operations.

C. Business And Industry Trends.

During the past two (2) decades, the Area has experienced the closure of several major industrial/manufacturing facilities and reduction in work force of several Area industrial tenants. Uniroyal, Wells-Gardner Electric, American Decal, Allside Lumber, Fertig-March, and Gendex Universal Imaging are all major employers who have closed or reduced their work force in the past two (2) decades. Some of the buildings that once housed these uses are currently vacant or occupied by uses with significantly less labor and space needs than the previous manufacturing uses. Although in some instances new users have

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been located for industrial facilities that were closed, the number of jobs that were lost have not been replaced. Some existing industrial uses are limited in their ability to expand due to excessive land coverage caused by their current operations and the inability of the Area to provide contemporary industrial sites for development. The possibility exists that some of these major industries may look outside the Area to expand their operations. Loss of major industrial tenants, due to an inability to meet contemporary industrial space needs, would be a significant impact to the Area's viability as an industrial sector of the City. In addition, a loss of major industrial tenants would be detrimental to the surrounding residential neighborhoods that depend on the industrial uses in the Area for employment and provide opportunities and support for commercial businesses.

There have been numerous efforts, some meeting with success, to check the decline of the Area by public and private entities (i.e. the Greater North Pulaski Development Corporation, business recruitment efforts of area agencies and the City, et cetera). Despite these efforts, improved industrial and commercial sites in the Area are gradually becoming obsolete and underutilized. Some of these sites may become blighted and lose the ability to generate jobs and tax revenue if these conditions can't be reversed.

The Greater North Pulaski Development Corporation conducted a survey of Area industries during the

preparation of the Pulaski Industrial Corridor Strategic Development Plan (December 1996). In this survey the following issues were identified as major concerns:

- sparking;
- crime;
- a lack of room to grow;
- local resources not meeting training needs of Area businesses; substandard conditions of
- Area industrial streets; and viaducts that limit truck access.

It is evident from this survey and field investigation undertaken for this plan that there remains a need to eliminate blighting conditions; address problems associated with abandoned buildings and vacant sites at various locations; and provide for improved public infrastructure.

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D. Redevelopment Plan Purpose.

Tax increment financing ("T.I.F.") is permitted by the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (1996 State Bar Edition) (the "Act"). The Act sets forth the requirements and procedures for establishing a redevelopment project area and a redevelopment plan. This Pulaski Corridor Tax Increment Financing Plan (hereafter referred to as the "Plan") includes the documentation as to the qualifications of the Area. The purposes of this Plan are to provide an instrument that can be used to guide the correction of Area problems, attract new private development that will produce new employment and tax increment revenues and to stabilize existing development in the Area. This Plan identifies those activities, sources of funds, procedures and various other necessary requirements in order to implement tax increment financing pursuant to the State of Illinois law.

E. Plan Objectives And Strategies.

As a part of the City's overall strategy to: retain viable businesses, recruit new businesses into the City and check the loss of industrial jobs from the inner-City, the City has designated various industrial corridors (in 1994) for programs of planning and capital improvements. The Pulaski Corridor is one of the twenty-two (22) industrial corridors identified by the City. The Pulaski Corridor contains in excess of eighty-five (85) industries that employ more than five thousand four hundred (5,400) workers and is one of the most intensively developed industrial areas on the northwest side, employing forty-four (44) workers per acre. The two (2) most prevalent types of industrial businesses are fabricated metal products and wholesale trade/durable goods. The two (2) strongest employment sectors are fabricated metal products and trucking and warehousing each of which provide over nine hundred (900) jobs in the

Area.

The Area represents an opportunity for the City to implement its current plans to expand the tax base of the Area and increase employment. This can be accomplished by utilizing T.I.F. as described in Section III hereof. Initiatives that are part of this T.I.F. program are designed to arrest the spread of blight and decline of the Area. In doing so, the T.I.F. program will help to preserve, retain, redevelop and expand industry within an area that has traditionally been industrial in nature. In addition, the opportunity exists to revive and enhance declining commercial areas that serve the employees of the industrial corridor and neighboring residents.

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The primary purposes of the Plan are to:

- eliminate the blighting conditions that cause the Area to qualify for T.I.F.;

- acquire land as indicated herein and facilitate new development;

- improve the conditions and appearance of properties within the Area; and

- establish a program of planned improvements designed to retain existing industries and promote the Area for new employment and tax increment producing industrial development and private investment.

This Plan will create the mechanism to revitalize this important industrial and commercial corridor through the improvement of the physical environment and infrastructure. The City proposes to use T.I.F., as well as other economic development resources, when available, to address needs in the Area and induce the investment of private capital.

In implementing this Plan, the City is acting to facilitate the revitalization of the entire Area. The core of the Area should be maintained as an industrial hub with strong commercial corridors reaching out from this hub to provide services to the industry of the Area and surrounding residential neighborhoods. This Plan is intended to build on the City's previous actions to stabilize commercial and industrial land uses, support industrial expansion and attract new industry to the Area. The City recognizes that blighting influences will continue to weaken the Area unless the City itself becomes a leader and a partner with the private sector in the revitalization process. Consequently, the City wishes to encourage private development activity by using T.I.F. as a prime implementation tool to complete various public projects.

F. Redevelopment Plan And Project Activities And Costs.

The projects anticipated for the Area may include, but are not limited to:

- land acquisition;
- street construction;
- transportation improvements;

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- utility work;
- property rehabilitation and improvements to various existing properties;
- private developer assistance;
- site clean-up and preparation; and
- marketing and promotion.

The anticipated activities and associated costs are shown on Table Three, Estimated Redevelopment Project Costs, included herein. The total estimated cost for the activities listed in Table Three are Sixty-four Million Nine Hundred Fifty Thousand Dollars (\$64,950,000).

G. Summary And Conclusions.

This Plan summarizes the analyses and findings of the consultant's work, which, unless otherwise noted, is the responsibility of PGAV-Urban Consulting ("Consultant"). The City is entitled to rely on the findings and conclusions of this Plan in designating the Area as a redevelopment project area under the Act (defined herein). 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 Area and the adoption and implementation of the Plan, and 2) on the fact that the Consultant compiled the necessary information so that the Plan and the related Eligibility Study will comply with the Act.

The study and survey of the Area indicate that requirements necessary for designation as an improved/conservation area and a vacant/blighted area are present. Therefore, the Area is qualified under the terms of these definitions in the Act. This Plan and the supporting documentation contained in the Eligibility Study (included herein as Attachment One) indicate that the Area on the whole has not been subject to growth and development through investment by private enterprise. Without the assistance provided by Tax Increment Financing through adoption of this Plan, this investment is not likely to occur.

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Section II.

Legal Description And Project Boundary.

The boundaries of the Area have been established to include only those contiguous parcels of real property and improvements substantially benefited by the activities to be undertaken as a part of the Plan. Since the boundaries of the Area include nearly three hundred eighty-three (383) acres of land, the statutory minimum of one and five- tenths (1.5) acres is exceeded.

The boundaries of the Area are shown on Appendix - Attachment Two, Exhibit A, Boundary Map of T.I.F. Area and the boundaries are described on the following Appendix ~ Attachment Three, Legal Description of the Area.

A listing, of the permanent index numbers and the 1997 equalized assessed value for all properties in the Area is included in Appendix ~ Attachment Four, 1997 Estimated E.A.V. by Tax Parcel.

Section III.

Statutory Basis For Tax Increment Financing. A. Introduction.

In January, 1977, T.I.F. was made possible by the Illinois General Assembly through passage of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (1996 State Bar Edition). 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" or "incremental property taxes" are derived from the increase in the current E.A.V. of real property within the redevelopment project area over and above the "certified initial E.A.V." of such real property. Any increase in E.A.V. is then multiplied by the current tax rate, which results in incremental property taxes. A decline in current E.A.V. 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 project area. In addition, a municipality may pledge towards payment of such obligations any

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part or (a) (b) (c) (d) (e)

any combination of the following:

net revenues of all or part of any redevelopment project;

taxes levied and collected on any or all property in the municipality;

the full faith and credit of the municipality;

a mortgage on part or all of the redevelopment project; or

any other taxes or anticipated receipts that the municipality may lawfully pledge.

Tax increment financing does not generate tax revenues by increasing tax rates. It generates revenues by allowing the municipality to capture, temporarily, the new 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. Under T.I.F., all taxing districts continue to receive property taxes levied on the initial valuation of properties within the redevelopment project area. Additionally, taxing districts can receive distributions of excess incremental property taxes when annual incremental property taxes received exceed principal and interest obligations for that year and redevelopment project costs necessary to implement the Plan have been paid. Taxing districts also benefit from the increased property tax base after redevelopment project costs and obligations are paid.

As used herein, the term "Redevelopment Project" ("Project") means any public and private development project in furtherance of the objectives of a redevelopment plan. The term Area means an area designated by the municipality, which is not less in the aggregate than one and one-half (1½) acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted area and conservation area. Plan means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area for utilization of tax increment financing, and thereby to enhance the tax base of the taxing districts which extend into the redevelopment project area.

The concept behind the tax increment law is straightforward and allows a municipality to carry out redevelopment activities on a local basis. Redevelopment that occurs in a designated redevelopment project area will

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increase the E.A.V. of the property and, thus, generate increased real property tax revenues. This increase or "increment" can be used to finance "redevelopment project costs" such as land acquisition, site clearance, building rehabilitation, interest subsidy, construction of public infrastructure, et cetera, as permitted by the Act.

The Illinois General Assembly made various findings in adopting the Tax Increment Allocation Redevelopment Act:

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

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

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment plan. One (1) of these requirements is that the municipality must demonstrate that a redevelopment project area qualifies for designation. With certain exceptions, an area must qualify generally either as: j
a blighted area (both "improved" and "vacant" or a combination of both); or

a conservation area; or

a combination of both blighted areas and conservation areas within the definitions for each set forth in the Act.

The Act does not offer detailed definitions of the blighting factors used to qualify Areas. The definitions set forth in the Illinois Department of Revenue's "Definitions and Explanations of Blight and Conservation Factors (1988)" were used in this regard in preparing this Redevelopment Plan.

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B. The Redevelopment Plan For The Pulaski Corridor Tax Increment Financing Redevelopment Project Area.

As evidenced herein, the Area as a whole has not been subject to growth and development through

private investment. Furthermore, it is not reasonable to expect that the Area as a whole will be redeveloped without the use of T.I.F.

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

1. on a coordinated rather than piecemeal basis that land use, access and circulation, parking, public services and urban design are functionally integrated and meet present-day principles and standards; and
2. on a reasonable, comprehensive and integrated basis to ensure that the factors of blight and conservation are eliminated; and
3. within a reasonable and defined period so that the Area may contribute productively to the economic vitality of the City.

Redevelopment of the Area will constitute a large and complex endeavor and "presents challenges and opportunities commensurate with its scale. The success of this redevelopment effort will depend largely on the cooperation between the private sector and agencies of local government. Adoption of this Plan will make possible the implementation of a comprehensive program for redevelopment of the Area. By means of public investment, the Area will become a stable environment that will again attract private investment. Public investment will set the stage for area-wide redevelopment by the private sector. Through this Plan, the City will serve as the central force for directing the assets and energies of the private sector to ensure a unified and cooperative public and private redevelopment effort.

This Plan sets forth the overall Project which are those public and private activities to be undertaken to accomplish the City's above-stated goal. During implementation of the Project, the City may, from time to time: (i) undertake or cause to be undertaken public improvements and activities; and (ii) enter into redevelopment agreements with private entities to construct, rehabilitate, renovate or restore private improvements on one (1) or several parcels (collectively referred to as "Redevelopment Projects").

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This Plan specifically describes the Area and summarizes the blight factors, which qualify the improved portions of the Area as a "conservation area" and several vacant tracts as "blighted area" as defined in the Act. (Also, see Appendix - Attachment One, Eligibility Study.)

Successful implementation of this Plan requires that the City utilize incremental property taxes and other resources in accordance with the Act to stimulate the comprehensive and coordinated development of the Area. Only through the utilization of tax increment financing will the Area develop on a comprehensive and coordinated basis, thereby reducing or eliminating the conditions which have precluded development of the Area by the private sector.

The use of incremental property taxes will permit the City to direct, implement and coordinate public improvements and activities to stimulate private investment within the Area. These improvements, activities and investments will benefit the City, its residents and all taxing districts having jurisdiction over the Area. These anticipated benefits include:

An increased property tax base arising from new industrial development and the rehabilitation of existing buildings.

An increased sales tax base resulting from new and existing development.

An increase in construction, industrial and other full-time employment opportunities for existing and future residents of the City.

The construction of an improved system of roadways, utilities and other infrastructure which better serves existing industries and accommodates desired new development.

Section IV. Redevelopment Goals And Objectives.

Prior planning studies were carefully considered in formulating this Redevelopment Plan. Planning studies evaluated include:

1. Corridors of Industrial Opportunity - A Plan for Industry in Chicago's West Side, released December, 1991, and revised March, 1992, City of Chicago, Department of Planning and Development.

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2. Pulaski Industrial Corridor - Strategic Development Plan, December, 1996, Greater North-Pulaski Development Corporation.
3. Transportation Plan and Program - North Pulaski Corridor, February, 1998, City of Chicago.

In addition to the above referenced formal planning studies, information regarding the needs of the Area and proposals for the future was obtained from various neighborhood groups, comments expressed at neighborhood meetings and field investigations by the Consultant.

The boundaries of the Pulaski Corridor as established in the Strategic Development Plan (December, 1996) are shown on Appendix - Attachment Two, (Sub)Exhibit D, Strategic Plan Boundary Map. This map also shows the boundaries of the Area. The Area boundaries have been established to maximize the provisions of the T.I.F. program and its ability to address Area problems.

Because of the above, various goals and objectives have been established for the Area as noted in this

section.

A. General Goals For Pulaski Area.

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

1. Improve the quality of life in the City by revitalizing the Area. This can be accomplished through assisting the Area to become a secure, functional, attractive, marketable and competitive business district environment.
2. Within the Area, create an environment that will contribute more positively to the health, safety and general welfare of the City. A collateral benefit to the City from effort toward the area goals will be to preserve and enhance the value of properties adjacent to the Area.
3. Create an increased real estate and sales tax base for the City and other taxing districts having jurisdiction over the Area.
4. Retain and enhance sound and viable existing businesses and industries (e.g. Newly Weds Foods, Marshall Field's and others) within the Area.

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5. Attract new industrial and business development within the Area especially at currently vacant sites.
6. Create new job opportunities within the Area.
7. Employ residents from within the Area as well as surrounding areas, with jobs in the Area and adjacent redevelopment project areas.

In addition to these general goals, the Strategic Development Plan (December, 1996) for the Pulaski Corridor listed the characteristics of an industrial corridor. These characteristics were originally identified during the "model industrial corridor" planning process developed by the City that named the Pulaski Corridor as one (1) of twenty-two (22) priority areas for business retention and development in the City. These characteristics are stated below as additional goals of this Plan and reflect a continuation of the process developed for the "model industrial corridor" program:

improve safety and security;

improve accessibility and functionality;

develop a management entity;

improve the appearance and establish an identity; and increase the Area's marketability and competitiveness.

B. Redevelopment Objectives.

Listed below are the redevelopment objectives that will guide planning decisions regarding redevelopment within the Area:

1. Reduce or eliminate those conditions that qualify the improved portion of the Area as a "conservation area" and the vacant portions of the Area as "blighted area". These conditions are described in detail in the Appendix - Attachment One, Eligibility Study.
2. Strengthen the economic well being of the Area by increasing taxable values.
3. Assemble or encourage the assembly of land into parcels of appropriate shape and sufficient size for redevelopment in accordance with this

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4.

5. 6.

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12. 13.

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Plan and contemporary development needs and standards.

Create an environment that stimulates private investment in the upgrading and expansion of existing industries and the construction of new business and industrial facilities that will create jobs and increase the property tax base.

Encourage visually attractive buildings, rights-of-way and open spaces incorporating sound building and property design standards.

Provide necessary public improvements and facilities in proper relationship to the projected demand for such facilities' and in accordance with modern design standards for such facilities.

Provide necessary incentives to encourage business retention, rehabilitation and new development.

Establish job training and job readiness programs to provide residents from within, and surrounding the Area with the skills necessary to secure jobs within the Area and adjacent redevelopment project areas.

Secure commitments from employers located in the Area and any current or future adjacent redevelopment project areas to interview graduates of the Area's job readiness and job training programs.

Provide opportunities for women-owned and minority-owned businesses to share in the redevelopment of the Area.

Maximize the existing accessibility features of the Area and ensure that it is served by a street system and public transportation facilities that provide safe and convenient access to and circulation within the Area.

Create a coherent overall urban design and character, especially along the commercial corridors. Individual developments should be visually distinctive and compatible.

Enhance and strengthen the viability of the Area and surrounding neighborhoods through provision of T.I.F. funding for park, school and library capital improvement projects in the Area.

C. Development And Design Objectives. Listed below are the specific development and design objectives which will

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assist the City in directing and coordinating public and private improvement and investment throughout

the Area in order to achieve the general goals and objectives identified previously in this Plan.

The following guidelines are intended to help attract desirable new businesses and employment opportunities, foster a consistent and coordinated development pattern and create an attractive and quality image and identity for the Area.

1. Land-Use.

Promote comprehensive, redevelopment of the Area as a planned and cohesive mix of industrial uses and supporting commercial corridors.

Provide sites for a range of land uses with primary emphasis on industrial (according to modern industrial park standards) retail and commercial service uses. However, the plan recognizes the need for and existence of institutional, parks and green space and residential uses to a limited extent given the Area's current boundaries.

Promote retail and commercial uses and amenities such as shared parking in selected locations that support the needs of the Area's residents, employees and business patrons.

Protect areas designated for a particular land-use from development that may be detrimental to the desired use.

Encourage continued expansion of business and industrial services in the Area where concentrations of sound businesses (Newly Weds Food, Marshall Field's, et cetera) exist.

2. Building And Site Development.

Repair and rehabilitate existing industrial buildings in poor condition, when feasible and demolish buildings where rehabilitation is not feasible.

Reuse vacant buildings in serviceable condition for new business or industrial uses.

Ensure that the design of new buildings is compatible with the surrounding building context.

Promote the use of themed architectural treatments (including lighting,

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signage and landscaping) around buildings to add visual interest.

Locate building service and loading areas away from front entrances and major streets where possible.

Encourage secure parking, service and support facilities that can be shared by multiple businesses and industrial uses.

Encourage decorative metal fencing around the perimeter of industrial sites to provide street level identity and enhance public safety. Discourage the use of chain link fencing, except in areas that are not visible to the public.

3. Transportation And Infrastructure.

Provide safe and convenient access to the Area for trucks, autos and public transportation.

Alleviate traffic congestion along arterial routes throughout the Area.

Improve the street surface conditions, street lighting, curbs, sidewalks and traffic signalization.

Consider the use of traffic calming devices such as cul-de-sacs, limited access and street closures where they would contribute to the efficient - use of sites in close proximity and discourage or eliminate truck traffic through residential areas.

Consider closing selected street segments and viaducts in order to create larger building sites and enhance opportunities for new development.

Improve viaduct clearances and the condition of viaduct structures.

Promote developments that incorporate transit facilities into their design.

Provide weU-defined, safe pedestrian connections between developments within the Area, and between the Area and nearby destinations.

Upgrade public utilities and infrastructure throughout the Area as required.

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4. Urban Design.

Establish a comprehensive streetscape system to guide the design and location of light fixtures, sidewalks, paving materials, landscaping, street furniture and signage throughout the Area.

Promote high quality and harmonious architectural design throughout the Area.

Enhance the appearance of the Area by landscaping the major street corridors and repaving deterioration sidewalks and curbs.

Provide distinctive design features, including landscaping and signage, at the major entryways into the Area to create a unified identity.

Repaint light standards and install streetpole banners throughout the Area to signal revitalization and reinvestment.

Preserve and promote buildings with historic and architectural value, where appropriate.

Clear, clean and maintain vacant land, particularly in highly visible locations; where feasible, use vacant lots for permanent, attractive open space or off-street parking.

- Improve the condition and appearance of commercial and residential areas to remain.

Eliminate illegal dumping, abandoned vehicles, overgrown weeds and graffiti.

Discourage proliferation of building and site signage and restrict off-premises advertising to the extent permitted by law.

5. Landscaping And Open Space.

Provide landscaped buffer areas around the periphery of, and within the Area to secure industrial areas and reduce the adverse impact of industrial activities on adjacent residential neighborhoods.

Encourage landscaped open spaces in front setbacks, particularly along arterial and industrial collector streets.

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Screen active rail tracks with berms and landscaping.

Promote the use of landscaping and attractive fencing to screen dumpsters, waste collection areas, loading areas, service areas and the perimeter of parking lots and other vehicular use areas.

Ensure that all landscaping and design materials comply with the City of Chicago Landscape Ordinance.

Promote the development of shared open spaces within industrial areas, including courtyards, eating areas, recreational areas, et cetera.

Ensure that all open spaces are designed, landscaped and lighted to achieve a high level of security.

Section "V".

Basis For. Eligibility Of The Area And Findings.

A. Introduction.

Appendix ~ Attachment One (the "Eligibility Study") contains a comprehensive report that documents all factors required by the Act to make a determination that an Area is eligible under the Act. A brief synopsis of this Eligibility Study is included in this section.

A redevelopment project area, according to the requirements of the Act is one designated by a municipality (city, village or incorporated town) in which the finding is made that there exist conditions which cause such project area to be classified as a blighted area, conservation area, combination of blighted and conservation areas or an industrial park conservation area. The criteria and the individual factors that were utilized in conducting the evaluation of the physical conditions in the Area are outlined under the individual headings that follow.

B. Area Background Information. Location and Size of Area.

The Area is located four (4) miles west of downtown Chicago and

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approximately one (1) mile south of the Kennedy Expressway. The Area contains nearly three hundred eighty-three (383) acres and consists of one hundred fourteen (114) (full and partial) blocks.

The boundaries of the Area are described on the Appendix - Attachment Three, Legal Description and are geographically shown on Appendix - Attachment Two, (Sub)Exhibit A, Boundary Map of T.I.F. Area. The existing land uses are identified on Appendix - Attachment. Two, (Sub)Exhibit B, Existing Land-Use Assessment Map.

Description of Current Conditions.

The Area consists of one hundred fourteen (114) (full and partial) city blocks, five hundred twelve (512) buildings and approximately eight hundred eighty-three (883) parcels covering nearly three hundred eighty-three (383) acres. Of the nearly three hundred eighty-three (383) acres in the Area, the gross land-use percentage breakdown is as follows: industrial ~ forty-five and nine-tenths percent (45.9%); commercial - five and nine-tenths percent (5.9%); residential - one and six-tenths percent (1.6%); institutional and related - five and four-tenths percent (5.4%); vacant undeveloped parcels - one and nine-tenths percent (1.9%); and public right-of-way - thirty-nine and three-tenths percent (39.3%).

Much of the Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

deteriorated buildings and site improvements;

obsolescence;

excessive land coverage;

excessive vacancies;

depreciation of physical maintenance;

deleterious land-use and layout; and

lack of community planning.

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The Area on the whole has not been subject to growth and development through investment by private enterprise and is not expected to do so without the adoption of this Plan. Age and the requirements of contemporary commercial and industrial tenants have caused portions of the Area and its building stock to become obsolete and may result in further disinvestment in the Area. Several industries have left the Area or reduced their work force substantially in the last two (2) decades. Prior efforts by the City, Area leaders, residents, businesses and groups such as Greater North Pulaski Development Corporation have, in some instances met with limited success. However, these efforts have not prevented further decline. In addition, these efforts have not resulted in occupancy and beneficial use of some sites and large vacant buildings. The City has developed the North Pulaski Corridor Transportation Plan and Program and the Greater North Pulaski Development Corporation developed the Pulaski Corridor Strategic Development Plan in attempts to attract new growth and development. In addition, the City has begun to implement limited capital improvements for street and alley repair and repaving.

The City and the State of Illinois ("State") have designated a portion of this section of the community as an Enterprise Zone (Appendix - Attachment Two, (Sub)Exhibit G, Enterprise Zone Map). As noted on the map, a substantial portion of the Area is a State of Illinois Enterprise Zone. This initiative may be responsible in part, for creating some stabilized "pockets" in the Area but has not totally eliminated further decline. However, in the future, the Enterprise Zone in conjunction with the components of this tax. increment finance strategy, will greatly assist in addressing Area problems.

In the period of 1991 through 1997, the City of Chicago equalized assessed value increased from Twenty-seven Billion Four Hundred Million Dollars (\$27,400,000,000)- to Thirty-three Billion Four Hundred Million Dollars (\$33,400,000,000). This represents a gain of Six Billion Dollars (\$6,000,000,000) (annual average of three and six-tenths percent (3.6%)) during this six (6) year period. Cook County E.A.V. increased from Sixty Billion Dollars (\$60,000,000,000) in 1992 to Seventy-five Billion Five Hundred Million Dollars (\$75,500,000,000) in 1997 for a gain of Fifteen Billion Five Hundred Million Dollars (\$15,500,000,000) (four and three-tenths percent (4.3%)) during this six (6) year period. In 1997, the E.A.V. of the Area was Eighty-one Million Nine Hundred Thousand Dollars (\$81,900,000). This represents an average annual growth rate of approximately one and eight-tenths percent (1.8%) during

the six (6) year period between 1991 and 1997. Further, approximately one and six-tenths percent (1.6%) of the properties in the Area are delinquent in the payment of 1996 real estate taxes and two

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hundred forty-one (241) violations have been issued on buildings since July of 1993.

Of the approximately five hundred twelve (512) buildings and three hundred eighty-three (383) acres in the Area, only twelve (12) major new buildings have been built since July of 1993 according to building permit information provided by the City. Of these twelve (12) buildings, only three (3) were industrial buildings. Approximately ninety-one percent (91%) of the buildings in the Area exceed thirty-five (35) years of age.

Vacancies of longer than one (1) year exist in some buildings. Two (2) large vacant tracts of land exist that have not generated private development interest. The two (2) vacant tracts and over four hundred fifty thousand (450,000) square feet of vacant industrial floor area adds significantly to the view that the Area may experience additional evidence of blight and that market acceptance of portions of the Area is not favorable.

The documentation provided in this Plan and the attached Eligibility Study (long-term vacancies, properties that are tax delinquent, absence of new development occurring, stagnant E.A.V., et cetera) indicates that private investment in revitalization and redevelopment has not occurred to overcome the blighted conditions that currently exist. The Area is not reasonably expected to be developed without the aggressive efforts and leadership of the City, including the adoption of the Plan.

C. Area Data And Profile.

In 1994, the City designated various industrial corridors for programs of planning and capital improvements. As part of this program, the City developed an overall strategy to address blighted conditions in targeted areas. These efforts were directed at increasing property values, retaining viable businesses, recruiting new businesses into the City and reversing the loss of industrial jobs from the inner-City. Each of these corridors has received or will receive funding for planning and capital improvement programs.

The primary purpose of this Pulaski Corridor Tax Increment Redevelopment Plan and Project is to establish a program of addressing those factors that cause the Area to qualify under the Act. Further, the planned tax increment finance program identified in this Plan is designed to lead to retention of existing industry and business and promote the Area for new industrial and commercial development and private investment.

The Pulaski Corridor is located approximately four miles west of Downtown

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Chicago. The corridor is approximately three (3) miles north of the Eisenhower Expressway (1-290) and one (1) mile south of the Kennedy Expressway (1-94). As noted in the Introduction, the Area is generally linear in shape and parallels the former Chicago Milwaukee, St. Paul and Pacific (C.M.S.P.&P.) railroad right-of-way between Belmont and North Avenues along its north/south axis. There are also two (2) linear sections in the Area aligned in east/west orientations that stretch westward along Fullerton and North Avenues.

The corridor contains approximately eighty-five (85) manufacturing firms that employ more than five thousand four hundred (5,400) workers. The two (2) most prevalent types of industrial businesses are fabricated metal products and wholesale trade/durable goods. The largest employment sector is fabricated metal products with the trucking and warehousing sector strong as well. The commercial corridors along Fullerton Avenue, Pulaski Road and North Avenue are home to approximately two hundred fifty (250) commercial businesses and provide employment opportunities to residents in surrounding neighborhoods.

D. Existing Land-Use And Zoning Characteristics. A tabulation of existing land-use by category is:

Table One Tabulation Of Existing Land-Use. (Gross Area)

Land Area Gross Acres

Percent Of Gross Land Area

Industrial (includes Parking, Loading and Storage)

Commercial

Public, Institutional, Medical, Social Services and Semi-Public

Undeveloped Land

Public Right-of-Way

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Land-Use	Land Area Gross Acres	Percent Of Gross Land Area
Residential	6	1.6

TOTAL: 383 100.00

The existing land uses itemized in Table One, are predominantly industrial in nature as seventy-five and six-tenths percent (75.6%) of the net Area (exclusive of public right-of-way) is industrial. In addition to industry, the Area is home to numerous commercial uses along Grand Avenue, North Avenue, Pulaski Road and Fullerton Avenue. The portion of the Area along Grand, North and Fullerton Avenues is predominately commercial with some second floor residential and office uses. Several institutional, recreational and residential uses are also scattered throughout the Area. The majority of property within the Area is zoned for light to medium industry as evidenced by the zoning that exists in the Area (see Appendix - Attachment Two, (Sub)Exhibit E, Generalized Existing Zoning Map).

There are no significant multi-tenant retail shopping centers in the Area. The few pockets of residential use existing in the Area are small and isolated from surrounding residential neighborhoods by industrial or commercial land uses. Approximately one and six-tenths percent (1.6%) of the total gross land area in the Area is residential. Along the flanks of the Area, residential uses are in close proximity to industries and businesses. The boundary separating residential and industrial uses is often a local access road or alley. These situations often create conflicts related to traffic generation and use of on-street parking by Area employees and customers.

Some employee and truck traffic flows through residential areas. This is particularly evident in the northern portion of the Area along West George Street and North Kearsarge Avenue and in the western portion of the Area along North Kildare and North Keeler Avenues. Competition for street space (on-street parking and traffic capacity) interferes with the normal functions of both industrial and adjacent residential land uses. The competition for parking and circulation space between mixed land uses (including areas where vacant buildings and lots are present) has caused a decline in the viability of the corridor to support larger contemporary industrial development and limits the ability of viable corridor industries to expand.

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Adequate parking is also a concern in the commercial corridors along North Pulaski Road, West North, West Grand and West Fullerton Avenues. These older commercial corridors along major transportation routes were constructed with little off-street parking for businesses or second (2nd) floor residential uses. In addition, nearly all of the commercial development along these corridors backs up to densely populated residential neighborhoods. Parking is limited because of narrow street frontages for individual businesses, dense commercial development and nearby densely populated residential side streets.

These and other conditions have created a poor environment for residents, employees and patrons of Area businesses who must park on adjacent streets to access the Area. These conditions also foster property crime to vehicles and inhibit public safety and security for residents, employees and patrons' that must walk several blocks to their destination.

E. Investigation And Analysis Of Blighting Factors.

In determining whether or not the proposed Area meets the eligibility requirements of the Act, various methods of research were accomplished in addition to the field surveys. The data includes information assembled from the sources below:

1. Contacts with local individuals knowledgeable of Area conditions and history, age of buildings and site improvements, methods of construction, real estate records and related items, as well as examination of existing studies and information related to the Area. Previous planning studies and reports have been utilized as noted previously in Section III. Aerial photographs, sidwell block sheets, et cetera, were also utilized.
2. Inspection and research as to the condition of local buildings, streets, utilities, et cetera.
3. On-site field inspection of the proposed Area conditions by experienced property inspectors of the Consultant and others as previously noted. Personnel of the Consultant are trained in techniques and procedures of determining conditions of local properties, utilities, streets, et cetera, and determination of eligibility of designated areas for tax increment financing.
4. Use of accepted definitions and guidelines to determine area eligibility as established by the Illinois Department of Revenue manual in conducting eligibility compliance review for State of Illinois Tax

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Increment Finance Areas in 1988.

5. Adherence to basic findings of need as established by the Illinois General Assembly in establishing tax increment financing which became effective on January 10, 1977. These are:
 - i. There exists in many Illinois municipalities areas that are conservation or blighted areas, within the meaning of the Act.
 - ii. The eradication of blighted areas and the treatment of conservation areas by redevelopment projects are essential to the public interest.
 - iii. These findings are made on the basis that the presence of blight or conditions which lead to blight is detrimental to the safety, health, welfare and morals of the public.

In making the determination of eligibility, it is not required that each and every property or building in the Area be blighted or otherwise qualify. It is the Area as a whole that must be determined to be eligible.

The Act sets forth fourteen (14) separate blighting factors that are to be used to determine if an area qualifies as a "conservation area". If a combination of three (3) or more is found to exist, the Redevelopment Area can be found to qualify, as a "conservation area". In addition, there is a threshold that must be met in order for an area to be established as a conservation area. For an area to qualify as a

conservation area fifty percent (50%) or more of the structures in the area must have an age of thirty-five (35) years or more.

The Act does not define the blight terms, but the Consultant has utilized the definitions for these terms as established by the Illinois Department of Revenue in their 1988 Compliance Manual. The Eligibility Study, included in the Appendix, defines all of the terms and the methodology employed by the Consultant in arriving at the conclusions as to eligibility.

Further, the Act separates the qualifications for blighted areas to cover situations where improved land and vacant land are both being included in the Area. The Eligibility Study separates the analysis so as to document those conditions of improved portions which cause the Area to qualify as a conservation area, as well as qualifying a portion of the vacant land in the Area as blighted/vacant land. Below are the relevant factors for each of the categories.

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Improved Area: A combination of three (3) or more of the following factors are required to qualify as a conservation area:

1. Dilapidation.
2. Obsolescence.
3. Deterioration.
4. Illegal use of individual structures.
5. Presence of structures below minimum code standards.
6. Abandonment.
7. Excessive vacancies.
8. Overcrowding of structures and community facilities:
9. Lack of ventilation, light or sanitary facilities.
10. Inadequate utilities.
11. Excessive land coverage.
12. Deleterious land-use or layout.
13. Depreciation of physical maintenance.

14. Lack of community planning.

Table Two, Conservation Factors Matrix of Improved Area, tabulates the condition of all improved properties in the nearly three hundred eighty-three (383) acre, one hundred fourteen (114) full and partial block Area. Table Two documents the conditions of improved portions of the Area. This table indicates that three (3) or more blighting factors associated with improved land are present to a meaningful extent and generally distributed throughout the Area.

Vacant Area: The following are various provisions that permit vacant areas to qualify as blighted:

1. combination of two (2) or more of the following factors:

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- i. obsolete platting of the vacant land,
 - ii. diversity of ownership of such land,
 - iii. tax and special assessment delinquencies on such land,
 - iv. flooding on all or part of such vacant land,
 - v. deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or
2. the area immediately prior to becoming vacant qualified as a blighted improved area, or
3. the area consists of an unused quarry or unused quarries, or
4. the area consists of unused railyards, rail tracks or railroad rights-of-way, or
5. the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one (1) or more improvements in or in proximity to the area which improvements have been in existence for at least five (5) years, or
6. " the area consists of an unused disposal site, containing earth, stone, building debris or similar material which were removed from construction, demolition, excavation or dredge sites, or
7. the area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of a

redevelopment project area and which area meets at least one (1) of the factors itemized herein, and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

The following discussion (paragraphs (i) and (ii) below) identifies two (2) tracts of land totaling six and five-tenths (6.5) acres of land. These are tracts of land that have been on the market for some time and available for development with

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little private sector interest:

- i. A four (4) acre vacant tract of land exists on the southwest quadrant of West Cortland Street and North Lawndale Avenue. This tract has been vacant since 1997 and was formerly occupied by a warehouse owned by the Schwinn Bicycle Co.. The building was a multi-story warehouse constructed of reinforced concrete containing approximately three hundred fifty thousand (350,000) square feet. The building had been vacant for more than five (5) years prior to demolition and therefore would have been considered abandoned. The building had been stripped of all internal systems and equipment and contained numerous broken windows and damaged doors. The building and site were not secure and access to the building and site was not controlled. The building exhibited multiple blighting characteristics including: excessive vacancy; depreciation of maintenance; deterioration of building and site improvements; and dilapidation. In addition, historic plats of the site indicate that the property and building exhibited obsolete platting, obsolete site layout and excessive land coverage factors typical of warehouse construction more than thirty-five (35) years old. Hence, this site qualified as a vacant and blighted improved area immediately before becoming vacant.
- ii. The two and five-tenths (2.5) acre tract located at 2600 North Pulaski Road has been vacant since 1995. Immediately prior to being vacant, the property was the site of the Acme Frame/Silite Building. The building contained approximately one hundred thousand (100,000) square feet and had been vacant for more than five (5) years before being cleared. Therefore it would have been considered abandoned. Prior to demolition, the site and building exhibited depreciation of maintenance and deteriorating building and site improvements. In addition, the site exhibited obsolete platting, obsolete site layout and excessive land coverage factors typical of buildings more than thirty-five (35) years old. Therefore, these sites meet the statutory criteria for classification of vacant land within a blighted area.

Both of these sites, immediately prior to becoming vacant, exhibited numerous blighting factors specified in the Act and described above that would qualify these sites as blighted/vacant areas.

F. Summary Of Findings/Area Qualification. It was determined in the investigation and analysis of

blighting factors in the

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Area that the Area qualifies as a conservation area and as a blighted area. As documented, this is due to conditions found to exist in the "improved" area and in the "vacant" area. Those qualifying factors that were determined to exist in the improved portion of the Area are summarized in Table Two, Conservation Factors Matrix of Improved Area. Similar information for the vacant or unimproved areas is presented following these tables. The tax increment program and Plan include measures designed to reduce or eliminate the deficiencies which cause the Area to qualify consistent with the strategy of the City for revitalizing the twenty-two (22) designated industrial corridors.

- The loss of businesses from this Area, mirroring the experience of other large urban centers, further documents the trend line and deteriorating conditions of the neighborhood. Closures and abandonment of various industrial plants are further evidence of declining conditions in the Area, lack of private investment and little interest in the Area by the private market. There is in excess of four hundred fifty thousand (450,000) square feet of vacant floor space in major buildings throughout the Area. These properties have been available for several years with little interest being expressed by private sector businesses.

The City and the State have designated a portion of the Area as a State of Illinois Enterprise Zone (Zone Number 5) as a further response to deteriorating conditions in the Area, recognition of the significant needs, and realization that financial incentives are required to attract private investment. The Area, as previously noted, is one (1) of the twenty-two (22) industrial corridors identified by the City as reported in the Pulaski Industrial Corridor - Strategic Development Plan. (See Appendix - Attachment Two, (Sub) Exhibit G, Enterprise Zone Map, and (Sub)Exhibit D, Strategic Plan Boundary Map (per December 1996 Strategic Plan)).

The conclusion of the Consultant is that the number, degree and distribution of eligibility factors as documented in this report warrant the designation of the Area as an improved/conservation area as set forth in the Act. In addition, it is also the conclusion of the Consultant that a portion of the Area warrants designation as a vacant/blighted area as set forth in the Act.

The summary tables contained on the following pages highlight the factors found to exist in the Area which cause it to qualify:

Although it may be concluded that the mere presence of the stated eligibility factors noted herein may be sufficient to make a finding of qualification as a Conservation Area, this evaluation was made on the basis that the factors must be present to an extent that would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of Conservation Area eligibility factors throughout the Area must be reasonable

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so that a good area is not arbitrarily found to be a Conservation Area simply because of proximity to an area that exhibits blighting factors.

1. Improved Statutory Factors.

Eligibility Factors ¹

Existing In Area

Age²

1. Dilapidation
2. Obsolescence .
3. Deterioration
4. Illegal use;of individual structures
5. Presence of structures below

minimum code standards

6. Abandonment
7. Excessive vacancies
8. Overcrowding of structures and community facilities
ninety-one percent (91.0%) of buildings exceed thirty-five (35) years of age

Minor Extent

Major Extent

Minor Extent

Minor Extent

Minor Extent Minor Extent Minor Extent

Notes:

1. Only three (3) factors are required by the Act for eligibility. Twelve (12) factors are present in the Area. Four (4) factors were found to exist to a major extent and eight (8) were found to exist to a minor extent.

2. Age is not a blighting factor for designation but rather a threshold that must be met before an Area can qualify as a Conservation Area.

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Eligibility Factors ¹

9. Lack of ventilation, light or sanitary facilities

10. Inadequate utilities

11. Excessive land coverage

12. Deleterious land-use or layout

13. Depreciation of physical maintenance

14. Lack of community planning

2. Vacant/Unimproved Land - Statutory Factors.

Existing In Vacant/ Unimproved Portion Of Area.

1. Two (2) or more of the following factors:

i. Obsolete platting (does not exist)

ii. Diversity of ownership (does not exist)

iii. Tax and assessment delinquencies
(does not exist)

Notes:

1. Only three (3) factors are required by the Act for eligibility. Twelve (12) factors are present in the Area. Four (4) factors were found to exist to a major extent and eight (8) were found to exist to a minor extent.

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Existing In Vacant/ Unimproved Portion Of Area.

iv. Flooding (does not exist);

or

Area immediately prior to becoming vacant qualified as a blighted improved area;

or

3. Area consists of unused quarry or quarries;

or

4. Area consists of unused rail yards, rail tracks

or railroad right-of-way;

or

5. Area prior to designation is subject to chronic
flooding caused by improvements;

or

6. Area consists of unused disposal site containing
earth, stone, building debris, et cetera;

or

7. Area is not less than fifty (50) nor more
than one hundred (100) acres and seventy-five percent (75%) is
vacant.

Note:

Area qualifies per statutory requirements. Only one (1) factor is required by the Act.

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Additional research indicates that the Area on the whole has not been subject to growth and development as a result of investment by private enterprise and will not be developed without action by the City. These have been previously documented. All properties within the Area will benefit from the T.I.F. program.

The analysis above was based upon data assembled by the Consultant. The conclusions presented in this report are those of the Consultant. The local governing body should review this report and, if satisfied with the summary of findings contained herein, adopt a resolution making a finding of a Conservation Area for the improved portion of the Area and a Blighted Area for the vacant portion of the Area, and making this report a part of the public record.

The study and survey of the Area indicate that requirements necessary for designation as an improved/conservation area and a vacant/blighted area are present.

Therefore, the Area is qualified as an improved/conservation area and a vacant/blighted area to be designated as a redevelopment project area and eligible for Tax Increment Financing under the Act (see full text of Appendix - Attachment One, Eligibility Study).

Section VI. Redevelopment Plan And Project.

A. Introduction.

This section presents the Plan and Project for the Redevelopment Project Area. Pursuant to the Act, when the finding is made that an area qualifies as either conservation, blighted, combination of conservation and blighted areas or industrial park conservation area, a Redevelopment Plan must be prepared. A redevelopment plan is defined in the Act at 65 ILCS 5/1 1-74.4-3(n) as:

the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area", and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area.

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B. Generalized Land-Use Plan.

The generalized land-use plan for the Area is presented on Appendix ~ Attachment Two, (Sub) Exhibit C, Generalized Land-Use Plan.

The generalized land-use plan for the Area will be in effect upon adoption of this Plan. This land-use

plan is a generalized plan in that it states land-use categories and even alternative land uses that apply to each block in the Area. Existing land uses that are not consistent with these categories may still be permitted to exist. However, T.I.F. assistance will only be provided for those properties in conformity with this generalized land-use plan.

The Area should be redeveloped primarily as a planned and cohesive industrial, business and employment center providing sites for a wide range of land uses, including industrial, office/research, commercial service, residential, open space, intermodal yard and public and institutional uses. The various land-uses should be arranged and located to minimize conflicts between neighboring land use activities. The intent of this redevelopment program is also to enhance and support the existing, viable industries and commercial businesses in the Area through providing opportunities for financial assistance for expansion and growth.

The generalized land-use plan highlights opportunities for industrial and business improvement, enhancement and new development within the Area. The generalized land-use plan is focused on maintaining and enhancing sound \and viable existing businesses, and promoting new business development at selected locations. The generalized land-use plan designates eleven (11) land-use categories within the Area as follows:

- i. Residential/Commercial/Business,
- ii. Commercial / Business / Residential,
- iii. Commercial/Business,
- iv. Commercial/Business/Industrial,
- v. Industrial,
- vi. Industrial/Commercial/Business,
- vii. Institutional/Industrial/Residential,
- viii. Public Use/Institutional,

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- ix. Public Use/Institutional/Residential,
- x. " Public Use/Institutional/Industrial, and
- xi. Transportation.

These eleven (11) categories, and their location on the map in Appendix - Attachment Two, (Sub) Exhibit C, Generalized Land-Use Plan, were developed from several factors: existing land-use, the existing underlying zoning district and the land-use anticipated in the future. In addition, several sub-

areas are identified below. The purpose of discussing these sub-areas is an attempt to reflect the predominant existing land uses that are present in these areas and the homogeneous nature of the uses in these areas:

Belmont to Fullerton.

This sub-area represents the core of the industrial portion of the Area. This sub-area encompasses the northern half of the Area between Belmont Avenue on the north and Fullerton Avenue on the south. Existing land uses in this sub-area are predominately industrial with a limited number of scattered commercial and residential uses. The residential uses are mainly concentrated in a small pocket (eight (8) single-family units) located along Parker Avenue. The underlying zoning for this sub-area is predominately industrial except for along Diversey Avenue where there is an area zoned in a business category and Kosciuszko Park which is zoned residential.

The generalized land-use plan calls for a continuation of industrial uses in this area and attempts to reflect existing land uses and underlying zoning where possible.

Ken-Well Playground Park and Kosciuszko Park are shown as Public Use. The additional residential component associated with Kosciuszko Park is reflecting the underlying residential zoning district. Along Pulaski Road, Diversey Avenue and Wrightwood Avenue, existing commercially zoned areas and larger commercial land uses are identified. The large area north of Diversey Avenue currently zoned in a business category includes an industrial component to reflect current land use. The area identified for public use north of Wrightwood Avenue and west of the Metra tracks is the new State Emissions Test Center.

It is not the intent of this generalized land-use plan to eliminate existing non-industrial and non-commercial uses in this sub-area. The intent is to prohibit the expansion of these uses and allow the industrial nature of the

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sub-area to remain intact. The existing non-industrial and non-commercial uses should remain until such time that they are no longer viable for their current use.

Fullerton Avenue.

Existing land-use along Fullerton Avenue is predominately commercial and the underlying zoning designations are either commercial or business. The generalized land-use plan calls for these uses to continue. Scattered residential or second floor residential uses are currently located along Fullerton Avenue. However, residential uses are not the dominant land-use in this sub-area: It is not the intent of this generalized land-use plan to eliminate existing non-commercial uses. The intent of this generalized land-use plan is to prohibit the expansion of residential uses and allow the commercial nature of Fullerton Avenue to remain intact. The existing residential uses should remain until such time that they are no longer viable for residential use.

Fullerton to North.

This portion of the Area is bounded by Fullerton Avenue on the north and North Avenue on the south. This sub-area is mixed of industrial, commercial and residential uses. Commercial uses are concentrated along Pulaski Road and Armitage Avenue and there is a pocket of residential uses (eleven (11) ~single-family uses) located near Dickens and Shakespeare Avenues. Most of the sub-area is zoned for industrial use. The exception is Christa McAuliffe School that is zoned residential.

The generalized land-use plan identifies much of this sub-area for industrial use. This is reflective of the underlying industrial zoning. Several locations are identified for public and institutional uses reflecting existing uses or anticipated institutional development.

Commercial uses are identified along Armitage Avenue and Pulaski Road to reflect existing commercial development and to allow for commercial service uses in the Area. It is not the intent of this generalized land-use plan to eUrninate existing uses. The intent of this generalized land-use plan is to prohibit the expansion of existing non-industrial uses in this sub-area so that the industrial portions of the sub-area can remain intact. The existing non-industrial uses should remain until such time that they are no longer viable for their current use.

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North Avenue.

This sub-area consists of North Avenue from Lowell Avenue on the west to the Metra tracks on the east and a one (1) block section of Pulaski Road from North Avenue to LeMoyne Drive. Existing land uses in this sub-area are predominately commercial with sparse residential uses at street level and multiple buildings with second story residential or office uses. The majority of the North Avenue sub-area is zoned for commercial or business uses except for one (1) small area at North Avenue and Springfield Avenue that is zoned in residential category and is currently used as a church.

The generalized land-use plan reflects existing land-use and zoning and calls for the sub-area to continue to serve as a commercial district. The generalized land-use plan adds the residential component to reflect existing street level and second floor residential uses. However, residential uses should not be permitted to expand beyond their current limits in terms of street level uses. The intent in this sub-area is for continued commercial uses at street level with second floor residential and office uses.

Grand Avenue.

The Grand Avenue sub-area extends along Grand Avenue from Lowell Avenue on the west to Hamlin Avenue on the east and includes Pulaski Road south of LeMoyne Drive.

Existing uses in this sub-area are a mix of residential, commercial and industrial uses. The entire sub-area is zoned in commercial or business categories. The generalized land-use plan reflects the underlying zoning and calls for a majority of the sub-area to continue to be used for commercial purposes. The block located to the northwest of the Pulaski Road and Grand Avenue intersection includes an industrial

component to reflect existing land uses at this location. It is not the intent of this generalized land-use plan to eliminate existing non-commercial uses in this sub-area. The intent of this generalized land-use plan is to prohibit the expansion of existing noncommercial uses in this sub-area so that the commercial nature of Grand Avenue can remain intact.

All redevelopment project activities shall be subject to the provisions of the City's ordinances and applicable codes as may be in existence and may be amended from time-to-time.

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C. Redevelopment Projects.

To achieve the objectives proposed in the Plan, a number of projects and activities will need to be undertaken. An essential element of the Plan is a combination of private projects, as well as public projects and infrastructure improvements. Projects and activities necessary to implement the Plan may include the following:

1. Private Redevelopment Projects: Rehabilitation of existing properties including adaptive reuse of certain existing buildings built for one (1) use but proposed for another use. New construction or reconstruction of private buildings at various locations as permitted by the Plan.
2. Public Redevelopment Projects: Public projects and support activities will be used to induce and complement private investment. These may include, but are not limited to: street improvements, building rehabilitation, land assembly and site preparation, street work, transportation improvement programs and facilities, public utilities (water, sanitary and storm sewer facilities), environmental clean-up, park improvements, school improvements, landscaping, traffic signalization, promotional and improvement programs, signage and lighting, as well as other programs of financial assistance, as may be provided by the City and permitted by the Act.

The estimated costs associated with the eligible public redevelopment projects are presented in Table Three, Estimated Redevelopment Project Costs shown on the next page. These are projects that are necessary to carry out the capital improvements and programs identified in prior plans for the Pulaski Corridor and to address the additional needs identified in preparing this Plan. This estimate includes reasonable or necessary costs incurred or estimated to be incurred in the implementation of this Plan.

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

JOURNAL-CITY COUNCIL-CHICAGO 6/9/99**Table Three. Estimated Redevelopment Project Costs.**

Activity	Cost
1. Planning, Legal, Professional Services, Administrative	\$ 2,000,000
2. Property Assembly; Site Clearance and Clean-Up; Site Preparation	20,000,000
3. Rehabilitation Costs	9,000,000
4. Public Works or Improvements	18,000,000
5. Job Training	6,000,000
6. Taxing Districts' Capital Costs	6,000,000
7. Relocation Costs	3,000,000
8. Interest Subsidy	950,000
*Total Redevelopment Project Costs:	\$64,950,000

*In addition to the above stated costs, each issue of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations. Adjustments to the estimated line item costs above are expected and may be made by the City without amendment to the Plan. Each individual project cost will be re-evaluated in light of projected private development and resulting incremental tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs as a result of changed redevelopment costs and needs.

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The City may enter into redevelopment agreements with public or private entities for the furtherance of this Plan. Such redevelopment agreements may be for the assemblage of land; the construction, rehabilitation, renovation or restoration of improvements or facilities; the provision of services; or any other lawful purpose. Redevelopment agreements may contain terms and provisions that are more specific than the general principles set forth in this Plan and which may include affordable housing requirements.

3. Property Assembly.

Property acquisition and land assembly by the private sector in accordance with this Plan will be encouraged by the City. Additionally, the City may encourage the preservation of buildings that are structurally sound and compatible with the overall redevelopment of the Area.

To meet the goals and objectives of this Plan, the City is authorized to acquire and assemble property throughout the Area. The attached Appendix ~ Attachment Two, Exhibit H-1, Land Acquisition Map, graphically illustrates the location of properties to be acquired. The majority (approximately ninety-four percent (94%)) of properties included on Exhibit H-1, Land Acquisition Map are vacant or contain vacant structures. Exhibit H-2, Land Acquisition List indicates, in detail, properties to be acquired. Parcels of land may be acquired for the purposes of land assembly for future redevelopment. Site preparation may include demolition of existing improvements and environmental remediation, where appropriate. To meet the goals, policies "of objectives of this Plan, the City may acquire and assemble property throughout the Area. Land assemblage by the City may be done by purchase, exchange, donation, lease or eminent domain and may for the purposes of (a) sale, lease or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Furthermore, the City may require written redevelopment agreements with developers before acquiring any properties.

As appropriate, the City may devote acquired property to temporary uses until such property is scheduled for disposition and redevelopment.

The City may demolish improvements, remove and grade soils and prepare sites with soils and materials suitable for new construction. Acquisition, clearance and demolition will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tax-producing redevelopment closely follows site clearance.

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The City may (a) acquire any historical structure (whether a designated City or State landmark or on, or eligible for, nomination to the National Register of Historic Places); (b) demolish any non-historic feature of such structure; and (c) incorporate any historic structure or historic feature into a development on the subject property or adjoining property.

Presently, there are no designated historic landmarks within the boundaries of the Area. However, there were several buildings identified as significant in a survey of historic landmarks undertaken by the City. In addition, several arterial streets in the Area (North, Fullerton, Grand Avenue and the southern portion of Pulaski Road) contain commercial districts that are intact from an urban design and streetscape perspective.

In connection with the City exercising its power to acquire real property not currently identified on Exhibit H-1 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.

For properties described on Appendix - Attachment Two, Exhibit H-1, (Land Acquisition Map), acquisition of occupied property by the City shall commence within four (4) years from the date of the publication of the ordinance approving the Plan. Acquisition shall be deemed to have commenced with the sending of an offer letter. After the expiration of this four (4) year period, the City may acquire such property pursuant to this Plan under the Act according to its customary procedures, as described in the immediately preceding paragraph.

Businesses or households legally occupying properties that are acquired by the City may be provided with relocation advisory and/or financial assistance as determined by the City.

D. Assessment Of Financial Impact.

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

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

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

Metropolitan Water Reclamation District of Greater Chicago. 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.

Board of Education of the City of Chicago. General responsibilities of the Board of Education include the provision, maintenance and operations of educational facilities and the provision of educational services for kindergarten through twelfth grade. Christa McAuliffe Elementary School is located within the boundaries of the Area. This school is located on Appendix - Attachment Two, (Sub)Exhibit B, Existing Land-Use Assessment Map. Not included in the boundary of the Area but serving portions of the general neighborhood are the following public schools: Kelvyn High School, Harriet Beecher Stowe, Nixon, Mozart and Ames Elementary Schools.

Chicago Park District. The Park District is responsible for the provision, maintenance and operation of park and recreational facilities throughout the "City and for the provision of recreation programs. Ken-Well Playground, Kosciuszko and Mozart parks are located within the Area and are located on the Appendix - Attachment Two, Existing Land-Use Assessment Map.

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

City of Chicago. The City is responsible for the provision of 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, et cetera.

In addition to the major taxing districts summarized above, the Northwest Home Equity Assurance program has taxing jurisdiction over the Area and the Chicago Library Fund no longer extends a tax levy but continues to exist for the purpose of receiving delinquent taxes.

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The City finds that the financial impact of the Plan and the Area on or increased demand for facilities or services from any taxing district is not significant. The replacement of vacant and underutilized properties with industrial development may cause some increased demand for the services and/or capital improvements provided by the Metropolitan Water Reclamation District (M.W.R.D.), and fire and police protection as well as sanitary collection, recycling, etc. by the City. It is expected that any increase in demand for sanitary and storm sewage facilities can be adequately handled by existing treatment facilities of the M.W.R.D.. Likewise, facilities of the City of Chicago are adequate to handle any increased demands that may occur.

The major thrust of this Plan is to: revitalize and restore existing business areas; assemble tracts of land for new private business development; accomplish the planned program of public improvements; achieve new business in-fill development wherever possible and address the needs identified herein which cause the area to qualify for T.I.F.. Existing built-up areas are proposed to be revitalized and stabilized. This will not result in a need for new facilities or expanded services from area taxing bodies but T.I.F. funds may be used to improve Sharon Christa McAuliffe Elementary School and three (3)

public parks (Ken-Well, Mozart and Kosciuszko) may also be improved with T.I.F. funds.

The Area represents a very small portion (one-quarter of one percent (0.25%)) of the total tax base of the City. E.A.V. in the Area has been growing at a rate well below that of the City of Chicago and Cook County in recent years as previously noted. Hence, the taxing bodies will benefit from a program designed to stabilize the tax base in the Area, check the declining tax revenues that are the result of deterioration in the Area and attract new growth and development in the future.

It is expected that benefits from new public and private investment targeted in the Area will result in spillover of new development and investment in property, and therefore increased property values, in adjoining neighborhoods of the community. The potential for the realization of this trend is borne out by data that was compiled by the Illinois Department of Revenue (D.O.R.). In a recent report from December 10, 1997, the D.O.R. notes that E.A.V. grows at a faster rate (six and seven-tenths percent (6.7%)) in areas outside of T.I.F. boundaries, in communities where T.I.F.'s have been created. In communities that have not created T.I.F.'s, the E.A.V. grew by only three and five-tenths percent (3.5%). Therefore, D.O.R.'s research suggests that establishment of the Pulaski Corridor T.I.F. program is very likely to also have this spillover effect and will generate additional tax revenue for the City and other local taxing bodies from investment outside its borders.

The City will monitor the progress of the Plan and its future impacts on all

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local taxing bodies. In the event significant adverse impacts are identified that increase demands for facilities or services in the future, the City will consider utilizing tax increment proceeds or other revenues, to the extent they are available, to assist in addressing the needs.

E. Prior Efforts.

A description has been previously given regarding prior plans, studies and activities initiated by the City and others designed to guide the revitalization of the Area. Each of these prior efforts involved area residents, elected officials, businesses and groups such as the Greater North Pulaski Development Corporation. Numerous meetings in the Area have elicited comments and inputs from those residing in or doing business in the Area.

Each of the efforts outlined previously have documented the need for continued and broader efforts to address the very significant needs of the Area. The community leaders and businesses point to the need for expanded concerted efforts to:

eliminate the numerous blighted areas; redevelop abandoned

sites; reduce crime;

" improve transportation services, including provision of centralized parking areas, incorporation of vehicular traffic and safety measures and viaduct improvements;

- initiate employment training programs so as to better prepare the labor force in the area for employment opportunities;

undertake physical improvements to improve the appearance, image and marketability of the Area; and

encourage other proposals that can create long-term economic life and stability.

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Section VII.

Statutory Compliance And Implementation Strategy.

The development and follow through of an implementation strategy is an essential element in achieving the success of this Plan. In order to maximize program efficiency and to take advantage of current developer interest in the Area, and with full consideration of available funds, a phased implementation strategy will be employed.

A combination of private investments and projects and public improvements and projects is an essential element of the Plan. In order to achieve this end, the City may enter into agreements with public entities or private developers, where deemed appropriate by the City, to facilitate public or private projects. The City may also contract with others to accomplish certain public projects and activities as contained in this Plan.

Costs that may be incurred by the City in implementing this Plan may include, without limitation, project costs and expenses that may be eligible under the Act, as amended from time to time, including those costs that are necessary and related or incidental to those listed below as currently permitted by the Act:

1. 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, marketing, financial, planning or other services.
2. Property assembly costs, including but not limited to acquisition of land and other property, real or personal or rights or interests therein, demolition of buildings and the clearing and grading of land.
3. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private

buildings and fixtures.

4. Cost of construction of public works or improvements.
5. Cost of job training and retraining projects.
6. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not

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exceeding thirty-six (36) months thereafter and including reasonable reserves related thereto.

7. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred (consistent with statutory requirements) in furtherance of the objectives of the Plan and Project, to the extent the municipality by written agreement accepts and approves such costs.
8. Relocation costs to the extent that a municipality determines that ■ relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law.
9. Payments in lieu of taxes.
10. Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one (1) or more taxing districts, provided that such costs: (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of the School Code.
11. Interest costs incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - A) such costs are to be paid directly from the special tax allocation fund established pursuant

to the Act; and

- B) such payments in any one (1) year may not exceed thirty percent (30%) of the annual interest costs incurred by the

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redeveloper with regard to the redevelopment project during that year; and

- C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
- D) the total of such interest payments paid pursuant to this Act may not exceed thirty percent (30%) of the total: (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.

A. Most Recent Equalized Assessed Valuation.

The most recent total equalized assessed valuation for the Area has been estimated by the City at approximately Eighty-one Million Nine Hundred Thousand Dollars (\$81,900,000) (see attached list of P.I.N.'s, Appendix - Attachment Four, 1997 E.A.V. by Tax Parcel). This figure will be verified by the County Clerk of Cook County. If the (current tax year) E.A.V. shall become available prior to the date of the adoption of the Plan by the City Council, the City may update the Redevelopment Plan by replacing the (previous tax year) E.A.V. with the (current tax year) without further City Council action.

B. Redevelopment Valuation.

Contingent on the adoption of this Plan and Project and commitment by the City to the redevelopment program, it is anticipated that several major private developments and/or improvements may occur within the Area.

The private redevelopment investment and anticipated growth that will result from redevelopment and rehab activity in this Area is expected to increase the equalized assessed valuation by approximately Fifteen Million Dollars (\$15,000,000) to Twenty-Five Million Dollars (\$25,000,000). This is based, in part, upon an assumption that the undeveloped land will be built upon with new industrial development and that the vacant building area will be improved and increase in assessed value. These actions will stabilize values in the remainder of the area and further stimulate rehab and expansion of existing viable businesses.

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C. Sources Of Funds.

The primary source of funds to pay for Redevelopment Project Costs associated with implementing the Plan shall be funds collected pursuant to tax increment allocation financing to be adopted by the City. Under such financing, tax increment revenue resulting from increases in the E.A.V. of property, in the Area shall be allocated to a special fund each year (the "SpecialTax Allocation Fund"). The assets of the Special Tax Allocation Fund shall be used to pay Redevelopment Project Costs and retire any obligations incurred to finance Redevelopment Project Costs.

In order to expedite the implementation of the Plan and construction of the public improvements and projects, the City of Chicago, pursuant to the authority granted to it under the Act, may issue bonds or other obligations to pay for the eligible Redevelopment Project Costs. These obligations may be secured by future revenues to be collected and allocated to the Special Tax Allocation Fund.

If available, revenues from other economic development funding sources-, public or private, will be utilized. These may include City, State and Federal Programs, local retail sales tax, applicable revenues from any adjoining tax increment financing areas, and land disposition proceeds from the sale of land in the Area, as well as other revenues. The final decision concerning redistribution of yearly tax increment revenues may be made a part of a bond ordinance.

"The Area is presently contiguous to the Northwest Industrial Corridor Redevelopment Project Area, and in the future, may be contiguous to, or be separated only by 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 Area to pay eligible redevelopment project costs, or obligations issued to pay such costs, in other contiguous redevelopment project areas, or those separated only by a public right-of-way, and vice versa. In addition, the City reserves the right to incorporate changes in the statute that allow cities to pool funds from one T.I.F. Area to another. The amount of revenue from the Area made available to support such contiguous redevelopment project areas or areas separated only by a public right-of-way, or pool areas, when added to all amounts used to pay eligible Redevelopment Project Costs within the Area, shall not at any time exceed the total Redevelopment Project Costs described in this Plan.

The 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.) (1996 State Bar Edition), as

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amended. 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 Area, the City may determine that it is in the best interests of the City and in furtherance of the purposes of the Plan that net revenues from the 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 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 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 Area or other areas, shall not at any time exceed the total Redevelopment Project Costs described in this plan.

D. Nature And Term Of Obligation.

Without excluding other methods of City or private financing, the principal source of funding will be those deposits made into the Special Tax Allocation Fund of monies received from the taxes on the increased value (above the initial equalized assessed value) of real property in the Area. These monies may be used to repay private or public sources for the expenditure of funds made as Redevelopment Project Costs for applicable public or private redevelopment activities noted above, or may be used to amortize Tax Increment Revenue obligations, issued pursuant to this Plan, for a term not to exceed twenty (20) years bearing an annual interest rate as permitted by law. Revenues received in excess of one hundred percent (100%) of funds necessary for the payment of principal and interest on the bonds and not needed for other redevelopment project costs or early bond retirements may be declared as surplus and become available for distribution annually to the taxing bodies to the extent that this distribution of surplus does not impair the financial viability of the project or the bonds. One (1) or more bond issues may be sold at any time in order to implement this Plan.

E. Completion Of Redevelopment Plan.

The estimated date for the completion of the Plan is no later than twenty-three (23) years from the date of adoption of the Plan by the City.

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F. Commitment To Fair Employment Practices And Affirmative Action Plan.

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

1. The assurance of equal opportunity in all personnel and employment actions, including, but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, et cetera, without regard to race, color, religion, sex, age, handicapped status, national origin, creed or ancestry.
2. Redevelopers will meet City of Chicago standards for participation of Minority Business Enterprises and Woman Business Enterprises and the City Resident Construction Worker

Employment Requirement as required in redevelopment agreements.

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

In order to implement these principles, the City shall require and promote equal employment practices and affirmative action on the part of itself and its contractors and vendors. In particular, parties engaged by the City shall be required to agree to the principles set forth in this section.

G. Amending The Redevelopment Plan.

This Plan may be amended in accordance with the provisions of the Act. In addition, the City shall adhere to all reporting requirements and other statutory provisions.

H. Conformity Of The Redevelopment Plan (Plan) For The Project Area (Area) To Land-Uses Approved By The Planning Commission Of The City.

This Plan and the Project described herein include the generalized land uses set forth on the Generalized Land-Use Plan, as approved by the Chicago Plan Commission prior to the adoption of the Plan by the City of Chicago.

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I. City Policies.

1. The City may incur redevelopment project costs that are paid for from funds of the City other than incremental taxes and the City may then be reimbursed for such costs from incremental taxes.
2. The City intends to monitor development in the Area and with the cooperation of the other affected taxing districts will attempt to ensure that any increased needs for schools and open lands are addressed in connection with any particular residential development.
3. Businesses or households legally occupying properties to be acquired by the City may be provided with relocation advisory and financial assistance as determined by the City.
4. The City requires that developers who receive T.I.F. assistance for market rate housing set aside twenty percent (20%) of the units to meet affordability criteria established by the City's Department of Housing. Generally, this means the affordable for-sale units should be priced at a level that is affordable to persons earning no more than one hundred twenty percent (120%) of the area median income, and affordable rental units should be affordable to persons earning no more than eighty percent (80%) of the area median income.

5. The City may enter into redevelopment agreements or intergovernmental agreements with private entities to construct, rehabilitate, renovate or restore private improvements on one (1) or several parcels (collectively referred to as Redevelopment Projects).
6. The City may acquire property consistent with provisions stated in Section VI (C), Redevelopment Projects.
7. The City will pursue their overall goal of employment of residents within and surrounding the Area in jobs in the Area and in adjacent redevelopment project areas. In this regard, the following objective are established to meet the goals of the Plan and Project:
 - i. Establish job readiness and job training programs to provide residents within and surrounding the Area with the skills necessary to secure entry level and permanent jobs in the Area and in adjoining Areas.

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- ii. Secure commitments from employers in the Area and adjacent Areas to interview graduates of the Area's job readiness and job training programs.

The above includes taking appropriate actions to work with Area employers, local community organizations and residents to provide job readiness and job training programs that meet employers hiring needs.

[Location Map and Table 2 referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project printed on pages 3799 through 3800 of this Journal.]

[(Sub)Exhibits "B", "C", "D", "E", "F", "G", "H-1" and "H-2" of Attachment 2 ~ Maps and Plan Exhibits referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project printed on pages 3801 through 3808 of this Journal.]

[(Sub)Exhibit "A" of Attachment 2 -- Maps and Plan Exhibits referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project constitutes Exhibit "E" to the ordinance and is printed on page 3851 of this Journal.]

[Attachment 3 ~ Legal Description referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project constitutes Exhibit "C" to the ordinance and is

printed on pages 3837 through 3849 of this Journal.]

[Attachment 4 ~ 1997 Estimated E.A.V. by Tax Parcel referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project printed on pages 3809 through 3831 of this Journal.]

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Attachment 1 - Eligibility Study referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project reads as follows:

Attachment One. (To Pulaski Corridor Tax Increment Financing
Redevelopment Plan And Project)

Eligibility Study.

Pulaski Corridor Tax Increment Financing Redevelopment Plan

And Project

City Of Chicago

January 26, 1999.

I.

Introduction.

PGAV Urban Consulting (the "Consultant") has been retained by the City of Chicago (the "City") to prepare a tax increment redevelopment plan for the proposed redevelopment project area known as the Pulaski Corridor, Chicago, Illinois (the "Area"). Prior to preparation of the redevelopment plan, the Consultant undertook various surveys and investigations of the Area to determine whether the Area, containing all or part of 114 full or partial City blocks and nearly 383 acres, qualifies for designation as a tax increment financing district, pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., (1996 State Bar Edition), as amended (the "Act").

This report summarizes the analyses and findings of the Consultant's work. This assignment is the responsibility of the Consultant who has prepared this Eligibility Study with the understanding that the City would rely: 1) on the findings and conclusions of this Eligibility Study in proceeding with the designation Of the Area as a redevelopment project area under the Act,

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and 2) on the fact that the Consultant has obtained the necessary information to conclude that the Area can be designated as a redevelopment project area in compliance with the Act.

Following this introduction, Section II presents background information of the Area including the geographic location, description of current conditions and area data; Section III documents the building condition assessment and qualifications of the Area as a conservation area under the Act. Section IV, Summary and Conclusions, documents the findings of the Eligibility Study.

This Eligibility Study is a part of the overall tax increment redevelopment plan (the "Plan") for the Area. Other portions of the Plan contain information and documentation as required by the Act for a redevelopment plan.

II.

Background Information.

A. Location And Size Of Area.

The Area is located four (4) miles west of downtown Chicago and approximately two (2) miles north of the Eisenhower Expressway. The Area contains nearly three hundred eighty-three (383) acres and consists of one hundred fourteen (114) (full and partial) blocks.

The Area is generally linear in shape and parallels the former Chicago, Milwaukee, St. Paul and Pacific (C.M.S.P. & P.) railroad right-of-way between West Belmont and West North Avenues along its north/south axis. There are also several linear corridors extending from this main spine. The corridors are aligned along the following arterial streets: West Fullerton Avenue between North Springfield Avenue and North Kostner Avenue; West North Avenue between North Lowell Avenue and North Ridgeway Avenue; and West Grand Avenue between North Hamlin Avenue and North Lowell Avenue.

The boundaries of the Area are described in the Plan, Legal Description (Attachment Three ~ Appendix) and are geographically shown on Plan, (Sub)Exhibit A, Boundary Map (Attachment Two ~ Appendix). The existing land uses are identified on Plan, (Sub)Exhibit B, Existing Land-Use Assessment Map (Attachment Two - Appendix).

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B. Description Of Current Conditions.

The Area consists of one hundred fourteen (114) (full and partial) city blocks, five hundred twelve (512) buildings and approximately eight hundred eighty-three (883) parcels covering nearly three hundred eighty-three (383) acres. Of the nearly three hundred eighty-three (383) acres in the Area, the gross land-use percentage breakdown is as follows: industrial - forty-five and nine-tenths percent (45.9%); commercial- five and nine-tenths percent (5.9%); residential-one and six-tenths percent (1.6%); institutional and related - five and four-tenths percent (5.4%); vacant undeveloped parcels ~ one and nine-tenths percent (1.9%); and public right-of-way - thirty-nine and three-tenths percent (39.3%).

Much of the Area is in need of redevelopment, rehabilitation and revitalization and is characterized by:

deteriorated buildings and site improvements;

obsolescence;

excessive land coverage;

excessive vacancies;

depreciation of physical maintenance;

deleterious land-use and layout; and

lack of community planning.

. The Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Plan. Age and the requirements of contemporary commercial and industrial tenants have caused portions of the Area and its building stock to become obsolete and may result in further disinvestment in the Area. Several industries have left the Area or reduced their work force substantially in the last two (2) decades (Fertig-March, Wells-Gardner Electric, American Decal, Allside Lumber). In some instances viable areas are declining due to deteriorating public improvements, inadequate public parking areas for commercial properties or industrial employees and deteriorating site improvements associated with vacant properties. Prior efforts by the City, Area leaders and residents, businesses and groups such as Greater North Pulaski Development Corporation have, in some instances, met with

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limited success and are in need of additional support to prevent the spread of decline throughout the Area. The City has prepared a Transportation Plan and Program for the North Pulaski Industrial Corridor. The Greater North Pulaski Development Corporation developed the Pulaski Industrial Corridor Strategic Development Plan in an attempt to attract new growth and development. In addition, in an effort to retain existing businesses and industry, the City has begun to implement limited capital improvements for street and alley repair and repaving.

The City and the State of Illinois ("State") have designated a portion of this section of the community as an Enterprise Zone (see Plan, Appendix - Attachment Two, (Sub)Exhibit G, Enterprise Zone Map). As noted on the map, a substantial portion of the Area qualifies under the various provisions of the State of Illinois Enterprise Zone Act. This initiative may be responsible in part, for creating some stabilized "pockets" in the Area but has not eliminated further decline. However, in the future, the Enterprise Zone in conjunction with components of this tax increment finance strategy, will greatly assist in addressing Area problems.

In the period of 1991 through 1997, the City of Chicago equalized assessed value increased from Twenty-seven Billion Four Hundred Million Dollars (\$27,400,000,000) to Thirty-three Billion Four Hundred Million Dollars (\$33,400,000,000). This represents a gain of Six Billion Dollars (\$6,000,000,000) (annual average of three and six-tenths percent (3.6%) during this six (6) year period. Cook County equalized assessed valuation ("E.A.V.") increased from Sixty Billion Dollars (\$60,000,000,000) in 1992 to Seventy-five Billion Five Hundred Million Dollars (\$75,500,000,000) in 1997 for a gain of Fifteen Billion Five Hundred Million (\$15,500,000,000) four and three-tenths percent (4.3%) during this six (6) year period. In 1997, the E.A.V. of the Area was Eighty-one Million Nine Hundred Thousand Dollars (\$81,900,000). This represents an average annual growth rate of approximately one and eight-tenths percent (1.8%) during the six (6) year period between 1991 and 1997. Further, approximately one and six-tenths percent (1.6%) of the properties in the Area are delinquent in the payment of 1996 real estate taxes and two hundred forty-one (241) building code violations have been issued on buildings in the Area since July of 1993.

Of the approximately five hundred twelve (512) buildings and three hundred eighty-three (383) acres in the Area, only twelve (12) major new buildings have been built in the past decade according to building permit information provided by the City. Of these twelve (12) buildings only three (3) are industrial buildings. Approximately ninety-one percent (91%) of the buildings in the Area exceed thirty-five (35) years of age.

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Long-term (more than one (1) year) vacancies exist in some buildings and two (2) large vacant tracts of

land exist that have not generated private development interest. The two (2) vacant tracts and over four hundred fifty thousand (450,000) square feet of vacant industrial floor area add significantly to the view that the Area may experience additional evidence of blight and that market acceptance of portions of the Area is not favorable.

It is clear from the study of this Area and documentation in this Eligibility Study (long-term vacancies, properties that are tax delinquent, absence of new development occurring, stagnant E.A.V., et cetera) that private investment in revitalization and redevelopment has not occurred to overcome the blighted conditions that currently exist. The Area is not reasonably expected to be developed without the aggressive efforts and leadership of the City, including the adoption of the Plan.

C. Area Data And Profile.

As a part of the City's overall strategy to: address blighted conditions in targeted areas, increase property values, retain viable businesses; recruit new businesses into the City and check the loss of industrial jobs from the inner-City, the City designated various industrial corridors (in 1994) for programs of planning and capital improvements. Each of these corridors has received or will receive funding for planning and capital improvement programs.

Overall goals of the Strategic Development Plan (December, 1996) for the Pulaski Corridor addressed the five (5) requirements of the industrial corridor planning process as developed by the City.

These goals are in addition to those of the tax increment finance program:

1. improve safety and security;
2. improve accessibility and functionality;
3. develop a management entity;
4. improve the appearance and establish an identity; and
5. increase the Area's marketability and competitiveness.

The Pulaski Corridor is one (1) of twenty-two (22) industrial corridors identified by the City. It is located approximately five (5) miles west of Downtown Chicago.

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The corridor is approximately three (3) miles north of the Eisenhower Expressway (1-290) and one (1) mile south of the Kennedy Expressway (1-94).

As noted in the Introduction, the Area is generally linear in shape and parallels the former Chicago Minneapolis St. Paul and Pacific (C.M.S.P. & P.) railroad right-of-way between Belmont and North

Avenues along its north/south axis. There are also two (2) linear sections in the Area aligned in east/west orientations that stretch westward along Fullerton and North Avenues.

The Pulaski Corridor contains approximately eighty-five (85) manufacturing firms that employ more than five thousand four hundred (5,400) workers. The two (2) most prevalent types of industrial businesses are fabricated metal products and wholesale trade/durable goods. The largest employment sector is fabricated metal products with the trucking and warehousing sector strong as well. The commercial corridors along Fullerton Avenue, Pulaski Road and North Avenue are home to approximately two hundred fifty (250) commercial businesses and provide employment opportunities to residents in surrounding neighborhoods.

Public Transportation.

A description of the transportation network of the Area is provided to document the availability of public transportation at the present and for future potential needs of the Area. Included in the following discussion is information as to the . needs of the Area derived from the Transportation Plan and Program for the North Pulaski Industrial Corridor prepared in February 1998 for the City of Chicago. Review of this document indicates that the Pulaski Corridor is generally well served by public transportation, including Chicago Transit Authority ("C.T.A.") bus, C.T.A. rail and Metra commuter rail service.

The Pulaski Corridor developed around two (2) major rail lines: the C.M.S.P.& P. and the Soo Line. The former C.M.S.P.& P. line now provides commuter rail service along the Metra Milwaukee District North Line to Fox Lake and there is a Metra station (Healy) located on Fullerton Avenue one (1) block west of Pulaski Road. The Soo Line traverses the southern portion of the Area from east to west and provides only freight service. Currently freight traffic is intermittent along this segment of Soo Line track.

As noted above access to Metra commuter rail service is provided via the Healy station located on Fullerton Avenue west of Pulaski Road in the heart of the Area. C.T.A. bus routes that traverse the corridor and areas surrounding the corridor include:

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North/South Routes

Route 53: Pulaski Road

Route 65: Route 56: Route 82:

Grand Avenue (northwest/southeast) Milwaukee Avenue (northwest/southeast) Kimball Avenue

East/West Routes Route 77: Route 76: Route 74: Route 73: Route 72:

Belmont Avenue Diversey Avenue Fullerton Avenue Armitage Avenue North Avenue

Route 74 (Fullerton) provides a direct connection to the Metra commuter line at the Healy station. Route 53 (Pulaski) provides direct connections to the C.T.A. Blue and Green Lines south of the Area. Routes 56 (Milwaukee) and 76 (Diversey) connect with the C.T.A. Blue Line at the Logan Square Station to the east. The remaining routes all have various direct connections or are within a short distance of other C.T.A. rail service lines. The frequent spacing of bus lines, direct connection service to various C.T.A. train station locations, and Metra commuter service at the Healy Station, provides all sections of the Area with a variety of commuter transit alternatives.

In neighboring industrial areas, ten (10) to fifteen (15) percent of employees utilize C.T.A. buses for transportation to and from their place of work. Applying this factor to the Pulaski corridor would translate into some one thousand one hundred (1,100) to one thousand six hundred (1,600) employees per day utilizing C.T.A. buses for transportation to and from work. Ridership on Metra is much lower. The number of boarding and alighting passengers at the Metra Healy Station was five hundred six (506) in 1995. This 1995 figure is a significant decline from the eight hundred sixty-four (864) passengers counted in 1979. The factors influencing the use of transit include environmental (safety and security) conditions at stations and stops and the accessibility of transit service

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to places of employment in the Area.

Street System.

Regional. Access to the regional street system is primarily provided via the Kennedy Expressway (1-90/94) located northeast of the corridor. The Eisenhower Expressway (1-290) is located approximately three (3) miles to the south. Access to and from the corridor to the Eisenhower is more challenging for corridor businesses because the distance is greater and there is not an access ramp at the Eisenhower for Pulaski Road. Access to the Kennedy Expressway is provided via interchanges at Pulaski Road, Belmont Avenue, Diversey Avenue, Fullerton Avenue, Armitage Avenue and North Avenue. The Pulaski interchange is approximately one (1) mile north of the Area and the Belmont interchange is approximately one (1) mile to the east. The Diversey interchange is approximately one and five-tenths (1.5) miles to the east and the Fullerton, Armitage and North Avenues interchanges are approximately two (2) miles east of the corridor.

Roadway Jurisdiction. Several major arterial streets in the Area are under separate governmental jurisdictions. North Avenue and Pulaski Road are under state jurisdiction, although the City is responsible for maintaining these roadways within City limits. Diversey Avenue is under state jurisdiction east of Pulaski Road and under City jurisdiction west of Pulaski Road. Fullerton Avenue is under Cook County jurisdiction in the vicinity of the Area and the City is responsible for maintenance within the City limits. The remaining arterial, collector and local streets are under City control.

Street Classification. Truck routes are located throughout the Area. Designated north/south truck

routes are: Kostner Avenue along the western flank of the Area, Pulaski Road which passes through the core of the Area, Central Park Avenue, Kimball Avenue and Kedzie Avenue which are located approximately one quarter (1/4) mile to the east of the Area. East/west truck routes are Belmont Avenue in the northern portion of the Area, Diversey, Fullerton and Armitage Avenues in the core of the Area and North Avenue along the southern flank of the Area.

Arterial streets in the Area generally have one (1) or two (2), two (2) way travel lanes and curbside parking lanes. Fullerton and North Avenues have as many as three (3) traffic lanes at some locations in each direction and provide curbside parking. The majority of arterial streets have peak-hour parking restrictions with southbound restrictions during the 7:00 A.M. to 9:00 A.M. period and northbound restrictions during the 4:00 P.M. to 6:00 P.M. period. Arterial class streets are signalized at intersections with other arterial and collector streets.

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North/south collector streets in the Area are: Kimball Avenue, Keeler Avenue between Wrightwood and North Avenues, and Hamlin Avenue north of Armitage Avenue. East/west collector streets are Wrightwood east of Kostner Avenue and Palmer Street east of Kostner Avenue. Remaining Area streets are classified as local streets. Local streets in the Area are generally one-way and do not continue through the former C.M.S.P. & P. railroad right-of-way. Local streets are typically three (3) lanes wide with one (1) traffic lane and curbside parking lanes on both sides of the street.

Viaducts. Viaducts lower than the minimum height of thirteen (13) feet, six (6) inches are considered to be substandard. Low vertical clearance at viaducts can promote circuitous truck routes within the Area, as well as, along routes used to gain access to the regional road network. The Armitage viaduct at the former C.M.S.P. & P. railroad right-of-way is substandard and does not contain the required minimum clearance. Armitage Avenue is a City Department of Transportation Class II designated truck route at this location. Several other substandard viaducts are located along the former C.M.S.P. & P. and Soo Line rights-of-way. In addition, the Pulaski /Belden viaduct is a constraint to truck traffic in the Area. The viaduct is adequate in terms of height. However, the geometric layout of the viaduct and intersection and the lack of signalization are hazardous conditions that create difficult turning movements and dangerous conditions for the large trucks and vehicles that must traverse this portion of the Area.

Internal Traffic Patterns.

Several large industrial users generate a significant portion of the industrial traffic within the Area. Marshall Field & Company is the largest employer in the Area and has a warehouse complex located northwest of the Pulaski Road/Diversey Avenue intersection. Three (3) types of truck traffic are generated by Marshall Field's activity: inner-city delivery trucks (typically six (6) wheels) used for delivery of furniture; larger tractor/trailer trucks up to fifty-three (53) feet for shipping and receiving merchandise and slave trucks used for switching operations or trailer movement to staging and/or storage areas.

The majority of Marshall Field's truck activity leaving the Area does so via the Kennedy Expressway by way of Diversey Avenue. Pulaski Road also provides access to the Kennedy north of Diversey Avenue, however a smaller percentage of Marshall Field's trucks utilize this route. An even smaller amount of

traffic accesses the complex from the south along Pulaski Road.

Inner-city delivery trucks used for furniture delivery (approximately fifteen (15) or twenty (20) trucks per day) access the facility at the Diversey Avenue entrance

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west of Pulaski Road. Larger merchandise receiving trucks (approximately twenty-five (25) to fifty (50) trucks per day) enter the facility on the north along George Street. George Street also serves as a portion of the northern boundary of the Area and is flanked on the north by residential uses. Larger merchandise shipping trucks (twenty-five (25) to fifty (50) trucks per day) enter the facility on Barski Lane (a private street) via Pulaski Road. Both shipping and receiving trucks exit the site via Barski Lane and turn north or south on Pulaski Road.

Marshall Field's Pulaski Road facility operates two (2) storage lots in the Area. Storage of shipping trailers is done at the southwest corner of the Karlov Avenue/Diversey Avenue intersection. Receiving trailers are stored on a surface lot along the west side of Kearsarge Avenue at Wellington Avenue. Switching operations (approximately thirty (30) switching operations occur per day for each lot) require trucks to enter and exit the complex from both the Karlov Avenue/Diversey Avenue lot and the Kearsarge Avenue lot via Barski Lane. Switching operations between the main complex and the Kearsarge Avenue lot utilize Pulaski Road, Belmont Avenue and Tripp Avenue to avoid cutting through the residential area north of George Avenue.

Newly Weds Foods also generates a large volume of industrial traffic in the Area. Newly Weds Foods is located in the western portion of the Area along Keeler Avenue between Fullerton and Wrightwood Avenues. The majority of trucks access the Newly Weds complex from the Kennedy Expressway via Fullerton Avenue, Pulaski Road and Wrightwood Avenue. All trucks (approximately thirty (30) trucks per day) enter the Newly Weds facility at the Wrightwood Avenue gate and must be checked-in at the guardhouse at this location. Trucks queue inside the complex and move to shipping and receiving docks along Keeler Avenue and Fullerton Avenue. Newly Weds Foods commonly uses forty-eight (48) foot and fifty-three (53) foot trucks for transportation of goods.

Several institutional facilities also generate internal traffic in the Area. The McAuliffe Elementary School at the southeast corner of Cortland and Springfield Avenues and the new Ames Elementary School site immediately east of the Area at Armitage and Hamlin Avenues generate traffic during morning drop-off and afternoon pick-up periods. Heavy pedestrian, school bus and private vehicle traffic causes significant short-term traffic problems during these weekday periods. Industrial operations near these educational facilities adjust delivery and shipment schedules around these weekday periods.

Parking. As stated previously, most arterial streets have peak-period parking restrictions, which can increase street capacity and improve efficiency. In the northern portion of the Area, Marshall Field's and the smaller industrial uses along Karlov, Parker and Schubert Avenues experience parking shortages.

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Marshall Field's provides approximately three hundred (300) off-street parking spaces most of which are located on a surface lot southwest of the Diversey Avenue/Pulaski Road intersection. Overflow parking from Marshall Field's and the smaller industrial uses in the northern portion of the Area utilize on-street parking along Karlov, Schubert, Parker and George Avenues.

Parking in the western portion of the Area is also a concern. Newly Weds Foods provides approximately one hundred seventy-five (175) off-street spaces for its employees. Newly Weds implemented a parking policy that prohibits on-street daytime parking for employees. Newly Weds* focus is on the implementation of this policy to avoid conflict with surrounding residential areas. To the north of Newly Weds Foods, on-street, ninety (90) degree parking is permitted on both sides of Schubert Avenue and Drummond Place. These spaces meet the bulk of the parking needs for industrial uses in this portion of the Area although limited congestion and overflow parking does occur along Kildare Avenue between Wrightwood Avenue and Diversey Avenue. This congestion is mainly caused when the driving lanes on Kildare Avenue become narrow due to parking on both sides of the street.

Other portions of the Area are in need of increased parking for patrons and employees. Pockets of industrial uses along Shakespeare Avenue from Pulaski Road west to the Metra tracks, along Springfield Avenue between Armitage Avenue and Cortland Street, and on Hamlin Avenue between Armitage Avenue south to the Soo Line tracks lack adequate on-site parking for the small number of industrial users in these areas. In addition, parking for the commercial corridors that stretch along North, Grand and Fullerton Avenues is limited. Individual businesses along North, Grand and Fullerton Avenues have narrow street frontage and buildings that cover one hundred percent (100%) of the lot that prevents any on-site parking.

Because overflow parking from industrial and commercial uses spills onto local residential streets that flank industrial and commercial areas, parking is a key < issue for the residential neighborhoods adjacent to the Area. Several of the residential neighborhoods that surround the Area have parking permit programs.

Pedestrian/Bicycle Traffic.

Pedestrian traffic in the area has a major presence. The Pulaski Corridor provides a large number of jobs to the residents in surrounding neighborhoods and other areas of the City that walk to work or that utilize public transportation. Along Diversey, Fullerton, Armitage, North Avenues and Cortland Street there are large numbers of pedestrians. In the southern portion of the

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Area, pedestrian activity associated with morning and afternoon school traffic is common.

In addition to pedestrian traffic, bicycle traffic is promoted in the Area. Pulaski Road and Wrightwood Avenue are listed on the Chicago Bicycle Federation regional map and on the "Share the Road" bicycle map provided by the City of Chicago.

Area Decline.

During the past two (2) decades the Area has experienced the closure of several major industrial and manufacturing facilities and reduction in work force of several Area industrial tenants. Uniroyal, Wells-Gardner Electric, American Decal, Allside Lumber, Fertig-Marchand Gendex Universal Imaging are all major employers who have closed or reduced their work force in the past two (2) decades. Some of the buildings that once housed these uses are currently vacant or occupied by uses with significantly less labor needs than the previous manufacturing uses. Plant closings and work force reduction have created the need to revitalize several sites that still contain vacated buildings and two (2) prominent sites where abandoned buildings were removed. Additional support to Area industry and business through the provision of adequate and safe parking areas, improved streetscapes, elimination of blighted conditions and promoting expansion of viable Area business and industry will result in benefits for the entire Area that can revitalized unused resources and prompt investment -of private sector capital.

There remains a need to eliminate the blighting conditions that exist in the corridor and address the problems that are disincentives to redevelopment. A survey of corridor industries conducted by the Greater North-Pulaski Development Corporation (G.N.P.D.C.) and presented in the Pulaski Industrial Corridor Strategic Development Plan (December 1996) found crime and parking as the two (2) most common problems in the Area. The G.N.P.D.C. survey indicates that forty percent (40%) of Area companies identified parking for employees. and businesses as a problem. One-third (V&) identified crime as a problem. Poor truck access, the need for more space and businesses currently utilizing inadequate space were also mentioned frequently in this survey. Infrastructure improvement, i.e. street improvements and viaduct improvements, were also mentioned. A key problem in the Area is that local resources are not meeting training needs. Seventy percent (70%) of the companies reported that local resources (i.e. schools, training centers and government programs) were not meeting the company training needs.

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Obstacles to efficient business operations for existing Area industries include: difficulty with trucks and suppliers servicing the Area due to low viaducts; poor street maintenance; limited street access; awkward traffic arrangements; a need to improve transportation facilities and services; and a need to provide improved training programs.

The City proposes to use tax increment financing, as well as other economic development resources, when available, to address needs in the Area and induce the investment of private capital. The Area, on the whole, has not been subject to growth and development through investment by private enterprise and is not likely to do so without the adoption of this proposed Plan.

The public projects that are anticipated for the Area may include, but are "not limited to: land assembly; property rehabilitation; street construction; transportation improvements; utility work; and planned improvements to various existing properties; private developer assistance; site clean-up and

preparation; marketing; promotions and other T.I.F. eligible activities.

This Eligibility Study includes the documentation on the qualifications of the Area for establishing a tax increment redevelopment project area. The purpose of the Plan is to provide an instrument that can be used to guide the correction of Area problems that cause the Area to qualify, attract new growth to the Area and stabilize existing development in the Area.

D. Existing Land-Use And Zoning Characteristics. Below is a tabulation of land area by land-use category:

Table One. Tabulation Of Existing Land-Use. (Gross Area)

Land Area Gross Acres	Percent Of Gross Land Area		
Industrial (Includes Parking, Loading and Storage)			
Commercial			
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	Land Area Land-Use	Percent Of Gross Gross Acres	Land Area
Public, Institutional and Medical Social Service Semi-Public		.21	5.4
Undeveloped Land	71.9		
Public Right-of-Way	15039.3		
Residential	61.6		
TOTAL:	383	100.0	

Presently, the existing land uses itemized in Table One are predominantly industrial in nature, as seventy-five and six-tenths percent (75.6%) of the net area (exclusive of public right-of-way) is industrial. In addition to industry, the Area is home to numerous commercial uses along West Grand Avenue, West

North Avenue, North Pulaski Road and West Fullerton Avenue. The portion of the Area along West Grand/ West North and West Fullerton Avenues is predominately commercial with some second (2nd) floor residential and office uses. Several institutional, recreational, and residential uses are also scattered throughout the Area. The majority of property within the Area is zoned for light to medium industry as evidenced by the zoning that exists in the Area (see Appendix - Attachment Two, (Sub)Exhibit E, Generalized Existing Zoning Map).

There are no significant multi-tenant retail shopping centers in the Area. The few pockets of residential use existing in the Area are small and isolated from surrounding residential neighborhoods by industrial or commercial land-uses. Approximately one and six-tenths percent (1.6%) of the total gross land area in the Area is residential. Along the flanks of the Area, residential uses are in close proximity to industries and businesses. The boundary separating residential and industrial uses is often a local access road or alley. These situations often create conflicts related to traffic generation and use of on-street parking by Area employees and customers.

Some employee and truck traffic flows through residential areas. This is particularly evident in the northern portion of the Area along West George Street and North Kearsarge Avenues and in the western portion of the Area along North Kildare and North Keeler Avenues. Competition for street space (on-street parking and traffic capacity) interferes with the normal functions of both

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industrial and adjacent residential land-uses. The competition for parking and circulation space between mixed land-uses (including areas where vacant buildings and lots are present) has caused a decline in the viability of the corridor to support larger contemporary industrial development and limits the ability of viable corridor industries to expand.

Adequate parking is also a concern in the commercial corridors along North Pulaski Road, West North, West Grand and West Fullerton Avenues. These older commercial corridors along major transportation routes were constructed with little off-street parking for businesses or second (2nd) floor residential uses. In addition, nearly all of the commercial development along these corridors backs up to densely populated residential neighborhoods. Parking is limited because of narrow street frontages for individual businesses, dense commercial development and nearby densely populated residential side streets.

These and other conditions have created a poor environment for residents, employees and patrons of area businesses who must park on adjacent streets to access the Area. These conditions also foster property crime to vehicles and inhibit public safety and security for residents, employees and patrons that must walk several blocks to their destination.

///.

Qualification Of The Area.

A. Illinois Tax Increment Allocation Redevelopment Act.

The Act authorizes Illinois municipalities to redevelop locally designated deteriorated areas through tax increment financing. In order for an area to qualify as a tax increment financing district, it must first be designated as a Blighted Area, or a Conservation Area (or a combination of the two (2)) as defined at 5/11-74.4-3 of the Act:

- (a) " 'Blighted area' means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial and residential buildings or improvements, because of a combination of five (5) or more of the following factors: age; dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; excessive vacancies; overcrowding of structures and community

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facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land-use or layout; depreciation of physical maintenance; or lack of community planning, is detrimental to the public safety, health, morals or welfare, or if vacant, the sound growth of the taxing districts is impaired by, (1) a combination of two (2) or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment delinquencies on such land; flooding on all or part of such vacant land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real property in the area and such flooding is substantially caused by one (1) or more improvements in or in proximity to the area which improvements have been in existence for at least five (5) years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar material, which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the • designation of the redevelopment project area, and which area meets at least one (1) of the factors itemized in provision (1) of this subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

- (b) 'Conservation area' means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is not yet a blighted area but because of a combination of three (3) or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land-use or layout; depreciation of physical maintenance; lack of community planning, is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area."

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The Act also states at 65 ILCS 5/11-74.4-3(n) that:

"... No redevelopment plan shall be adopted unless a municipality . . . finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan".

Vacant areas may also qualify as blighted. In order for vacant land to qualify as blighted, it must first be found to be vacant. Vacant land as described at 65 ILCS 5/11-74.4-3 (v) is:

. . any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within five years prior to the designation of the redevelopment area unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; ..."

As vacant land, the property may qualify as blighted if the:

"... . sound growth of the taxing districts is impaired by (1) a combination of two (2) or more of the following factors: obsolete platting of the vacant land; diversity of ownership of such land; tax and special assessment ^delinquencies on such vacant land; flooding on all or part of such land; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, or (2) the area immediately prior to becoming vacant qualified as a blighted improved area, or (3) the area consists of an unused quarry or unused quarries, or (4) the area consists of unused railyards, rail tracks or railroad rights-of-way, or (5) the area, prior to its designation, is subject to chronic flooding which adversely impacts on real < property in the area and such flooding is substantially caused by one (1) or more improvements in or in proximity to the area which improvements have been in existence for at least five (5) years, or (6) the area consists of an unused disposal site, containing earth, stone, building debris or similar materials which were removed from construction, demolition, excavation or dredge sites, or (7) the area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent (75%) of which is vacant, notwithstanding the fact that such area has been used for commercial agricultural purposes within five (5) years prior to the designation of the redevelopment project area and which area meets at least one (1) 'of the factors itemized in provision (1) of this subsection (a), and the area has been designated as a town or village center by ordinance or comprehensive

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plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose." (65 ILCS 5/11-74.4-3(a)) (1996 State Bar Edition), as amended.

On the basis of these criteria, the Area is considered eligible and would be qualified in two (2) ways. Three (3) parcels referred to as vacant in the Redevelopment Project Area will be qualified as a vacant Blighted Area. The remaining eight hundred eighty (880) parcels in the Redevelopment Project Area will be referred to as the improved portion of the Redevelopment Project Area and will be qualified as an improved Conservation Area within the requirements of the Act as documented below.

B. Survey, Analysis And Distribution Of Eligibility Factors.

Exterior surveys of observable conditions were conducted of all of the properties located within the Area. An analysis was made of each of the conservation area eligibility factors contained in the Act to determine their presence in the Area. This survey examined not only the condition and use of buildings but also included conditions of streets, sidewalks, curbs, gutters, lighting, vacant land, underutilized land, parking facilities, landscaping, fences and walls and general maintenance. In addition, an analysis was conducted on existing site coverage, parking and land uses, and their relationship to the surrounding Area.

It was determined that the Area qualifies as a Conservation Area consistent with provisions of the Act that apply to "improved" areas. Approximately seven (7) acres of the three hundred eighty-three (383) acres in the Area are currently vacant. Vacant or undeveloped tracts of land comprise one and nine tenths percent (1.9%) of the land in the Area.

A property-by-property analysis of the one hundred fourteen (114) blocks was conducted to identify the eligibility factors for the Area (see Blighting Factors Matrix, Table Two, contained on the following page and narrative regarding vacant areas contained in this section). Each of the factors relevant to making a finding of eligibility is present as stated in the tabulations.

C. Building Evaluation Procedure. This section identifies how the properties within the Area were

evaluated. During the field survey, all components of and improvements to the subject

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properties were examined to determine the presence and extent to which blighting factors existed in the Area. Field investigators by the Consultant's staff included a registered architect and professional planners. They conducted research and inspections of the Area in order to ascertain the existence and prevalence of the various blighting factors described in the Act and Area needs. These inspectors have been trained in T.I.F. survey techniques and have extensive experience in similar undertakings. The Consultant's staff was assisted by information and various studies obtained from: the City; the Greater North/Pulaski Development Corporation and materials from various consultants employed by these entities. Based on these investigations and qualification requirements and the determination of needs and

deficiencies in the Area the qualification and the boundary of the Area were determined.

D. Investigation And Analysis Of Blighting Factors.

In determining whether or not the proposed Area meets the eligibility requirements of the Act, various methods of research were used in addition to the field surveys. The data includes information assembled from the sources below:

1. Contacts with local individuals knowledgeable as to Area conditions and history, age of buildings and site improvements, methods of construction, real estate records and related items, as well as examination of existing studies and information related to the Area. Previous planning studies and reports have been utilized as noted previously in this section. Aerial photographs, sidwell block sheets, et cetera, were also utilized.
2. Inspection and research as to the condition of local buildings, streets, utilities, et cetera.
3. On-site field inspection of the proposed Area conditions by experienced property inspectors of the Consultant and others as previously noted. Personnel of the Consultant are trained in techniques and procedures of determining conditions of properties, utilities, streets, et cetera, and determination of eligibility of designated areas for tax increment financing.
4. Use of accepted definitions and guidelines to determine area eligibility as established by the Illinois Department of Revenue manual in conducting eligibility compliance review for State of Illinois Tax Increment Finance Areas in 1988.

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5. Adherence to basic findings of need as established by the niinois General Assembly in establishing tax increment financing which became effective on January 10. 1977. These are:
 - i. There exists in many Illinois municipalities areas that are conservation or blighted areas, within the meaning of the Act.
 - ii. The eradication of blighted areas and the treatment of conservation areas by redevelopment projects are essential to the public interest.
 - iii. These findings are made on the basis that the presence of blight or conditions which lead to blight, is detrimental to the safety, health, welfare and morals of the public.

E. Analysis Of Conditions In The Conservation/Improved Area.

In making the determination of eligibility, each and every property or building in the Area is not required to be blighted or otherwise qualify. It is the Area as a whole that must be determined to be eligible.

The report stated below was developed from surveys and research undertaken by the Consultant in November 1998 and details conditions which cause the Area to qualify under the Act, as a Conservation/Improved Area:

Age Of Structures ~ Definition.

Age is not one (1) of the fourteen (14) blighting factors used to establish a conservation area under the Act. The age of structures is used as a threshold that an area must meet in order to qualify. In order for an Area to qualify as a Conservation Area, the Act requires that "fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more". In a Conservation Area, according to the Act, the determination must be made that the Area is, "not yet a blighted area", but because of the presence of certain factors, "may become a blighted area".

Age presumes the existence of problems or limiting conditions resulting from normal and continuous use of structures and exposure to the elements over a period of many years. As a rule, older buildings typically exhibit more problems than buildings constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature and moisture. Additionally, older buildings tend not to be ideally suited for meeting modern-day space and development standards. These typical

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problematic conditions in older buildings can be the initial indicators that the factors used to qualify the Area may be present.

Summary Of Findings Regarding Age.

The Area contains a total of five hundred twelve (512) main buildings, of which ninety-one percent (91.0%) or four hundred sixty-six (466) buildings are thirty-five (35) years of age or older as determined by field surveys and local research.

Thus the Area meets the threshold requirement for a Conservation Area in that fifty percent (50%) or more of the structures in the Area exceed thirty-five (35) years of age.

1. Dilapidation - Definition.

Dilapidation refers to an "advanced" state of disrepair of buildings or improvements, or the lack of necessary repairs, resulting in the building or improvement falling into a state of decay. Dilapidation as a factor is based upon the documented presence and reasonable distribution of buildings and improvements that are in an advanced state of disrepair. At a minimum, dilapidated buildings should be those with critical defects in primary structural components (roof, bearing walls, floor structure and foundation), building systems (heating, ventilation, lighting and plumbing) and secondary structural components in such combination and extent that:

- a. major repair is required; or

- b. the defects are so serious and so extensive that the buildings must be removed.

Summary Of Findings Regarding Dilapidation.

Dilapidation was found to a minor extent. Of the five hundred twelve (512) main buildings in the Area, nine (9) buildings, or one and eight-tenths percent (1.8%), were found to exhibit an advanced state of disrepair. The exterior field survey of main buildings in the Area found structures with critical defects in primary structural components such as roofs, bearing walls, floor structure and foundations and in secondary structural components to an extent that major repair or the removal of such buildings is required.

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2. Obsolescence ~ Definition.

An obsolete building or improvement is one which is becoming obsolete or going out of use -- not entirely disused, but gradually becoming so. Thus, obsolescence is the condition or process of falling into disuse.

Obsolescence, as a factor, is based upon the documented presence and reasonable distribution of buildings and other site improvements evidencing such obsolescence.

Examples, which may be cited, include:

- a. **Functional Obsolescence:** Structures are typically built for specific uses or purposes and their design, location, height and space arrangement are each intended for a specific occupancy at a given time. Buildings are obsolete when they contain characteristics or deficiencies, which limit the use and marketability of such buildings. The characteristics may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, improper orientation of building on site, et cetera, which detracts from the overall usefulness or desirability of a property. Obsolescence in such buildings is typically difficult and expensive to correct.
- b. **Economic Obsolescence:** Economic obsolescence is normally a result of adverse conditions that cause some degree of market rejection, and hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings that contain vacant space are characterized by problem conditions, which may not be economically curable, resulting in net rental losses and/or depreciation in market value.
- c. **Obsolete Platting:** Obsolete platting would include parcels of limited or narrow size and configuration or 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. Plats that created inadequate right-of-way widths for streets, alleys and other public right-of-ways or which omitted easements for public utilities, should also be considered obsolete.

- d. **Obsolete Site Improvements:** Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and

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gutters, lighting, et cetera, may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of this obsolescence may include inadequate utility capacities, outdated designs, et cetera.

Summary Of Findings Regarding Obsolescence.

Obsolescence is present to a major extent. The field survey of main buildings and parcels in the Area found that certain buildings and parcels exhibit characteristics of obsolescence. Obsolete buildings or site improvements were found in and on eighty-four and two-tenths percent (84.2%) or four hundred thirty-one (431) of the five hundred twelve (512) main buildings in the Area. Obsolete site improvements also exist along streets caused by obsolete construction of streets. Narrow streets or driveways, irregular widths, poor or inadequate turning radii or sight lines and lack of paved surfaces on driveways and service areas exist throughout the Area.

3. Deterioration - Definition.

Deterioration refers to physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair. While deterioration may be evident in basically sound buildings (i.e., lack of painting, loose or missing materials, or holes and cracks over limited areas), such deterioration can be corrected through normal maintenance. Such deterioration would not be sufficiently advanced to warrant classifying a building as being deteriorated or deteriorating within the purposes of the Act.

Deterioration, which is not easily correctable in the course of normal maintenance, may also be evident in buildings. Such buildings may be classified as deteriorating or in an advanced stage of deterioration, depending upon the degree or extent of defects. This would include buildings with major defects in the secondary building components (i.e., doors, windows, porches, gutters and downspouts, fascia materials, et cetera), and major defects in primary building components (i.e., foundations, frames, roofs, et cetera), respectively.

The conditions of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas may also evidence deterioration: surface cracking, crumbling, potholes, depressions, loose paving materials, weeds protruding through the surface, etc.

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The field, survey documents the location, extent and distribution of deteriorating buildings and other site improvements.

Deterioration is the presence of structural and non-structural defects which are not correctable by normal maintenance efforts, but which require rehabilitation.

Summary Of Findings Regarding Deterioration.

Deterioration was found to a minor extent. Throughout the Area, deteriorating conditions were recorded in twenty and one-tenth percent (20.1%) or one hundred three (103) of the five hundred twelve (512) main buildings. The exterior field survey of main buildings in the Area found structures with major defects in the secondary structural components, including windows, doors, gutters, downspouts, porches, chimneys, fascia materials, parapet walls, et cetera.

Several sections of streets, sidewalks and curbs in the Area also exhibit signs of deterioration. These include:

Kearsarge Avenue and Tripp Avenue need repaving between George Street and Fletcher Street;

Kenosha Avenue needs repaving;

broken curbs exist along Schubert Avenue, between Pulaski Road and Karlov Avenue and on Karlov Avenue, between Parker Avenue and Schubert Avenue;

Parker Avenue west of Pulaski Road needs repaving;

sidewalks and curbs along Pulaski Road, between Altgeld Street and Schubert Avenue are broken and severely deteriorated;

Keeler Avenue, between Fullerton Avenue and Wrightwood Avenue needs repaving;

Hamlin Avenue south of Cortland Street is severely deteriorated.

4. Illegal Use Of Individual Structures » Definition. This factor applies to the use of structures in violation of applicable

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national, state or local laws, and not to legal, nonconforming uses. Examples of illegal uses may include, but not be limited to, the following:

- a. illegal home occupations;

- b. conduct of any illegal vice activities such as gambling or drug manufacture;
- c. uses not in conformance with local zoning codes and not previously grandfathered in as legal nonconforming uses;
- d. uses involving manufacture, sale, storage or use of dangerous explosives and firearms.

Summary Of Findings Regarding Illegal Use Of Individual Structures.

Illegal use of individual structures was found to a minor extent. Illegal use of individual structures were recorded in six-tenths percent (0.6%) or three (3) of the five hundred twelve (512) main structures in the Area.

5. Presence Of Structures Below Minimum Code Standards - Definition.

-Structures below minimum code standards include all structures that do not meet the standards of zoning, subdivision, State building laws and regulations. The principal purposes of such codes are to require buildings to be constructed in such a way as to sustain safety of loads expected from various types of occupancy, to be safe for occupancy against fire and similar hazards and/or establish minimum standards essential for safe and sanitary habitation. Structures below minimum code are characterized by defects or deficiencies that presume to threaten health and safety.

Summary Of Findings Regarding Presence Of Structures Below Minimum Code Standards.

Presence of structures below minimum code standards was found to a minor extent. Throughout the Area, structures below minimum code were recorded in two and five-tenths percent (2.5%) or thirteen (13) of the five hundred twelve (512) main buildings. The exterior field survey of main buildings in the Area found structures not in conformance with local zoning codes and structures not safe for occupancy because of fire and similar

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hazards.

6. Abandonment - Definition.

This factor only applies to "conservation area" designation. Abandonment usually refers to the relinquishing of all rights, title, claim and possession with intention of not reclaiming the property, or resuming its ownership, possession or enjoyment. However, in some cases a determination of abandonment is appropriate if the occupant walks away without legally relinquishing title. For example, a structure not occupied for twelve (12) months should probably be characterized as abandoned.

Summary Of Findings Regarding Abandonment.

Abandonment was found to a minor extent. The field investigation indicates that two (2) buildings, four-tenths percent (0.4%) of the total five hundred twelve (512) main buildings, have been abandoned due to being vacant for more than twelve (12) months. It should be noted that these buildings represent a significant portion of the total vacant floor space in the Area.

7. Excessive Vacancies - Definition.

Establishing the presence of this factor requires the identification, documentation and mapping of the presence of vacant buildings which are unoccupied or underutilized and which represent an adverse influence on the Area because of the frequency, extent or duration of such vacancies. It includes properties which evidence no apparent effort directed toward occupancy or utilization and partial vacancies.

Summary Of Findings Regarding Excessive Vacancies.

Excessive vacancies were found to a minor extent. The field investigation indicates that sixty-seven (67) buildings, thirteen and one-tenth percent (13.1%) of the total five hundred twelve (512) main buildings, have excessive vacancy of floor space. There is in excess of four hundred fifty thousand (450,000) square feet of vacant floor space in the Area. In some instances this vacant floor space has not been utilized for extended time periods.

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8. Overcrowding Of Structures And Community Facilities ~ Definition.

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

Summary Of Findings Regarding Overcrowding Of Structures And Community Facilities.

No evidence of this factor is documented in the Area.

9. Lack Of Ventilation, Light Or Sanitary Facilities ~ Definition.

Many older structures fail to provide adequate ventilation, light or sanitary facilities. This is also a characteristic often found in illegal or improper building conversions and in commercial buildings converted to residential usage. Lack of ventilation, light or sanitary facilities is presumed to adversely

affect the health and building occupants (i.e., residents, employees or visitors).

Typical requirements for ventilation, light and sanitary facilities include:

- a. adequate mechanical ventilation for air circulation in spaces/rooms without windows (i.e., bathrooms, dust, odor or smoke-producing activity areas);
- b. adequate natural light and ventilation by means of skylights or windows for interior rooms/spaces, and proper window sizes and amounts by room area to window area ratios;
- c. adequate sanitary facilities (i.e., garbage storage/enclosure, bathroom facilities, hot water and kitchen); and

adequate ingress and egress to and from all rooms and units.

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Summary Of Findings Regarding Lack Of Ventilation, Light Or Sanitary Facilities.

Lack of ventilation, light or sanitary facilities were found to a minor extent. The exterior field survey of main buildings in the Area found structures without adequate mechanical ventilation, natural light and proper window area ratios in the Area. Structures exhibiting a lack of ventilation, light or sanitary facilities were recorded in five and seven-tenths percent (5.7%) or twenty-nine (29) of the five hundred twelve (512) main buildings.

10. Inadequate Utilities - Definition.

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

Summary Of Findings Regarding Inadequate Utilities. No evidence of this factor

is documented in the Area.

11. Excessive Land Coverage ~ Definition.

This factor may be documented by showing instances where building coverage is excessive. Excessive coverage refers to the over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Problem conditions include buildings either improperly situated on the parcel or located on parcels of inadequate size and/or shape in relation to present-day standards of development

for health and safety; and multiple buildings on a single parcel. The resulting inadequate conditions include such factors as insufficient provision for light and air, increased threat of fire due to close proximity to nearby buildings, lack of adequate or proper access to a public right-of-way, lack of required off-street parking and inadequate provision for loading or service. Excessive land coverage has an adverse or blighting effect on nearby development as problems associated with lack of parking or loading areas impact adjoining properties.

Summary Of Findings Regarding Excessive Land Coverage.

Excessive land coverage is present to a major extent. Structures exhibiting one hundred percent (100%) lot coverage with party or fire walls separating

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one (1) structure from the next is a historical fact of high density urban development. This situation is common throughout the Pulaski Corridor.

Numerous commercial and industrial businesses are located in structures that cover one hundred percent (100%) of their respective lots. Other businesses are utilizing one hundred percent (100%) of their lot for business operations. These conditions typically do not allow for off-street loading facilities for shipping operations or do not provide parking for patrons and employees. This has prompted overflow parking and truck traffic associated with normal business operations to utilize surrounding residential areas for parking and access. In some instances cars were illegally parked across sidewalks and on top of curbs along the narrow local streets that flank industrial portions of the Area. In addition, numerous delivery trucks were observed to be blocking alleys and streets while performing normal delivery operations or accessing shipping facilities. In the Area, eighty-seven and seven-tenths percent (87.7%) or four hundred forty-nine (449) of the five hundred twelve (512) structures revealed some evidence of excessive land coverage.

12. Deleterious Land-Use Or Layout - Definition.

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

Summary Of Findings Regarding Deleterious Land-Use Or Layout.

Deleterious land-use or layout was found to a minor extent. In an area such as the Pulaski Corridor where its character has evolved over the years, industrial uses have merged with residential uses. It is not unusual to find small pockets or isolated residential buildings within a predominantly industrial area. Although these areas may be excepted by virtue of age ("grandfather" clauses) as legal non-conforming uses, they are, nonetheless, incompatible land uses inasmuch as the predominant character of the Area is industrial. As noted previously, seventy-five and six-tenths percent (75.6%) of the net acreage of the Area (minus streets and public right-of-way) is used for industrial purposes and five and nine-tenths percent (5.9%) is used for commercial purposes. The Area contains approximately thirty-nine (39) freestanding

homes or dwellings, which exist in neighborhoods that are predominantly nonresidential. In addition, along the commercial corridors of the Area, second floor residential uses are common. The combination of limited on-site parking and high density industrial, commercial and

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residential development in close proximity causes conflicts in traffic, parking and environmental conditions that has promoted deleterious use of land in some portions of the Area. Ten and nine-tenths percent (10.9%) or fifty-six (56) of the five hundred twelve (512) structures in the Area were considered to be deleterious uses.

13. Depreciation Of Physical Maintenance - Definition.

This factor considers the effects of deferred maintenance and the lack of maintenance of buildings, improvements and grounds comprising the Area. Evidence to show the presence of this factor may include, but is not limited to, the following:

- a. Buildings: unpainted or unfinished surfaces; paint peeling; loose or missing materials; sagging or bowing walls, floors, roofs and porches; cracks; broken windows; loose gutters and downspouts; loose or missing shingles; damaged building areas still in disrepair; et cetera. This information may be collected as part of the building condition surveys undertaken to document the existence of dilapidation and deterioration.
- b. Front yards, side yards, back yards and vacant parcels: accumulation of trash and debris; broken sidewalks; lack of vegetation; lack of paving and dust control; potholes; standing water; fences in disrepair; lack of mowing and pruning of vegetation, et cetera.
- c. Public or private utilities.
- d. Streets, alleys and parking areas: potholes; broken or crumbling surfaces; broken curbs and/or gutters; areas of loose or missing materials; standing water, et cetera.

Summary Of Findings Regarding Physical Maintenance.

Depreciation of physical maintenance is present to a major extent. Depreciation of physical maintenance is widespread throughout the Area. A majority of the parcels in the Area exhibit characteristics that show a depreciation of physical maintenance. Of the five hundred twelve (512) main

buildings in Hie Area, seventy-seven and three-tenths (77.3%) or three hundred ninety-six (396) of the buildings are impacted by a depreciation of physical maintenance, based on the field surveys conducted. These are combined characteristics in building and site improvements.

Yard areas in the Area exhibit signs of depreciation of physical maintenance due to a lack of paving and dust control; lack of mowing, debris storage, abandoned vehicles and pruning of vegetation. Streets and curbs, off-street parking areas and sidewalks throughout the Area exhibit signs of depreciation of physical maintenance due to broken or cracked surfaces and areas of loose or missing materials. Examples include:

overgrown weeds are present along the Metra tracks north of KenWell Playground Park and along the Metra tracks between Wrightwood and Schubert Avenues;

along Lawndale Avenue south of Cortland Avenue weeds and debris are present;

debris is stored along the Metra tracks west of Kearsarge Avenue and south of Wrightwood Avenue;

trash, debris and an abandoned vehicle exist along the Metra tracks south of Parker Avenue; and

^--.^ trash, debris and abandoned vehicles exist in several locations along Grand Avenue.

14. Lack Of Community Planning - Definition.

This may be counted as a factor if the Area developed prior to or without the benefit or guidance of a community plan. This means that no community plan existed or it was considered inadequate, and/or was virtually ignored during the time of the area's development. Indications of a lack of community planning include:

1. Streets in the industrial and commercial areas that are too narrow to accommodate truck movements.

Street intersections that do not conform to modern traffic engineering standards and practices.

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3. One-way street systems that exist with little regard for overall systematic traffic planning.

4. Street parking existing on streets that are too narrow to accommodate two-way traffic and street

parking.

5. Viaducts that are lower than minimum height requirements creating truck clearance problems.
6. Some larger tracts of land suffer from improper platting that has led to some parcels having awkward configuration and/or unusual dimensions for their use.
7. Some properties in the Area do not enjoy good access to public streets.
8. Some pockets of residential land-use and residential zoning exist that present incompatible relationships in areas with a heavy industrial environment.
9. Numerous commercial/industrial properties exist that are too small to adequately accommodate appropriate off-street parking and loading requirements.

Summary Of Findings Regarding Lack Of Community Planning.

Lack of community planning is present to a major extent. The field investigation indicates that eighty-seven and nine-tenths percent (87.9%) or four hundred fifty (450) of the five hundred twelve (512) main buildings in the Area exhibit a lack of community planning. In addition, conditions exist that indicate community planning has been inadequate with respect to public improvements:

- the Wabansia Avenue, Cortland Street and Palmer Street viaducts do not meet the minimum clearance of thirteen (13) feet, six (6) inches and the Wrightwood Avenue overpass is posted with the minimum thirteen (13), six (6) inches clearance;

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- none of the viaducts located along the Soo Line tracks between Springfield Avenue and Kedzie Avenue meet the minimum clearance standard of thirteen (13) feet, six (6) inches;
- ~ the Pulaski Road/Belden Avenue viaduct is posted with the minimum thirteen (13) feet, six (6) inches clearance and is awkwardly designed and unsignalized; and

overflow employee parking from industrial uses utilize street parking along George Street, Schubert and Kildare Avenues. In addition, in some of these instances where street widths were limited, vehicles were parked across sidewalks and curbs to expand the capacity of the street to allow for traffic flow and parking. This situation has caused deterioration of some of the curbs and sidewalks in these areas.

F. Analysis Of Undeveloped Or Vacant Property.

Summary of Findings Regarding Undeveloped or Vacant Property:

Approximately seven (7) acres or one and nine-tenths percent (1.9%) of the three hundred eighty-three (383) acre Area was identified as vacant. Two (2) tracts of land comprise the bulk of the vacant land (six and five-tenths (6.5) acres) in the Area. These two (2) sites are known as the Schwinn site and the Acme Frame/Silite site. Blighted buildings once existed on these two (2) sites and demolition of these structures has occurred. There has been little development interest for these two (2) vacant lots in their present size and configuration. A discussion of the relevant eligibility consideration for these areas is stated below. The vacant parcels are illustrated on the Plan, Appendix ~ Attachment Two, (Sub) Exhibit B, Existing Land-Use Assessment Map, and summarized in the discussion below:

The following discussion (paragraphs i. and ii. below) identifies two (2) tracts of land totaling six and five-tenths (6.5) acres of land. These are tracts of land that have been on the market for some time and available for development with little private sector interest:

- i. A four (4) acre vacant tract of land exists on the southwest quadrant of Cortland and Lawndale Avenues. This tract has been vacant since 1997 and was formerly occupied by a warehouse owned by the Schwinn Bicycle Company. The building was a multi-storwarehouse constructed of reinforced concrete containing some three hundred

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fifty thousand (350,000) square feet. The building had been vacant for more than five (5) years prior to demolition and therefore would have also been considered abandoned. The building had been stripped of all internal systems and equipment and contained numerous broken windows and damaged doors. The building and site were unable to be secured because of the deteriorating conditions of the building and access to the building and site was not controlled. The site exhibited multiple blighting characteristics including excessive vacancy, depreciation of maintenance, deterioration of building and site improvements and dilapidation. In addition, historic plats of the site indicate that the property and building exhibited obsolete platting, obsolete site layout and excessive land coverage factors typical of warehouse construction more than thirty-five (35) years old. Hence, this site qualified as a vacant and blighted improved area immediately before becoming vacant.

- ii. The two and five-tenths (2.5) acre tract located at 2600 North Pulaski Road has been vacant since 1995. Immediately prior to being vacant the property was the site of the Acme Frame/Silite building. The Acme building contained approximately one hundred thousand (100,000) square feet and had been vacant for more than five (5) years and therefore would have also been considered abandoned. Prior to demolition the site and building exhibited depreciation of maintenance and deteriorating building and site improvements. In addition, the site exhibited obsolete platting, obsolete site layout and excessive land coverage factors typical of buildings more than thirty-five (35) years old. Hence, the area immediately before becoming vacant qualified as a vacant and blighted improved area.

Both of these sites, immediately prior to becoming vacant, exhibited numerous blighting factors specified in the Act that would qualify these areas as blighted/vacant areas.

G. Conclusion Of Investigation Of Blighting Factors For The Redevelopment Project Area.

The Redevelopment Project Area is impacted by a number of blighting factors. It was determined in the Investigation and Analysis of Blighting Factors in the Area that the improved portion of the Area qualifies as a Conservation Area and

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the two (2) large vacant tracts identified as the Schwinn site and Acme Metals site qualify as vacant Blighted Areas. As documented, this is due to conditions found to exist in the "improved" area and in the "vacant" area. The tax increment program and Redevelopment Plan include measures designed to reduce or eliminate the deficiencies which cause the Area to qualify consistent with the strategy of the City of Chicago for revitalizing the twenty-two (22) designated industrial corridors.

The loss of businesses from this Area, mirroring the experience of other large urban centers, further illustrates the trend line and deteriorating conditions of the neighborhood. Closures and abandonment of various industrial plants are further evidence of declining conditions in the Area, lack of private investment and little interest in the Area by the private market.

The City and the State of Illinois have designated sixty-nine percent (69%) of the Area as a State of Illinois Enterprise Zone (Zone Number 5) as a further response to deteriorating conditions in the Area, recognition of the significant needs, and realization that financial incentives are required to attract private investment. The Area, as previously noted, is one of the twenty-two (22) industrial corridors identified by the City as reported in the Pulaski Corridor - Strategic Development Plan. (See Plan, Appendix - Attachment Two, (Sub)Exhibit G, Enterprise Zone Map and (Sub)Exhibit D, Strategic Plan Boundary Map (per December 1996 Strategic Plan).

TV.

Summary And Conclusion.

The conclusion of PGAV Urban Consulting is that the number, degree and distribution of conservation and building eligibility factors in the Area as documented in this Eligibility Study warrant the designation of the improved portion of the Area as an improved Conservation Area and the vacant portion of the Area as a vacant Blighted Area as set forth in the Act. Specifically:

Below are summary tables highlighting the factors found to exist in the Area which cause it to qualify as a blighted area.

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A. Conservation Area Statutory Factors.

Existing in Area

Ninety-one percent (91.0%) of buildings exceed thirty-five (35) years of age.

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Illegal use of individual structures
5. Presence of structures below minimum
code standards
6. Abandonment
7. Excessive vacancies
8. Overcrowding of structures and
community facilities
9. Lack of ventilation, light or sanitary
facilities

Minor Extent Major Extent Minor Extent Minor Extent

Minor Extent Minor Extent Minor Extent

Minor Extent

10. Inadequate utilities

Only three (3) factors are required by the Act for eligibility. Twelve (12) factors are present in the Area. Four (4) factors were found to exist to a major extent and eight (8) were found to exist to a minor extent.

² Age is not a blighting factor for designation but rather a threshold that must be met before an area can qualify as a Conservation Area.

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Existing in Area

11. Excessive land coverage

12. Deleterious land-use or layout

13. Depreciation of physical maintenance

14. Lack of community planning

B. Vacant/Unimproved Land - Statutory Factors.

Existing In Vacant/ Unimproved Portion Of Area

1. Two (2) or more of the following factors:

i. obsolete platting (Does not Exist);

ii. diversity of ownership (Does not Exist);

iii. tax and assessment delinquencies (Does not Exist);

iv. flooding (Does not Exist);

or

¹ Only three (3) factors are required by the Act for eligibility. Twelve (12) factors are present in the Area. Four (4) factors were found to exist to a major extent and eight (8) were found to exist to a minor extent.

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Existing In Vacant/ Unimproved Portion Of Area

area immediately prior to becoming vacant qualified as a blighted-improved area;

or

3. area consists of unused quarry or quarries; or

4. area consists of unused rail yards, rail tracks or railroad right-of-way;

or

5. area prior to designation is subject to chronic flooding caused by improvements;

or

6. area consists of unused disposal site containing earth, stone, building debris et cetera;

or

7. area is not less than fifty (50) nor more than one hundred (100) acres and seventy-five percent is vacant.

Note:

Area qualifies per statutory requirements. Only one factor is required by the Act.

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Although it may be concluded that the mere presence of the stated eligibility factors noted above may be sufficient to make a finding of qualification as a Conservation Area, this evaluation was made on the

basis that the factors must be present to an extent that would lead reasonable persons to conclude that public intervention is appropriate or necessary. Secondly, the distribution of Conservation Area eligibility factors throughout the Area must be reasonable so that a basically good area is not arbitrarily found to be a Conservation Area simply because of proximity to an area which exhibits blighting factors.

Additional research indicates that the Area on the whole has not been subject to growth and development as a result of investment by private enterprise and will not be developed without action by the City. These have been previously documented. All properties within the Area will benefit from the T.I.F. program.

The conclusions presented in this Eligibility Study are those of the Consultant. The local governing body should review this Eligibility Study and, if satisfied with the summary of findings contained herein, adopt a resolution making a finding of a Conservation Area and making this Eligibility Study a part of the public record.

The analysis continued herein was based upon data assembled by PGAV Urban Consulting. The study and survey of the Area indicate that requirements necessary for designation as an improved Conservation Area and a vacant Blighted Area are present. Therefore, the Area qualifies in two (2) ways. The vacant portion of the Area qualifies as a Blighted Area and the improved portion of the Area qualifies as a Conservation Area to be designated as a redevelopment project area and eligible for Tax Increment Financing under the Act.

[Table Two referred to in this Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project Eligibility Study constitutes Table Two to the Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project and is printed on page 3800 of this Journal.]

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Location Map. (To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project)

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Table Two.
(To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project)

Conservation Factors Matrix Of Improved Area.

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Attachment Two - (Sub)Exhibit "B". (To Pulaski Corridor Tax Increment
Financing Redevelopment Plan And Project)

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Attachment Two - (Sub)Exhibit "C". (To Pulaski Corridor Tax Increment Financing
Redevelopment Plan And Project)

Oil iO000 nM Ann *Generalized Land Use Plan.*

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Attachment Two - (Sub)Exhibit "D". (To Pulaski Corridor Tax
Increment Financing Redevelopment Plan And Project)

Strategic Plan Boundary Map.

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Attachment Two - (Sub)Exhibit "E". (To Pulaski Corridor Tax Increment Financing
Redevelopment Plan And Project)

Generalized Existing Zoning Map.

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**Attachment Two - (Sub)Exhibit "F". (To Pulaski Corridor Tax
Increment Financing Redevelopment Plan And Project)**

Block Number Key Map.

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Attachment Two - (Sub)Exhibit "G". (To Pulaski Corridor Tax Increment Financing

Redevelopment Plan And Project)

Enterprise Zone Map.

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Attachment Two - (Sub)Exhibit "H-1". (To Pulaski Corridor Tax
Increment Financing Redevelopment Plan And Project)

Land Acquisition Map.

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Attachment Two - (Sub)Exhibit "H-2". (To Pulaski Corridor Tax Increment
Financing Redevelopment Plan And Project)

Parcels That May Be Acquired By The City.

AREA IDENTIFICATION NUMBER

1
2 2 3 3 3 4 4 4 4 4 5 5 6 6 6 6 6 6 6 7 7 7 7 7 8 9 10 10 10 11 12 12 12 12 13 13
13 13 14 15 15 16 16 17 17 17

PIN NUMBER

1327202002 1327202005 1327202007 1327404031 1327404038 1327404039 1327406035 1327406036
1327406039 1327406042 1327406043 1327402040
1327402041 (TO BE SPLIT)
1327410018
1327410019
1327410020
1327410021
1327410022
1327410023
1327410043
1327414001
1327414016
1327414017
1327414018
1327414019
1327414020
1327415001
1327415021
1334208010
1334208011
1334208012
1335301031
1602100001
1602100002
1602100003
1602100004

1603210029
1603210030
1603210031
1803210032
1602100017
1602108016
1602108017
1602116009
1602116010
1602128001
1602128002
1602128003

EAV 1997 ACTUAL

83.440 12.133 87.093 120,291 189.028 74.997 156.188 116.644 40.395 12,264 12.277 85.687 805.079 8,056 8.056 8,056 8.056 8.056 8.316
16,119 508.655 13.461 9.380 9.380 9.331 11.587 335,102 1.392,206 24.727 24.042 14.243 89.184 10.792 162.852 * 43.236 44.729 5.059 5.059
19.963 101.937 5.583 7.493 7.755 8.391 61.317 11.168 16.465 13.615 4.826.943

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Attachment Four-- 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax
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1997 EAV

EXEMPT OR RAILROAD

1326300003

1326300004
1326300005
1326300006
1326300007
1326300008
1326300009
1326300011
1326300026
1326300027
1326300028

1326301001

1326307001

1326307008
1326307023
1326307029

1326315001
1326315002
1326315007
1326315008
1326315009
1326315010
1326315013
1326315014
1326315015

1326315016
1326315017
1326315018
1326315019
1326315033
1326315034

32
33
34 35 36 37 38

1326323001
1326323002
1326323003 1326323004 1326323005 1326323006 1326323007

82.554
4.801

62.204 9.995 9.416 18,992 42,686

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**Attachment Four - 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
Financing Redevelopment Plan And Project) (Page 2 of 23)**

1997 EAV

EXEMPT OR RAILROAD

1326323008
1326323009
1326323010
1326323011
1326323012
1326323013
1326323014
1326323015
1326323030
1326323031

1326324030
1326324031
1326324032
1326324033
1326324034
1326324035

1327201013
1327201014
1327201015

1327202002
1327202004
1327202005
1327202006
1327202007
1327202008

1327203003
1327203004
1327203008

1327203009
1327203010
1327203011

1327209041

71	1327211002	296.215	
<u>72</u>	<u>1327211005</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
73	1327211006	64.321	
74	1327211008	6.947	
75	1327211010	53.338	

REPORTS OF COMMITTEES

Attachment Four - 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project) (Page 3 of 23)

1997 EAV

EXEMPT OR RAILROAD

1327211011

1327219015
1327219028
1327219029

1327219030

1327219031
1327219032

1327219033

1327225031

1327225032
1327225033
1327225034
1327225035
1327225036
1327225037
1327225038
1327225039
1327225040

1327226032
1327226035
1327226036
1327226037
1327226038
1327226039
1327226040

1327228001
1327228007
1327228008
1327228014
1327228015
1327228016

1327229004

1327229005

1327402001
1327402002
1327402004
1327402007

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Attachment Four- 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
Financing Redevelopment Plan And Project) (Page 4 of 23)

COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
113				
114				
115				
116				
117				
118				
119				
120				
121				
122				
<u>123.</u>				
124				
125				
126				
127				
128				
129				
130 131				
1327402009				
1327402014				
1327402017				
1327402018				
1327402022				
1327402024				
1327402025				
1327402026				
1327402027				
1327402030				
1327402031				
1327402035				
1327402037				
1327402038				
1327402039				
1327402040				
1327402041				
1327402042 1327402043				
"RR"				
277.316				
<u>1.142.398</u>				
<u>946.436</u>				
<u>5.106</u>				
415.801				

796.634
186.600
178.088
111.616
793.630
21.809
72,944
63.650
36.205
85,687
805.079

34.797 5.114

132	<u>1327403017</u>	<u>148,147</u>
133	<u>1327403028</u>	<u>131,672</u>
134	<u>1327403029</u>	<u>78,697</u>
135	<u>1327404010</u>	<u>8.800</u>
136	<u>1327404015</u>	<u>60.264</u>
137	<u>1327404016</u>	<u>60,264</u>
138	<u>1327404020</u>	<u>57.399</u>
139	<u>1327404021</u>	<u>57.399</u>
140	<u>1327404027</u>	<u>8.200</u>
141	<u>1327404028</u>	<u>8.200</u>
142 ,	<u>1327404031</u>	<u>120.291</u>
143	<u>1327404035</u>	<u>8.815</u>
144	<u>1327404036</u>	<u>9,092</u>
145	<u>1327404037</u>	<u>4,801</u>
146	<u>1327404038</u>	<u>189,028</u>
147	<u>1327404039</u>	<u>74,997</u>
148	<u>1327404040</u>	<u>162.012</u>
149	<u>1327404042</u>	<u>24,702</u>
150	<u>1327404044</u>	<u>25,944</u>
151	<u>1327404045</u>	<u>257.314</u>
152	<u>1327404046</u>	<u>42.883</u>

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Attachment Four - 1997 Estimated EA.V. By Tax Parcel (To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project) (Page 5 of 23)

COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
154	<u>1327404048</u>	<u>127,754</u>		
155	<u>1327404051</u>	<u>17,200</u>		
156	<u>1327404052</u>	<u>8,600</u>		
157	<u>1327405001</u>	<u>390.614</u>		
158	<u>1327405002</u>	<u>171,643</u>		
159	<u>1327405004</u>	<u>53,473</u>		
160	<u>1327405005</u>	<u>39,235</u>		
161	<u>1327405006</u>	<u>39,301</u>		
162	<u>1327405007</u>	<u>37.137</u>		
163 .	<u>1327405008</u>	<u>126,557</u>		

<u>164</u>	<u>1327405009</u>		<u>79,449</u>
165	1327406004		24,525
<u>166</u>	<u>1327406005</u>		<u>25,810</u>
167	1327406006	30,931	
168	1327406007	25,524	
169	1327406008		29,045
<u>170</u>	<u>1327406009</u>		<u>26,732</u>
171	1327406010		5^24
172	1327406011	19,780	
173	1327406012		16,671
<u>174</u>	<u>1327406013</u>		<u>23,103</u>
<u>175</u>	<u>1327406014</u>		<u>5.624</u>
176	1327406015	4,089	
<u>177</u>	<u>1327406016</u>		<u>20,977</u>
178	1327406017	2,063	
179	1327406018	67,660	
180	1327406019	282,376	
181	1327406020	89,532	
<u>182</u>	<u>1327406021</u>		<u>19,751</u>
183	1327406022	28,166	
184	1327406023	28,166	
185	1327406024	28.800	
186	1327406025	13.549	
187	1327406026		13,549
<u>188</u>	<u>1327406027</u>		<u>13.740</u>
189	1327406028	52.128	
<u>190</u>	<u>1327406035</u>		<u>156.188</u>
191	1327406036	116.644	
192	1327406037		97.382
193	1327406039	40,395	
<u>194</u>	<u>1327406040</u>		<u>1,229</u>

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**Attachment Four - 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax
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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
1327406041				
1327406042				
1327406043				
1327408001				
1327408006				
1327408011				
1327408012				
1327408013				
1327410018				
1327410019				
1327410020				
1327410021				
1327410022				

1327410023
 1327410032
 1327410033
 1327410043
 1327410045
 1327410046
1327410047
 1327410048

1327414001
1327414016 1327414017
1327414018
 1327414019
 1327414020

1327415001
 1327415002
 1327415003
 1327415004
 1327415005
 1327415007
 1327415008
 1327415010
 1327415012
 1327415013
 1327415015
 1327415018

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Attachment Four- 1997 Estimated E.A.V. By Tax Parcel (To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project) (Page 7 of 23)

COUNT	PIN NUMBER	1997 EAV RAILROAD	EXEMPT OR
234	1327415019	<u>590,455</u>	
235	1327415021	1,392,206	
236	1327415022	RR	RR_
237		1327415026	375.967
<u>238</u>	<u>1327415027</u>	<u>382,412</u>	
239	1327415034 348.476		
<u>240</u>	<u>1327415038</u>	<u>595.632</u>	
241	1327415039	83.253	
<u>242</u>	<u>1327415040</u>	<u>552.261</u>	
243	1327415041	RR RR	
244.	1327415043 107^482		
<u>245</u>	<u>1327415044</u>	<u>737.139</u>	
<u>246</u>	<u>1327415047</u>	<u>172.196</u>	
<u>247</u>	<u>1327415048</u>	<u>22.832</u>	
<u>248</u>	<u>1327415049</u>	<u>132,482</u>	
249	1327415050 34^460		
250	1327415051	51.232	

<u>251</u>	<u>1327415052</u>	<u>136,795</u>
<u>252</u>	<u>1327415054</u>	<u>298.854</u>
<u>253</u>	<u>1327415055</u>	<u>726,928</u>
254	1327416027	237.329
255	1327416028	89.390
256	1327416029	26.038
257	1327416030	226,490
258	1327416032	25.130
259	1327416033	21,373
260	1327417031	191,766
261	1327417032	58,162
262	1327417033	31,971
263	1327417034	26,973
264	1327417035	66,564
265	1327417036	65,468
266	1327417037	246,071
267	1327418027	142.629
268	1327418028	61.192
269	1327418029	13,747
270	1327418030	34.713
271	1327418031	29.427
272	1327418032	28,950
273	1327418033	77,244

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
274	1327418034	106.850		
275	<u>1327419029</u>	<u>144.642</u>		
276	<u>1327419030</u>	<u>11.871</u>		
277	<u>1327419031</u>	<u>11.871</u>		
278	<u>1327419032</u>	<u>91,264</u>		
279	<u>1327419033</u>	<u>12.032</u>		
280	<u>1327419034</u>	<u>12.032</u>		
281	<u>1327419035</u>	<u>94.655</u>		
282.	<u>1327500002</u>	EXEMPT		EXEMPT
283	<u>1327500009</u>	EXEMPT		EXEMPT
284	<u>1327500010</u>	EXEMPT		EXEMPT
285	<u>1327500016</u>	EXEMPT		EXEMPT
286	<u>1327500017</u>	EXEMPT		EXEMPT
287	<u>1327500018</u>	EXEMPT		EXEMPT
288	<u>1327500019</u>	EXEMPT		EXEMPT
289	<u>1327500020</u>	EXEMPT		EXEMPT
290	<u>1327500021</u>	EXEMPT		EXEMPT
291	<u>1327500022</u>	EXEMPT		EXEMPT

292	<u>1327500023</u>	EXEMPT EXEMPT
293	<u>1334200001</u>	<u>119.215</u>
294	<u>1334200002</u>	<u>116.041</u>
295	<u>1334200003</u>	<u>115.564</u>
296	<u>1334200004</u>	<u>56,583</u>
297	<u>1334200005</u>	<u>60,930</u>
298	<u>1334200006</u>	<u>38,691</u>
299	<u>1334200007</u>	<u>72,863</u>
300	<u>1334201001</u>	<u>155,277</u>
301	<u>1334201002</u>	<u>73,935</u>
302	<u>1334201003</u>	<u>105,051</u>
303	<u>1334201004</u>	<u>115.005</u>
304	<u>1334201005</u>	<u>80.100</u>
305	<u>1334201006</u>	<u>89.830</u>
306	<u>1334201007</u>	<u>71.644</u>
307	<u>1334201008</u>	<u>69.128</u>
308	<u>1334202001</u>	<u>71,444</u>
309	<u>1334202002</u>	<u>64,886</u>
310	<u>1334202003</u>	<u>67.727</u>
311	<u>1334202004</u>	<u>49.089</u>

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**Attachment Four- 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
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1997 EAV**EXEMPT OR RAILROAD****1334202006**

1334202006
1334202007
1334202008

1334203002
1334203003
1334203004
1334203040
1334203041
1334203042
1334203043

1334204001

1334205001
1334205005
1334205005
1334205039

1334206001
1334206002
1334206003
1334206006

1334207001 1334207002

1334208001

1334208002
1334208003
1334208004
1334208005
1334208006
1334208007
1334208008
1334208009
1334208010
1334208011
1334208012

1334216021
1334216022

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**Attachment Four- 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
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1997 EAV

EXEMPT OR RAILROAD

1334216023
1334216024
1334216025
1334216026
1334216027
1334216028

1334424034
1334424035
1334424039

1334425029
1334425030
1334425031
1334425032
1334425033

1334426031
1334426032
1334426033
1334426034
1334426035
1334426036

1334427033
1334427034
1334427035
1334427036
1334427037
1334427038
1334427039
1334427040
1334427041

1334428030

1334428031
 1334428032
 1334428033
 1334428034
 1334428035
 1334428036
 1334428037
 1334428038

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**Attachment Four - 1997 Estimated EA.V. By Tax Parcel (To Pulaski Corridor Tax Increment
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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
386	1334428039	84,652		
387	1334429027	324,104		
388	1334429028	64,190		
389	1334429029	46,517		
390	1334429030	49,510		
391	1334429031	145,077		
392	1334429032	85,096		
393	1334429033	119,930		
394	1334430030	117,577		
395	1334430031	34,915		
396	1334430032	36,183		
397	1334430033	95,465		
398	1334430034	72,465		
399	1334430035	967,650		
400	1334500004	EXEMPT	EXEMPT	
401	1335100003	104.125		
402	1335100004	30,828		
403	1335100005	30,828		
404	1335100006	35.861		
405	1335100007	156.292		
406	1335100008	41.710		
407	1335100009	41,641		
408	1335100010	42,692		
409	1335100011	67.022		
410	1335100013	44.308		
411	1335100014	54.107		
412	1335100030	215.524		
413	1335100031	149,101		
414	1335100032	185.738		
415	1335101001	81,873		

<u>416</u>	<u>1335101002</u>	<u>149,093</u>
<u>417</u>	<u>1335101003</u>	<u>78.996</u>
<u>418</u>	<u>1335101004</u>	<u>61.080</u>
<u>419</u>	<u>1335101005</u>	<u>61,080</u>
<u>420</u>	<u>1335101006</u>	<u>85,094</u>
<u>421</u>	<u>. 1335101007</u>	<u>64.935</u>
 <u>422</u>	 <u>1335108001</u>	 <u>142.928</u>

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**Attachment Four- 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
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1997 EAV

EXEMPT OR RAILROAD

1335108023
1335108025
1335108026
1335108027

1335108028
1335108029

1335115006
1335115012
1335115013
1335115020
1335115030

1335116001
1335116002
1335116003
1335116004
1335116005
1335116006
1335116007
1335116010
1335116011
1335116012
1335116013
1335116014
1335116015
1335116016
1335116017
1335116018
1335116019
1335116020
1335116021
1335116022
1335116032

1335123001
1335123002
1335123003
1335123004
1335123005
1335123006
1335123007
1335123008

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1997 EAV

EXEMPT OR RAILROAD

1335123009

1335123010

1335123011

1335123013

1335123023

1335123024

1335123030

1335123031

1335123032

1335123034

1335123035

1335123036

1335123037

1335123038

1335123039

1335123040

1335123041

1335123042

1335123054

1335123055

1335123056

1335123057

1335123058

1335123059

1335123061

1335123062

1335123063

1335123064

1335123065

1335123066

1335123077

1335123078

1335123079

1335123080

1335123081

1335123083

1335123084

1335301001

1335301002

1335301003

1335301004

1335301022

3822

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1997 EAV

5,430
5,430
89.003
89.003
31JJ67
34.342
31.067
284.581
89.184

EXEMPT OR RAILROAD

1335302020

1335309011
1335309013
1335309017
1335309018

1335310003

1335310004
1335310005
1335310006
133531000B
1335310009
1335310010
1335310011
1335310012
1335310014
1335310015
1335310016
1335310017
1335310018.
1335310019
1335310020

1335311029

1335311030
1335311031
1335311032
1335311033
1335311034
1335311046

542 1335312001

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**Attachment Four - 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment
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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
-------	------------	--------------	------	-----------

543	1335316020	RR	RR
544	1335316021	158,355	
545	1335316038	RR	RR
<u>546</u>	<u>1335316040</u>	<u>187,616</u>	■
547	<u>1335317001</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
548	<u>1335317012</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
549	<u>1335317013</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
550	1335317014	EXEMPT EXEMPT	
551	<u>1335318001</u>	<u>EXEMPT EXEMPT</u>	
552	1335318002	EXEMPT EXEMPT	
553	<u>1335319002</u>	<u>51,397</u>	■
554	<u>1335319014</u>	RR	RR
555	1335319015	79,778	
556	1335319039	41,747	
557	<u>1335319040</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
558	1335319041	EXEMPT EXEMPT	
559	<u>1335322031</u>	<u>135,396</u>	
<u>560</u>	<u>1335322032</u>	<u>128,932</u>	
<u>561</u>	<u>1335322033</u>	<u>65,318</u>	
<u>562</u>	<u>1335322034</u>	<u>3,223</u>	
563	<u>1335322035</u>	<u>30,908</u>	
564	<u>1335322036</u>	<u>41,886</u>	
565	<u>1335322037</u>	<u>55,652</u>	
<u>566</u>	<u>1335322039</u>	<u>158,778</u>	
<u>567</u>	<u>1335322040</u>	<u>48,262</u>	
568	<u>1335323032</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
569	1335323033	1,801	
570	1335323034	48,006	
571	1335323035	33,635	
572	1335323036	58,149	
573	1335323037	55,745	
574	1335323038	66,240	
575	1335323039	97,990	
576	1335323040	15,171	
577	1335323041	81,394	
578	1335323042	EXEMPT EXEMPT	

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**Attachment Four - 1997 Estimated E.A.V. By Tax Parcel (To Pulaski Corridor Tax Increment
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1997 EAV

EXEMPT OR RAILROAD

1335324045

1335325037
1335325038
1335325039
1335325040
1335325043
1335325044
1335325045

.....
1335325046
1335325047
1335325049

1335326001
1335326002
1335326022
1335326024
1335326025
1335326041
1335326071
1335326072
1335326073
1335326074
1335326075

1335500001
1335500002

1335501001

1602100001
1602100002
1602100003
1602100004
1602100005
1602100006
1602100007
1602100008
1602100009
1602100010
1602100011
1602100012
1602100013

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Attachment Four - 1997 Estimated E.A.V. By Tax Parcel. (To Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project) (Page 17 of 23)

COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
617	<u>1602100014</u>	4.723		
618	1602100015	23,051		
619	1602100016	15.294		
620	1602100017	5,583		
621	1602100018	73.176		
622	1602100019	10.085		
623	1602100020	19,758		
624	1602101001	56.172		
<u>625</u>	<u>1602101002</u>	<u>43,253</u>		
626.	1602101003	61.933		

<u>627</u>	<u>1602101004</u>	<u>44.530</u>	
<u>628</u>	<u>1602101005</u>	<u>58.624</u>	
<u>629</u>	<u>1602101006</u>	34.957	
<u>630</u>	<u>1602101007</u>	<u>46.367</u>	
<u>631</u>	<u>1602101008</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
<u>632</u>	<u>1602101009</u>	<u>EXEMPT</u>	<u>EXEMPT</u>
<u>633</u>	<u>1602102001</u>	<u>60.352</u>	
<u>634</u>	<u>1602102002</u>	<u>50.274</u>	
<u>635</u>	<u>1602102003</u>	<u>24.332</u>	
<u>636</u>	<u>1602102004</u>	<u>145.298</u>	
<u>637</u>	<u>1602102005</u>	<u>88.457</u>	
<u>638</u>	<u>1602102006</u>	<u>5.673</u>	
<u>639</u>	<u>1602102007</u>	<u>34.060</u>	
<u>640</u>	<u>1602102008</u>	<u>88.644</u>	
<u>641</u>	<u>1602102009</u>	<u>53.763</u>	
<u>642</u>	<u>1602103001</u>	<u>74.444</u>	
<u>643</u>	<u>1602103002</u>	<u>23.376</u>	
<u>644</u>	<u>1602103003</u>	<u>140,284</u>	
<u>645</u>	<u>1602103004</u>	<u>31,804</u>	
<u>646</u>	<u>1602103005</u>	<u>125.539</u>	
<u>647</u>	<u>1602103006</u>	<u>57,631</u>	
<u>648</u>	<u>1602103007</u>	<u>71,273</u>	
<u>649</u>	<u>1602104001</u>	<u>24.940</u>	
<u>650</u>	<u>1602104002</u>	<u>64,822</u>	
<u>651</u>	<u>1602104003</u>	<u>64,822</u>	
<u>652</u>	<u>1602104004</u>	<u>40,399</u>	
<u>653</u>	<u>1602104005</u>	<u>29,784</u>	
<u>654</u>	<u>1602104006</u>	<u>74,251</u>	
<u>655</u>	<u>1602104007</u>	<u>39,967</u>	

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
656	<u>1602104008</u>	<u>76,613 ^</u>		
657	<u>1602104025</u>	<u>42,922</u>		
658	<u>1602104026</u>	<u>35,352</u>		
659	<u>1602104027</u>	<u>35.352</u>		
660	<u>1602104028</u>	<u>29.996</u>		
<u>661</u>	<u>1602108001</u>	<u>48.305</u>		
<u>662</u>	<u>1602108002</u>	<u>4.511</u>		
<u>663</u>	<u>1602108003</u>	<u>4.511</u>		
<u>664</u>	<u>1602108004</u>	<u>4.511</u>		
<u>665-</u>	<u>1602108005</u>	<u>4.511</u>		
<u>666</u>	<u>1602108006</u>	<u>8.647</u>		
<u>667</u>	<u>1602108007</u>	<u>167.337</u>		
<u>668</u>	<u>1602108008</u>	<u>24.091</u>		

669	<u>1602108009</u>	<u>51.614</u>
670	<u>1602108010</u>	<u>51.483</u>
671	<u>1602108011</u>	<u>51.533</u>
672	<u>1602108012</u>	<u>9,040</u>
673	<u>1602108013</u>	<u>23.060</u>
<u>674</u>	<u>1602108014</u>	<u>22.196</u>
675	<u>1602108015</u>	<u>23.012</u>
676	<u>1602108016</u>	<u>7.493</u>
677	<u>1602108017</u>	<u>7.755</u>
678	<u>1602108018</u>	<u>35.457</u>
679	<u>1602108040</u>	<u>71.090</u>
680	<u>1602108041</u>	<u>49.208</u>
681	<u>1602108042</u>	<u>60.418</u>
682	<u>1602108043</u>	<u>55.412</u>
683	<u>1602108044</u>	<u>146.983</u>
664	<u>1602116009</u>	<u>8.391</u>
685	<u>1602116010</u>	<u>61.317</u>
686	<u>1602116011</u>	<u>33,149</u>
<u>687</u>	<u>1602116012</u>	<u>12.915</u>
688	<u>1602116013</u>	<u>44,218</u>
689	<u>1602116014</u>	<u>21.631</u>
690	<u>1602116015</u>	<u>18,680</u>
691	<u>1602116016</u>	<u>7.482</u>
692	<u>1602116017</u>	<u>4.908</u>
693	<u>1602117020</u>	<u>108,060</u>
<u>694</u>	<u>1602117021</u>	<u>79,441</u>
695	<u>1602117022</u>	<u>39.424</u>

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
696	<u>1602117023</u>	<u>37,752 "</u>		
697	<u>1602117024</u>	30.880		
698	<u>1602117025</u>	<u>52.311</u>		
699	<u>1602118034</u>	<u>42.458</u>		
700	<u>1602118035</u> 4.143			
701	<u>1602118036</u> 78.529			
702	<u>1602118037</u> 10.959			
703	<u>1602118038</u>	<u>10.959</u>		
704	<u>1602118039</u>	EXEMPT EXEMPT		
705	<u>1602123001</u>	<u>84.237</u>		
706	<u>1602123002</u>	<u>47.330</u>		
707	<u>1602123003</u>	<u>47,330</u>		
708	<u>1602123004</u>	<u>5.673</u>		
709	<u>1602123005</u>	<u>10.121</u>		
710	<u>1602123006</u>	<u>77.902</u>		

<u>711</u>	<u>1602123034</u>	<u>12.068</u>
<u>712</u>	<u>1602124001</u>	<u>21.637</u>
<u>713</u>	<u>1602124002</u>	<u>12,080</u>
<u>714</u>	<u>1602124003</u>	<u>4.278</u>
<u>715</u>	<u>1602124004</u>	<u>9,865</u>
<u>716</u>	<u>1602124005</u>	<u>18,960</u>
<u>717</u>	<u>1602124006</u>	<u>3.404</u>
<u>718</u>	<u>1602124007</u>	<u>24,237</u>
<u>719</u>	<u>1602124008</u>	<u>18,912</u>
<u>720</u>	<u>1602124009</u>	<u>30,091</u>
<u>721</u>	<u>1602124010</u>	<u>44,579</u>
<u>722</u>	<u>1602127001</u>	<u>46.726</u>
<u>723</u>	<u>1602127003</u>	<u>39.918</u>
<u>724</u>	<u>1602127004</u>	<u>39.922</u>
<u>725</u>	<u>1602127005</u>	<u>21.053</u>
<u>726</u>	<u>1602127006</u>	<u>4.538</u>
<u>727</u>	<u>1602127007</u>	<u>15.536</u>
<u>728</u>	<u>1602127008</u>	<u>40.924</u>
<u>729</u>	<u>1602127009</u>	<u>4.538</u>
<u>730</u>	<u>1602127010</u>	<u>4.453</u>
<u>731</u>	<u>1602127011</u>	<u>55,134</u>
<u>732</u>	<u>1602127056</u>	<u>17.408</u>
<u>733</u>	<u>1602127057</u>	<u>19.843</u>

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
1602128001				
1602128002				
1602128003				
1602128004				
1602128005				
1602128006				
1602128007				
1602128008				
1602500001				
1603201001				
1603201002				
1603201003				
1603201004				
1603201005				
1603201006				
1603202001				
1603202002				
1603202003				
1603202004				
1603202005				
1603202006				
1603202007				
1603202008				

1603203000

1603203003

1603203004

1603203007

1603203008

1603203009

1603203010

1603203011

1603203012

1603203013

1603203014

1603203015

1603203016

1603203017

1603203018

1603203019

1603203020

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
" 773	1603203022	109,027		
774	1603203023	5,783		
775	1603203024	18,055		
776	1603204004	233,895		
777	1603204020	156,784		
778	1603205001	71,859		
779	1603205002	115,149		
780	1603205003	127,425		
781	1603205004	37.127		
782	1603205005	45.479		
783	1603205006	88,642		
784	1603205018	25,112		
785	1603205019	8,058		
786	1603205020	8.471		
787	1603205021	8.471		
788	1603205022	8,471		
789	1603205023	8,471		
790	1603205024	26.504		
791	1603205025	3,685		
792	1603205026	25,000		
793	1603205027	9.819		

<u>794</u>	<u>1603206001</u>		<u>61.667</u>
<u>795</u>	<u>1603206002</u>	25,136	
<u>796</u>	<u>1603206003</u>		<u>16.626</u>
<u>797</u>	<u>1603206004</u>		<u>32.292</u>
<u>798</u>	<u>1603206005</u>		<u>75.009</u>
<u>799</u>	<u>1603206006</u>	72.678	
<u>800</u>	<u>1603206007</u>		<u>50.072</u>
<u>801</u>	<u>1603206008</u>		<u>48,853</u>
<u>802</u>	<u>1603206032</u>		<u>15.680</u>
<u>803</u>	<u>1603206033</u>	146,785	
<u>804</u>	<u>1603206040</u>	161,595	
<u>805</u>	<u>1603207001</u>	90.265	
<u>806</u>	<u>1603207002</u>		<u>39,785</u>
<u>807</u>	<u>1603207003</u>	29.109	
<u>808</u>	<u>1603207004</u>		<u>46.936</u>
<u>809</u>	<u>1603207005</u>	64,237	
<u>810</u>	<u>1603207006</u>		<u>53.901</u>
<u>811</u>	<u>1603207007</u>		<u>24.710</u>

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
<u>612</u>	<u>1603207008</u>	<u>48.488</u>		
<u>813</u>	<u>1603207009</u>		50.231	
<u>814</u>	<u>1603207010</u>		87.901	
<u>815</u>	<u>1603208016</u>		<u>62.677</u>	
<u>816</u>	<u>1603208017</u>		<u>25.050</u>	
<u>817</u>	<u>1603208018</u>		<u>25.712</u>	
<u>818</u>	<u>1603208019</u>		<u>268.189</u>	
<u>819</u>	<u>1603208020</u>		<u>52.150</u>	
<u>820</u>	<u>1603208021</u>		<u>52.369</u>	
<u>821</u>	<u>1603208022</u>		<u>62.028</u>	
<u>822</u>	<u>1603209002</u>		<u>104.632</u>	
<u>823</u>	<u>1603209003</u>		<u>68.539</u>	
<u>824</u>	<u>1603209004</u>		<u>76.838</u>	
<u>825</u>	<u>1603209031</u>		<u>153.438</u>	
<u>826</u>	<u>1603209032</u>		<u>354.783</u>	
<u>627</u>	<u>1603210001</u>		<u>83.130</u>	
<u>828</u>	<u>1603210002</u>		<u>43.646</u>	
<u>829</u>	<u>1603210003</u>		<u>64.495</u>	
<u>830</u>	<u>1603210004</u>		<u>84.052</u>	
<u>831</u>	<u>1603210005</u>		<u>85.713</u>	
<u>832</u>	<u>1603210006</u>		<u>47.241</u>	

<u>833</u>	<u>1603210007</u>	<u>40.172</u>
834	1603210008	271,795
835	1603210025	156,008
836	1603210026	134,650
837	1603210027	7,534
838	1603210028	5,750
839	1603210029	5,059
840	1603210030	5,059
841	1603210031	19,963
842	1603210032	101,937
843	1603210033	23,277
844	1603210034	24,031
845	1603210035	4,691
846	1603211001	821,426
847	1603212004	199,895
848	1603212006	371,377
849	1603212007	103,485

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COUNT	PIN NUMBER	EAV RAILROAD	1997	EXEMPT OR
650	160321200B 42.213 """"^			
851	1603212009	204,863		
852	1603216001	13.095		
853	1603216002	202.970		
854	1603216003	23.818		
855	1603217001	13.489		
856	1603217002	9.758		
857	1603217003 297.648			
858	1603216001	137.959		
859	1603218002	45.318		
860	1603218003	37.730		
861	1603218007	9.842		
862	1603218008	9.842		
863	1603218009	9.676		
864	1603218010	116.406		
865	1603218024	166,039		
866	1603219001	100.700		
867	1603219002	17.990		
868	1603219003	19.361		
869	1603219004	17.943		
870	1603219005	99.786		
871	1603219006	22.073		

872	<u>1603219007</u>	<u>26,320</u>
873	<u>1603219008</u>	<u>24,813</u>
874	<u>1603219009</u>	<u>26,741</u>
875	<u>1603219010</u>	<u>26,528</u>
876	<u>1603219011</u>	<u>23,466</u>
877	<u>1603223035</u>	<u>179,266</u>
878	<u>1603223036</u>	<u>179,266</u>
879	<u>1603223038</u>	<u>170,814</u>
880	<u>1603223040</u>	<u>143,411</u>
881	<u>1603223041</u>	<u>35,850</u>
882	<u>1603223042</u>	<u>144,550</u>
883	<u>1603223043</u>	<u>53,983</u>

TOTAL \$81,855,517

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Exhibit "B". (To Ordinance)

State of Illinois)

)SS.

County of Cook)

Certificate.

I, Raymond Redell, the duly authorized, qualified and 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 thirteenth (13th) day of April, 1999, with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete, transcript of said Resolution.

Dated this thirteenth (13th) day of April, 1999.

(Signed)

Raymond Redell

Assistant Secretary

Resolution 99-CDC-55 referred to in this Certificate reads as follows:

Community Development Commission Of The City Of Chicago

Resolution 99-CDC-55

REPORTS OF COMMITTEES

Recommending To The City Council Of The City Of Chicago

For The Proposed Pulaski Corridor Redevelopment Project

Area:

Approval Of Redevelopment Plan And Project

Designation Of 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", with the Mayor and the City Council being collectively defined as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/11-74.4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (1996 State Bar Edition), as amended (the "Act"); and

Whereas, The Commission is empowered by the Corporate Authorities to exercise certain powers enumerated 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 ("D.P.D.") has conducted or caused to be conducted certain investigations and studies of the Pulaski Corridor area, the street boundaries of which are described on (Sub)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

Allocation Financing") and previously has presented to the Commission for its review the:

Whereas, Prior to the adoption by the Corporate Authorities of ordinances approving a redevelopment plan, designating an area as a Redevelopment Project Area or adopting Tax Increment Allocation Financing for an area, it is necessary that the Commission hold a public hearing pursuant to Section 5/11-74.4-5(a) of the Act (the "Hearing"), convene a meeting of a joint review board pursuant to Section 5/11-74.4-5(b) of the Act (the "Board"), set the dates of such Hearing and Board meeting and give notice thereof pursuant to Section 5/11-74.4-6 of the Act; and

Whereas, Notice of the Hearing by publication was given at least twice, the first publication being March 17, 1999, a date which is no more than thirty (30) nor less than ten (10) days prior to the Hearing, and the second publication being March 24, 1999, both in Chicago Sun-Times, being a newspaper of general circulation" within the taxing districts having property in the Area; and

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 whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying with the Area, on March 17, 1999, being a date not less than ten (10) days prior to the date set for the Hearing. 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 (3) years on March 17, 1999, being a date not less than ten (10) days prior to the date set for the Hearing; and

Whereas, Notice of the Hearing was given by mail to the Illinois Department of Commerce and Community Affairs ("D.C.C.A.") 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 D.C.C.A. and all Board members, on February 16, 1999, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

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Whereas, Notice of the Hearing and copies of the 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 16, 1999, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, The Hearing was held on April 13, 1999 at 2:00 P.M. at City Council Chambers, City Hall, 121 North LaSalle Street, Second Floor, Chicago, Illinois, as the official public hearing, and testimony heard from all interested person or representative 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 February 26, 1999 at 10:00 A.M. being a date not more than fourteen (14) days from the date of the mailing of the notice by the City to taxing districts having property in the Area as described below, at Room 1003A, City Hall, 121 North LaSalle Street, Chicago, Illinois, to consider its advisory recommendation 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 Commission has reviewed the Plan, considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other "-matters or studies as the Commission shall deem 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,

Be It Resolved by the Community Development Commission of the City of Chicago:

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

Section 2. The Commission hereby makes the following findings pursuant to Section 5/11-74.4-3(n) of the Act or such other section as is referenced herein:

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:

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- i) conforms to the comprehensive plan for the development of the City as a whole; or
- ii) the Plan either (A) conforms to the strategic economic development or redevelopment plan issued by the City 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

~~or the amount of the requirements of such development plan as contained~~
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 more than twenty-three (23) years from the date of the adoption of the ordinances approving the designation of the Area as a redevelopment project area, and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years;

d. the Area includes only those contiguous parcels of real property and improvements thereon that are to be substantially benefitted by proposed Plan improvements, as required pursuant to Section 5/11-74.4(a) of the Act; and

e. as required pursuant to Section 5/11-74.4-3(p) of the Act:

(i) the Area is not less, in the aggregate, than one and one-half (1 1/2) 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 conservation area as defined by the Act.

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 provisions 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.

REPORTS OF COMMITTEES

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.

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

Adopted April 13, 1999

[(Sub)Exhibit Preferred to in this Resolution 99-CDC-55 unavailable at time of printing.)

Exhibit "C". (To Ordinance)

Pulaski Corridor Tax Increment Financing District.

All that part of Sections 26, 27, 34 and 35 in Township 40 North, Range 13 East of the Third Principal Meridian together with that part of Sections 2 and 3 in Township 39 North, Range 13 East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the west line of Lowell Avenue with the south line of Barry Avenue and running; thence north along said west line of Lowell Avenue to the north line of Belmont Avenue; thence east along said north line of Belmont Avenue to the northerly extension of the east line of Tripp Avenue; thence south along said east line of Tripp Avenue to its intersection with the northeasterly line of Kearsarge Avenue; thence southeasterly along said northeasterly line of Kearsarge Avenue to the north line of George Street; thence east along said north line of George Street to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the north line of Diversey Avenue; thence east along said north line of Diversey Avenue to the northerly extension of the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Schubert Avenue; thence west along said south line of Schubert Avenue to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision of Lots

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28 to 44 of Block 2 in Pennock, a subdivision in the west half of the southwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision being also the south line of the alley south of Diversey Avenue; thence west along said north line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision to the west line thereof, said west line of Lot 1 in F. S. Kunkel & Co.'s Resubdivision being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the north line of Lot 22 in Block 19 in Pennock, a subdivision in the west half of the southwest quarter of Section 26, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 22 being also the south line of the alley north of Wrightwood Avenue; thence west along said south line of the alley north of Wrightwood Avenue to the east line of the west 12 feet of Lot 23 in said Block 19 in Pennock; thence south along said east line of the west 12 feet of Lot 23 in said Block 19 in Pennock, and along the southerly extension thereof to the south line of Wrightwood Avenue; thence west along said south line of Wrightwood Avenue to the east line of the west 10 feet of Lot 6 in Block 20 in Pennock, aforesaid; thence south along said east line of the west 10 feet of Lot 6 in Block 20 in Pennock to the south line of said Lot 6. said south line of Lot 6 being

also the north line of the alley south of Wrightwood Avenue; thence east along said north line of the alley south of Wrightwood Avenue to the northerly extension of the west line of Lots 28 through 44, inclusive, in said Block 20 in Pennock, said west line of Lots 28 through 44, inclusive, in Block 20 in Pennock being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the south line of Lot 17 in Block 39 in Pennock, said south line of Lot 17 in Block 39 in Pennock being also the north line of the alley north of Fullerton Avenue; thence east along said north line of the alley north of Fullerton Avenue to the west line of Springfield Avenue; thence south along said west line of Springfield Avenue to the north line of Lot 1 in Haverkamp & Pop's Resubdivision of Lots 28 to 44 in Block 1 in C. Billings' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said north line of Lot 1 in Haverkamp & Pop's Resubdivision being also the south line of the alley south of Fullerton Avenue; thence west along said north line and along said south line of the alley south of Fullerton Avenue to the west line of Lot 1 in Haverkamp & Pop's Resubdivision of Lots 28 to 44 in Block 2 in C. Billings' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said west line of Lot 1 in Haverkamp & Pop's Resubdivision being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the north line of Belden Avenue; thence east along said north line of Belden Avenue to the northerly extension of the west line of Lot 12 in Block 3 in C. Billings' Subdivision in the west half of the

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northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence south along said northerly extension and the west line of Lot 12 in Block 3 in C. Billings' Subdivision to the south line of said Lot 12, said south line of Lot 12 being also the north line of the alley south of Belden Avenue; thence east along said north line of the alley south of Belden Avenue to the west line of Lot 5 in Ellison's Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian, said west line of Lot 5 in Ellison's Subdivision being also the east line of the alley west of Springfield Avenue; thence south along said east line of the alley west of Springfield Avenue to the south line of Lot 5 in Neeros & Knudson's Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence east along said south line of Lot 5 in Neeros & Knudson's Subdivision to the centerline of Springfield Avenue; thence south along said centerline of Springfield Avenue to the south line of Palmer Street; thence west along said south line of Palmer Street to the east line of Lot 1 in Block 3 in J. Costello's Subdivision of the northwest quarter of the southwest quarter of the northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence south along said east line of Lot 1 in Block 3 in J. Costello's Subdivision to the south line of said Lot 1, said south line of Lot 1 being also the north line of the alley south of Palmer Street; thence east along said north line of the alley south of Palmer Street to the west line of Lots 8 through 18, inclusive, in said Block 3 in J. Costello's Subdivision, said west line of Lots 8 through 18, inclusive, in said Block 3 in J. Costello's Subdivision being also the east line of the alley - west of Springfield Avenue; thence south along said east line of the alley west of Springfield Avenue to the north line of Lot 9 in Erb's Subdivision in the west half of northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said north line of Lot 9 in Erb's Subdivision to the westerly line of said Lot 9; thence southeasterly along said westerly line of said Lot 9 and along the westerly line of Lots 10 through 13, inclusive, to the north line of Dickens Avenue; thence west along said north line of Dickens Avenue to the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Armitage Avenue; thence west along said south line of Armitage Avenue to the northeasterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence southeasterly

along said northeasterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence east along said north line of Cortland Street to the east line of Lawndale Avenue; thence south along said east line of Lawndale Avenue to the north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence east along said north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the centerline of Kedzie Avenue; thence south along said centerline

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of Kedzie Avenue to the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence west along said south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the east line of Lawndale Avenue; thence south along said east line of Lawndale Avenue to the easterly extension of the south line of Lot 8 in Block 3 in the subdivision of the southeast quarter of the southwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 8 in Block 3 in the subdivision of the southeast quarter of the southwest quarter and along the westerly extension thereof to the east line of Lot 39 in said subdivision of the southeast quarter of the southwest quarter, said east line of Lot 39 being also the west line of the alley east of Ridgeway Avenue; thence north along said west line of the alley east of Ridgeway Avenue to the north line of aforesaid Lot 39; thence west along said north line of Lot 39 to the east line of Ridgeway Avenue; thence north along said east line of Ridgeway Avenue to the easterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence southwesterly and southeasterly along said easterly line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the south line of North Avenue; thence west along said south line of North Avenue to the east line of Ridgeway Avenue; thence south along said east line of Ridgeway Avenue to the easterly extension of the south line of Lot 16 in Block 5 in Beebe's Subdivision of the east half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the south line of Lot 16 in Block 5 in Beebe's Subdivision and along the westerly extension thereof to the east line of Lot 41 in said Block 5 in Beebe's Subdivision, said east line of Lot 41 being also the west line of the alley east of Hamlin Avenue; thence north along said west line of the alley east of Hamlin Avenue to the north line of Lot 45 in said Block 3 in Beebe's Subdivision, said north line of Lot 45 being also the south line of the alley south of North Avenue; thence west along said south line of the alley south of North Avenue to the northwesterly line of Lot 47 in Block 1 in Hosmer & Mackey's Subdivision in the west half of the northwest quarter of Section 2, Township 39 North, Range 13 East of the Third Principal Meridian; thence southwest along said northwesterly line of Lot 47 in Block 1 in Hosmer & Mackey's Subdivision to the west line of said Lot 47, said west line of Lot 47 being also the east line of the alley east of Pulaski Road; thence south along said east line of the alley east of Pulaski Road to the southwesterly line of Lot 38 in Block 2 in said Hosmer & Mackey's Subdivision, said southwesterly line of Lot 38 being also the northwesterly line of the alley northwest of Grand Avenue; thence southeasterly along said northwesterly line of the alley northwest of Grand Avenue and along the southeasterly extension thereof to the east line of Harding Avenue; thence south along said east line of Harding Avenue to the south line of Lot 4 in

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Block 3 in said Hosmer & Mackey's Subdivision; thence east along said south line of Lot 4 in Block 3 in Hosmer & Mackey's Subdivision and along the easterly extension thereof to the southwesterly line of Lot 17 in said Block 3 in Hosmer & Mackey's Subdivision; thence southeasterly along said southwesterly line of Lot 17 in said Block 3 in Hosmer & Mackey's Subdivision and along the southeasterly extension thereof to the east line of Springfield Avenue; thence south along said east line of Springfield Avenue to the south line of Lot 11 in Block 8 in said Hosmer 8s Mackey's Subdivision; thence east along said south line of Lot 11 in Block 8 in said Hosmer & Mackey's Subdivision and along the easterly extension thereof to the west line of Lot 24 in said Block 8 in Hosmer & Mackey's Subdivision; thence south along said west line of Lot 24 in said Block 8 in Hosmer 8s Mackey's Subdivision to the southwesterly line thereof; thence southeasterly along said southwesterly line of Lot 24 in said Block 8 in Hosmer 8s Mackey's Subdivision and along the southeasterly extension thereof to the east line of Avers Avenue; thence south along said east line of Avers Avenue to the south line of Lot 19 in Block 9 in said Hosmer 8s Mackey's Subdivision; thence east along said south line of Lot 19 in Block 9 in Hosmer 8s Mackey's Subdivision and along the easterly extension thereof to the southwesterly line of Lot 32 in said Block 9 in Hosmer 8s Mackey's Subdivision; thence southeasterly along said southwesterly line of Lot 32 in said Block 9 in Hosmer 8s Mackey's Subdivision and along the southeasterly extension thereof to the east line of Hamlin Avenue; thence south along said east line of Hamlin Avenue to the easterly extension of the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision in the west half of the northwest quarter of Section 2, Township -39 North, Range 13 East of the Third Principal Meridian; thence west along said easterly extension and the north line of Lot 12 in Block 6 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 43 in said Block 6 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 43 and along the northeasterly line of Lot 44 in said Block 6 in Thomas J. Diven's Subdivision and along the northwesterly extension thereof to the west line of Avers Avenue; thence north along said west line of Avers Avenue to the north line of Lot 12 in Block 5 in said Thomas J. Diven's Subdivision; thence west along said north line of Lot 12 in Block 5 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision to the northeasterly line thereof; thence northwesterly along said northeasterly line of Lot 57 in said Block 5 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 58 in said Block 5 and along the northwesterly extension thereof to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue

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to the north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 4 in the resubdivision of Lots 12 to 16 in Block 1 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 21 in Block 1 in Thomas J. Diven's Subdivision to the northeasterly line of Lot 22; thence northwesterly along said northeasterly line of Lot 22 in Block 1 in Thomas J. Diven's Subdivision and along the northeasterly line of Lot 23 in said Block 1 and along the northwesterly extension thereof to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision; thence west along said north line of Lot 1 in the resubdivision of Lots 12 to 15 in Block 2 in Thomas J. Diven's Subdivision and along the westerly extension thereof to the east line of Lot 35 in Block 2 in Thomas J. Diven's Subdivision; thence north along said east line of Lot 35 in Block 2 in Thomas J. Diven's Subdivision to the northeasterly line of Lot 36; thence northwesterly along said northeasterly line of Lot 36 in Block 2 in Thomas J. Diven's Subdivision and

along the northeasterly line of Lot 37 in said Block 2 to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the easterly extension of the south line of Kamerling Avenue; thence west along said easterly extension and the south line of Kamerling Avenue to the southerly extension of the east line of Lot 46 in Block 1 in Demarest & Kamerling's Grand Avenue Subdivision in the east half of the northeast quarter of Section 3, Township 39 North, Range 13 East of the Third Principal Meridian, said east line of Lot 46 in Block 1 in Demarest & Kamerling's Grand Avenue Subdivision being also the west line of the alley west of Pulaski Road; thence north along said southerly extension and the west line of the alley west of Pulaski Road to the south line of Hirsch Street; thence west along said south line of Hirsch Street to the west line of Karlov Avenue; thence north along said west line of Karlov Avenue to the north line of Lot 365 in Davenport's Subdivision a subdivision in the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 365 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to the east line of Lots 351 and 352 in Davenport's Subdivision, said east line of said Lots 351 and 352 being also the west line of the alley west of Karlov Avenue; thence north along said west line of the alley west of Karlov Avenue to the northeasterly line of Lot 351 in Davenport's Subdivision, said northeasterly line of Lot 351 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue and along the northwesterly extension thereof to the west line of Kedvale Avenue; thence north along said west line of Kedvale Avenue to the north line of Lot 349 in

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Davenport's Subdivision, said north line of Lot 349 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 319 in Davenport's Subdivision, said east line of Lot 319 being also the west line of the alley east of Keeler Avenue; thence north along said west line of the alley east of Keeler Avenue to the northeasterly line of Lot 319 in Davenport's Subdivision, said northeasterly line of Lot 319 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along the southwesterly line of the alley south of Grand Avenue and along the northwesterly extension thereof to the west line of Keeler Avenue; thence north along said west line of Keeler Avenue to the north line of Lot 317 in Davenport's Subdivision, said north line of Lot 317 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 272 in Davenport's Subdivision, said east line of Lot 272 being also the west line of the alley east of Tripp Avenue; thence north along said west line of the alley east of Tripp Avenue to the northeasterly line of Lot 271 in Davenport's Subdivision, said northeasterly line of Lot 271 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the west line of Tripp Avenue; thence north along said west line of Tripp Avenue to the north line of Lot 269 in Davenport's Subdivision, said north line of Lot 269 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the northeasterly line of Lot 213 in Davenport's Subdivision, said northeasterly line of Lot 213 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the west line of Kildare Avenue; thence north along said west line of Kildare Avenue to the north line of Lot 20 in William H. Hintze's Subdivision, a subdivision in the west half of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 20 being also the south line of the alley south of Grand Avenue; thence west along said south line of the alley south of Grand Avenue to its intersection with the east line of Lot 50 in William H. Hintze's Subdivision, said east line of Lot 50 being also the west line of the alley west of Kildare Avenue; thence north along said west

line of the alley west of Kildare Avenue to the northeasterly line of Lot 51 in William H. Hintze's Subdivision, said northeasterly line of Lot 51 being also the southwesterly line of the alley south of Grand Avenue; thence northwesterly along said southwesterly line of the alley south of Grand Avenue to the east line of Kolin Avenue; thence north along said east line of Kolin Avenue to the westerly extension of the north line of North Avenue; thence east along said westerly extension of the north line of North Avenue to the southerly extension of the east line of Lowell Avenue; thence north along said southerly extension and

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the east line of Lowell Avenue to the south line of Lot 17 in Block 31 of Garfield's Subdivision, a subdivision of the southeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said south line of Lot 17 being also the north line of the alley north of North Avenue; thence east along said north line of the alley north of North Avenue to the east line of Pulaski Road; thence south along said east line of Pulaski Road to the centerline of the vacated alley north of North Avenue; thence east along said centerline of the vacated alley north of North Avenue to the east line of said vacated alley north of North Avenue; thence north along said east line of the vacated alley north of North Avenue to the north line of the alley north of North Avenue; thence east along said north line of the alley north of North Avenue to the east line of Harding Avenue; thence south along said east line of Harding Avenue to the south line of Lot 19 in Strobridge's Resubdivision of Lots 1, 4, 5 and 8 in Block 3 and Lots 2 and 3 in Block 4 of Hagen & Brown's Addition to the City of Chicago, a subdivision in the southwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian; thence east along said south line of Lot 19 to its intersection with the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to its intersection with the south line of Lot 16 in Leo Fox's Subdivision of Lots 7 and 10 of Block 4 of Hagen & Brown's Addition to the City of Chicago, said south line of Lot 16 being also the north line of the alley north of North Avenue; thence east along said north line of the alley north of North Avenue to the west line of Hamlin Avenue; thence north along said west line of Hamlin Avenue to the south line of Wabansia Avenue; thence west along said south line of Wabansia Avenue to the west line of Avers Avenue; thence north along said west line of Avers Avenue to the south line of Lot 7 in Hagen & Brown's Addition to the City of Chicago; thence west along said south line of Lot 7 to its intersection with the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the north line of Lot 1 of Geo. E. Dorr's Resubdivision of Lots 5, 6 and 8 of Block 2 of Hagen & Brown's Addition to the City of Chicago; thence west along said north line of Lot 1 to its intersection with the east line of Lot 11 in the resubdivision of Lots 1 and 4 of Block 2 of Hagen & Brown's Addition to the City of Chicago, said east line of Lot 11 being the west line of the alley west of Springfield Avenue; thence north along said west line of the alley west of Springfield Avenue to the north line of Lot 12 in the resubdivision of Lots 1 and 4 of Block 2 of Hagen & Brown's Addition to the City of Chicago, said north line of Lot 12 being the south line of the alley south of Bloomingdale Avenue; thence west along said south line of the alley south of Bloomingdale Avenue to its intersection with the west line of Harding Avenue; thence north along said west line of Harding Avenue to the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence west along said Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the centerline of Pulaski Road; thence

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north along said centerline of Pulaski Road to the north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way; thence east along said north line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company right-of-way to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the south line of Cortland Street; thence west along said south line of Cortland Street to its intersection with the east line of Lot 1 in Block 3 of Robert F. Summer's Subdivision in the west half of the southwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 1 being the west line of the alley west of Springfield Avenue; thence north along said west line of the alley west of Springfield Avenue to its intersection with the south line of Lot 11 in Block 2 of Robert F. Summer's Subdivision as extended west to the west line of said alley; thence east along said south line of Lot 11 in Block 2 of Robert F. Summer's Subdivision to the west line of Springfield Avenue; thence north along said west line of Springfield Avenue to the north line of said Lot 11 in Block 2 of Robert F. Summer's Subdivision, said north line of Lot 11 being also the south line of the alley south of Armitage Avenue; thence west along said south line of the alley south of Armitage Avenue to the west line of Harding Avenue; thence north along said west line of Harding Avenue to the south line of Armitage Avenue; thence west along said south line of Armitage Avenue to the west line of Pulaski Road; thence north along said west line of Pulaski Road to the westerly extension of the south line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision in the west half of the northwest quarter of Section 35, Township 40 North, Range 13, East of the Third Principal Meridian; thence east along ---said westerly extension and the south line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision to the east line thereof; thence north along said east line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision to the north line thereof; thence west along said north line of Lot 5 in the subdivision of Lots 55 to 59, both inclusive, in Price & Moss' Subdivision and along the westerly extension thereof to the west line of Pulaski Road; thence north along said west line of Pulaski Road to the south line of Palmer Street; thence west along said south line of Palmer Street to its intersection with the east line as extended south of Lot 25 in Block 51 of Keeney's Addition to Pennock, a subdivision in the northeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 25 being also the west line of the alley west of Pulaski Road; thence north along said west line of the alley west of Pulaski Road to the south line of Belden Avenue; thence west along said south line of Belden Avenue to the west line of Keystone Avenue; thence north along said west line of Keystone Avenue to the north line of Lot 397 in Sam Brown, Jr.'s Pennock Subdivision, a subdivision in the northeast quarter of Section 34, Township 40 North, Range 13, East of the Third Principal Meridian, said north line of Lot 397 being the south line of the alley

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south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to its intersection with the west line of Lot 2 in Block 41 in Pennock's Subdivision; thence north along said west line of Lot 2 to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 6 in Block 41 in Pennock's Subdivision; thence south along said east line of Lot 6 to its intersection with the north line of Lot 1 in the resubdivision of Lots 386 to 393 in Sam Brown, Jr.'s Pennock Subdivision, said north line of Lot 1 being the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to its intersection with the east line of Lot 354 in Sam Brown, Jr.'s Pennock Subdivision; thence north along said east line of Lot 354 to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 350 in Sam Brown Jr.'s Pennock Subdivision; thence south along said east line of Lot 350

to its intersection with the north line of Lot I in Ed G. Uehlein's Resubdivision of Lots 333 to 349 in Sam Brown, Jr.'s Pennock Subdivision, said north line of Lot 1 being the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to the west line of Kedvale Avenue; thence north along said west line of Kedvale Avenue to the south line of Fullerton Avenue; thence west along said south line of Fullerton Avenue to the east line of Lot 306 in Sam Brown, Jr.'s Pennock Subdivision; thence south along said east line of Lot 306 to its intersection with the north line of Lot 305 in Sam Brown, Jr.'s Pennock Subdivision, said north line being also the south line of the alley south of Fullerton Avenue; thence west along said south line of the alley south of Fullerton Avenue to the east line of Kostner Avenue; thence north along said east line of Kostner Avenue to the south line of Lot 12 in the Owner's Subdivision of Lots 1 to 9, 13 to 16 and 28 to 42 of Block 5 in Keeney & Pemberthy's Addition in the west half of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian, said south line of Lot 12 in the Owner's Subdivision being also the north line of the alley north of Fullerton Avenue; thence east along said north line of the alley north of Fullerton Avenue to the west line of Keeler Avenue; thence north along said east line of Keeler Avenue to the south line of Lot 40 in Block 1 in Keeney & Pemberthy's Addition to Pennock, a subdivision of the southwest quarter of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence west along said south line of Lot 40 in Block 1 in Keeney & Pemberthy's Addition and along the westerly extension thereof to the east line of Lot 15 in said Block 1 in Keeney & Pemberthy's Addition to Pennock, said east line of Lot 15 being also the west line of the alley west of Keeler Avenue; thence north along said west line of the alley west of Keeler Avenue to the north line of Lot 11 in said Block 1 in Keeney & Pemberthy's Addition to Pennock, said north line of Lot 11 being also the south line of the alley south of Wrightwood Avenue; thence west along said south line of the alley south of Wrightwood

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Avenue to the west line of Tripp Avenue; thence north along said west line of Tripp Avenue to the south line of Wrightwood Avenue; thence west along said south line of Wrightwood Avenue to the southerly extension of the east line of Lot 12 in William P. Herbert's Resubdivision of Lots 33 to 48 in Alex J. Robert's Subdivision in the west half of the southeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence north along said southerly extension and the east line of Lot 12 in William P. Herbert's Resubdivision of Lots 33 to 48 in Alex J. Robert's Subdivision to the north line of said Lot 12, said north line of Lot 12 being also the south line of the alley north of Wrightwood Avenue; thence west along said south line of the alley north of Wrightwood Avenue to the west line of Kildare Avenue; thence north along said west line of Kildare Avenue to the south line of Diversey Avenue; thence west along said south line of Diversey Avenue to the southerly extension of the west line of Lowell Avenue; thence north along said southerly extension and the west line of Lowell Avenue to the westerly extension of the south line of Lot 15 in Block 3 in J. E. White's Subdivision in the south half of the south half of the northeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian, said south line of Lot 15 in Block 3 in J. E. White's Subdivision being also the north line of the alley north of Diversey Avenue; thence east along said north line of the alley north of Diversey Avenue to the west line of Tripp Avenue; thence north along said west line of Tripp Avenue to the south line of George Street; thence west along said south line of George Street to the southerly extension of the west line of Kenosha Avenue; thence north along said southerly extension of the west line of Kenosha Avenue and the northerly extension thereof to the north line of Wellington Avenue; thence east along "said north line of Wellington Avenue to the east line of Lot 60 in W. O. Olsen's Resubdivision of Block 7, part of Block 6 and vacated streets and alleys in Cushing's Subdivision in the west half of the northeast quarter of Section 27 Township 40 North Range 13 East of the Third Principal Meridian said east line of Lot

of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian, said east line of Lot 60 in W. O. Olsen's Resubdivision being also the west line of an alley; thence north along said east line of Lot 60 in W. O. Olsen's Resubdivision and the northerly extension thereof to the northeasterly line of Lot 4 in Nelson Court Apartments Resubdivision of Lots 1 to 8 together with part of vacated streets and alleys adjacent to Lots 18 to 39 in W. O. Olsen's Resubdivision in the west half of the northeast quarter of Section 27, Township 40 North, Range 13, East of the Third Principal Meridian; thence northwesterly along said northeasterly line of Lot 4 in Nelson Court Apartments Resubdivision and along the northeasterly line of Lot 5 in said Nelson Court Apartments Resubdivision to the north line of said Lot 5; thence west along said north line of Lot 5 in Nelson Court Apartments Resubdivision to the northeasterly line of Lot 6 in said Nelson Court Apartments Resubdivision, said northeasterly line of Lot 6 measuring 72.53 feet; thence northwesterly along said northeasterly line of Lot 6 in Nelson

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Court Apartments Resubdivision and along the easterly most easterly line of Lot 7, said easterly line measuring 39.02 feet, to a north line of said Lot 7, said north line measuring 32.87 feet; thence west along said north line of said Lot 7, measuring 32.87 feet, to an east line of said Lot 7, said east line of Lot 7 measuring 95.00 feet; thence north along said east line of said Lot 7, measuring 95.00 feet, to the south line of Barry Avenue; thence west along said south line of Barry Avenue to the point of beginning on the west line of Lowell Avenue.

Excepting from the forgoing that part of Section 3 in Township 39 North, Range 13, East of the Third Principal Meridian bounded and described as follows:

beginning at the point of intersection of the west line of Karlov Avenue with the westerly extension of the north line of Le Moyne Street and running; thence east along said westerly extension and the north line of Le Moyne Street to the east line of Lot 28 in Block 1 of North Avenue Subdivision, a subdivision of the northeast quarter of the northeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said east line of Lot 28 in North Avenue Subdivision being also the west line of the alley west of Pulaski Road; thence north along said west line of the alley west of Pulaski Road to the north line of Lot 12 in said Block 1 of North Avenue Subdivision, said north line of Lot 12 being also the south line of the alley south of North Avenue; thence west along said south line of the alley south of North Avenue to the east line of Lot 12 in Block 2 in North Avenue Subdivision, a subdivision in the northeast quarter of the northeast quarter of the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said east line of Lot 12 in Block 2 in North Avenue Subdivision being also the west line of the alley west of Keystone Avenue; thence south along said west line of the alley west of Keystone Avenue to the south line of the north 9.00 feet of Lot 14 in said Block 2 in North Avenue Subdivision; thence west along said south line of the north 9.00 feet of Lot 14 in said Block 2 in North Avenue Subdivision to the east line of Karlov Avenue; thence north along said east line of Karlov Avenue to the easterly extension of the north line of Lot 45 in Davenport's Subdivision in the northeast quarter of Section 3, Township 39 North, Range 13, East of the Third Principal Meridian, said north line of Lot 45 in Davenport's Subdivision being also the south line of the alley south of North Avenue to the east line of Tripp Avenue; thence west long said easterly extension and along the south line of the alley south of North Avenue to the east line of Tripp Avenue; thence south along said east line of Tripp Avenue to the south line of Lot 118 in Davenport's Subdivision, a subdivision of the east half of the northwest quarter of the northeast quarter and of the west half of the northeast quarter of the northeast quarter of Section 3 Township

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39 North, Range 13, East of the Third Principal Meridian, said south line of Lot 118 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 115 and 116 in Davenport's Subdivision, said west line of Lots 115 and 116 being also the east line of the alley east of Tripp Avenue; thence south along said east line of the alley east of Tripp Avenue to the southwesterly line of Lot 116 in Davenport's Subdivision, said southwesterly line of Lot 116 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue and along the southeasterly extension thereof to the east line of Keeler Avenue; thence south along said east line of Keeler Avenue to the south line of Lot 98 in Davenport's Subdivision, said south line of Lot 98 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 95 and 96 in Davenport's Subdivision, said west line of Lots 95 and 96 being also the east line of the alley east of Keeler Avenue; thence south along said east line of the alley east of Keeler Avenue to the southwesterly line of Lot 96 in Davenport's Subdivision, said southwesterly line of Lot 96 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue and along the southeasterly extension thereof to the east line of Kedvale Avenue; thence south along said east line of Kedvale Avenue to the south line of Lot 65 in Davenport's Subdivision, said south line of Lot 65 being also the north line of the alley north of Grand Avenue; thence east along said north line of the alley north of Grand Avenue and along the easterly extension thereof to the west line of Lots 62 and 63 in Davenport's Subdivision, said west line of Lots 62 and 63 being also the east line of the alley east of Kedvale Avenue; thence south along said east line of the alley east of Kedvale Avenue to the southwesterly line of Lot 63 in Davenport's Subdivision, said southwesterly line of Lot 63 being also the northeasterly line of the alley north of Grand Avenue; thence southeasterly along said northeasterly line of the alley north of Grand Avenue to the west line of Karlov Avenue; thence north along said west line of Karlov Avenue to the point of beginning, all in the City of Chicago, Cook County, Illinois.

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Exhibit "D". (To Ordinance)

Pulaski Corridor.

Street Boundaries Of The Area.

The Area is generally linear in shape and parallels the former Chicago, Milwaukee, St. Paul and Pacific Railroad (C.M.S.P. & P.) right-of-way between West Belmont and West North Avenues along its north/south axis. There also are several linear corridors extending from the main spine. The corridors are aligned along the following arterial streets: West Fullerton Avenue, between North Springfield Avenue and North Kostner Avenue; West North Avenue between North Lowell Avenue and North

~~AVENUE AND NORTH ROXBURY AVENUE, WEST NORTH AVENUE, BETWEEN NORTH LOWELL AVENUE AND NORTH~~
Ridgeway Avenue; and West Grand Avenue, between North Hamlin Avenue and North Lowell Avenue.

DESIGNATION OF PULASKI CORRIDOR REDEVELOPMENT
PROJECT AREA AS TAX INCREMENT
FINANCING DISTRICT.

The Committee on Finance submitted the following report:

CHICAGO, June 9, 1999.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance authorizing the designation of the Pulaski Corridor Redevelopment Project Area as a redevelopment project area, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

(Continued on page 3852)

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Exhibit "E". (To Ordinance)

Boundary Map Of Tax Increment Financing Area.

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AMENDMENT NO. 1 TO PULASKI CORRIDOR TAX INCREMENT FINANCING REDEVELOPMENT PLAN AND PROJECT.

[02012-5617]

The Committee on Finance submitted the following report:

CHICAGO, October 3, 2012.

To the President and Members of the City Council:

Your Committee on Finance, having had under consideration an ordinance approving Amendment Number 1 to the Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project, having had the same under advisement, begs leave to report and recommend that Your Honorable Body Pass the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the Committee.

Respectfully submitted,

(Signed) EDWARD M. BURKE,

Chairman.

On motion of Alderman Burke, the said proposed ordinance transmitted with the foregoing committee report was Passed by yeas and nays as follows:

Yeas - Aldermen Moreno, Fioretti, Dowell, Burns, Hairston, Sawyer, Jackson, Harris, Beale, Pope, Balcer, Quinn, Burke, Foulkes, Thompson, Thomas, Lane, O'Shea, Brookins, Munoz, Zalewski, Chandler, Solis, Maldonado, Burnett, Ervin, Graham, Reboyras, Suarez, Waguespack, Mell, Austin, Colon, Sposato, Mitts, Cullerton, Laurino, P. O'Connor, M. O'Connor, Reilly, Smith, Tunney, Arena, Cappleman, Pawar, Osterman, Moore, Silverstein - 48.

Nays - None.

Alderman Pope moved to reconsider the foregoing vote. The motion was lost. The following is said ordinance as passed:

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WHEREAS, Under ordinances adopted on June 9, 1999 and published in the Journal of the Proceedings of the City Council of the City of Chicago (the "Journal") for such date at pages 3704 to 3885 and under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, et seq., as amended (the "Act"), the City Council (the "Corporate Authorities") of the City of Chicago (the "City"): (i) approved "The Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project" (the "Plan") for a portion of the City known as the "Pulaski Corridor Redevelopment Project Area" (the "Area") (such ordinance being defined herein as the "Approval Ordinance"); (ii) designated the Area as a "redevelopment project area" within the requirements of the Act (the "Designation Ordinance") and, (iii) adopted tax increment financing for the Area (the "Adoption Ordinance"); and

WHEREAS, The Approval Ordinance, the Designation Ordinance and the Adoption Ordinance are collectively referred to in this ordinance as the "TIF Ordinances"; and

to in this Ordinance as the TIF Ordinances , and

WHEREAS, Public Act 92-263, which became effective on August 7, 2001, amended the Act to provide that, under Section 11-74.4-5(c) of the Act, amendments to a redevelopment plan which do not (1) add additional parcels of property to the proposed redevelopment project area; (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5 percent after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10, may be made without further hearing, provided that notice is given as set forth in the Act as amended; and

WHEREAS, The Corporate Authorities now desire to amend the Plan further to change the land uses proposed in the Plan with respect to certain parcels of property, which such amendment shall not (1) add additional parcels of property to the proposed redevelopment project area, (2) substantially affect the general land uses proposed in the redevelopment plan, (3) substantially change the nature of the redevelopment project, (4) increase the total estimated redevelopment project cost set out in the redevelopment plan by more than 5 percent after adjustment for inflation from the date the plan was adopted, (5) add additional redevelopment project costs to the itemized list of redevelopment project costs set out in the redevelopment plan, or (6) increase the number of inhabited residential units to be displaced from the redevelopment project area, as measured from the time of creation of the redevelopment project area, to a total of more than 10; 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.

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SECTION 2. Approval Of Amendment Number 1 To Plan. The "Amendment Number 1 to the Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project", a copy of which is attached hereto as Exhibit A (the "Amendment Number 1"), is hereby approved. Except as amended hereby, the Plan shall remain in full force and effect.

SECTION 3. 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 4. Superseder. All ordinances (including, without limitation, the TIF Ordinances), resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflicts.

SECTION 5. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Amendment No. 1 To The Pulaski Corridor Tax Increment Financing Redevelopment

Amendment No. 1 to the Pulaski Corridor Tax Increment Financing Redevelopment Plan And Project.

The Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project (the "Plan") is amended as follows:

Section VI ~ Redevelopment Plan and Project, subheading B. Generalized Land-Use Plan, the third sentence in the second paragraph under "North Avenue" is amended to read as follows:

Residential uses are permitted to expand beyond their current limits in terms of street level uses as needed.

Section VI - Redevelopment Plan and Project, subheading B. Generalized Land-Use Plan, the fourth sentence in the second paragraph under "North Avenue" is amended to read as follows:

However, the overall intent in this sub-area is for continued commercial uses at street level with upper floor residential and office uses.

EXHIBIT E

Financing for the Project

North and Pulaski Elderly Limited Partnership, an Illinois limited partnership with North and Pulaski Corporation, an Illinois corporation (whose sole owner is Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC") of which Hispanic Housing Development Corporation, an Illinois not-for-profit corporation ("HHDC"), is the sole member), as the sole general partner (the "General Partner") and others to be hereafter selected as the limited partners

Acquisition of vacant land and construction of a multi-story building (the "Facility") to be located thereon at 3939-3959 West North Avenue in Chicago, Illinois (the "Property") and of approximately 71 dwelling units contained therein as one- and two-bedroom units for low- and moderate-income persons, together with one maintenance employee dwelling unit, certain common space, offices, and parking.

Source: Amount: Term: Interest:

Security:

Multi-Family Program Funds Not to exceed \$3,500,000 Not to exceed 32 years

Zero percent per annum, or another interest rate acceptable to the Authorized Officer Non-recourse loan; second mortgage on the Property (the "City Mortgage")

ADDITIONAL FINANCING:

Amount: Not to exceed \$11,500,000 (the "Construction Loan")

Term: Not to exceed 36 months, or another term acceptable to the Authorized Officer

Source: U.S. Bank National Association, or another entity acceptable to the Authorized Officer

Interest: A variable rate of interest not to exceed 12 percent per annum, or another interest rate acceptable to the Authorized Officer

Security: A mortgage on the Property senior to the lien of the City Mortgage, a pledge of capital contributions and general partner interests, and a pledge of the Borrower's, the LLC's and HHDC's interests in the TIF Redevelopment Agreement, or such other security as may be acceptable to the Authorized Officer

2. Low-Income Housing Tax Credit ("LIHTC")

Proceeds:

1.000000.

Source:

Amount:

Term:

Source:

Interest:

Security:

Approximately \$10,100,000, all or a portion of which may be paid in on a delayed basis, and all or a portion of which may be used to retire a portion of the Construction Loan

To be derived from the syndication of a LIHTC allocation of approximately \$1,000,000 by the City Not to exceed \$4,000,000 Not to exceed 32 years

LLC, derived from the proceeds of a grant of Tax

Increment Financing, a portion of which shall be used to retire a portion of the Construction Loan, or another source acceptable to the Authorized Officer

A fixed interest rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer

Mortgage on the Property junior to the lien of the City

Mortgage, or such other security as may be acceptable to the Authorized Officer

Amount:

Term:

Source:

Interest:

Security:

Approximately \$543,610 Not to exceed 32 years

HHDC, derived from the proceeds of a grant from the Chicago Low-Income Housing Trust Fund, or another source acceptable to the Authorized Officer A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer

Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

Amount: Term:

Source:

Interest:

Security:

Approximately \$336,250

Not to exceed 32 years, or another term acceptable to the Authorized Officer

HHDC or an affiliate thereof, derived from the Grant proceeds that result from the transfer of Donation Tax Credits in connection with the Project, or another source acceptable to the Authorized Officer A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer

Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

Amount: Approximately \$267,648

Term: Not to exceed 32 years, or another term acceptable

to the Authorized Officer Source: HHDC, derived from the proceeds of a grant from

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Interest: Security:

7. Amount: Term:

Source: Interest: Security:

8. Amount: Source:

the Illinois Department of Commerce and Economic Opportunity, or another source acceptable to the Authorized Officer

A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer

Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

Approximately \$725,000

Not to exceed 32 years, or another term acceptable to the Authorized Officer

HHDC or an affiliate thereof, representing seller financing, or another source acceptable to the Authorized Officer

A fixed rate of interest not to exceed 10 percent per annum, or another interest rate acceptable to the Authorized Officer

Mortgage on the Property junior to the lien of the City Mortgage, or such other security as may be acceptable to the Authorized Officer

\$100

General Partner

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EXHIBIT F-1 Project Budget*

SOURCES:

Tax Increment Financing	4,000,000
Donation Tax Credit Proceeds	336,250
HOME Funds	3,415,947
ACR Program	543,610
DCEO Energy Grant	267,648
Limited Partner Equity	10,100,000
Seller Financing Loan	725,000
General Partner Contribution	100

Total Sources of Funds	19,388,555
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USES:

Land Acquisition Costs:	725,000
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Hard Costs:

New Construction	12,572,534
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New Construction	12,572,557
GC, P & O	1,257,353
Constr. Cont.	628,627

Soft Costs:

Permit	138,298
Material Testing	68,000
Architectural Design	863,237
Legal Fees	167,000
Survey	16,000
Infrastructure Contingency	146,000
Soil Borings	22,600
Builders Risk Insurance	60,000
Construction Interest	178,401
Construction Finance Fee	242,450
Lender Arch. Supervision	25,000
Title and Recording	24,000

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EXHIBIT F-1

Project Budget*

(Continued)

Lender Legal Fees	60,000
Application Fees	3,000
Bank Origination Fee	65,200
Bank Loan Conversion Fee	40,250
Market Study	12,000
Environmental Report and NFR Letter	57,500
TC Application Fee	50,250
DTC Reservation	10,875
Marketing •	80,000
Consulting	50,000
Accounting/Cost Certification	
12,000	
Appraisal	8,000
Furniture and Fixtures	
75,000	
Soft Cost Contingency	90,000
Debt and Expense Reserve	250,000
Operating Reserve	240,000
Rent up Reserve	75,000
Tax Reserve	32,850
Insurance Reserve	21,000

Insurance Reserve	21,300
Replacement Reserve	20,300
Developer Fee	1,000,000

Total Uses 19,388,555

*Preliminary, subject to change

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EXHIBIT F-2 MBE/WBE Project Budget

Hard Cost of Construction \$12,572,534

24% MBE Requirement = \$3,017,408 4% WBE Requirements \$502,901

EXHIBIT G Permitted Liens

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property and pledges and security agreements granted in connection with the financing sources set forth in Section 4.01, and [unrecorded Right of First Refusal].

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EXHIBIT H Approved Prior Expenditures

(Attach At Closing)

EXHIBIT I

Requisition Form

State of Illinois)

) SS

COUNTY OF COOK)

The affiant, _____, of Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC") hereby certifies that with respect to that certain North and Pulaski Elderly Limited Partnership Redevelopment Agreement among the LLC, North and Pulaski Elderly Limited Partnership, an Illinois limited partnership (the Partnership" together with the LLC are the "Developer"), Hispanic Housing Development Corporation, an Illinois not-for-profit corporation and the City of Chicago dated _____ (the "Agreement"):

A. Expenditures (final cost) for the Project, in the total amount of \$ _____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

\$ _

C. The Developer requests reimbursement for the following cost of TIF-Funded Improvements:

\$

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

3. The Developer has maintained its operations within the City of Chicago and is operating the Property for the same use and at substantially the same capacity as described in the Developer's TIF application and/or the Redevelopment Agreement.

4. The financial statements for the Developer's most recently-concluded fiscal year are attached to this Requisition Form.

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F. Attached hereto is a copy of the final approval of the Monitoring and Compliance Division of the Department of Housing with respect to MBEAA/BE, City Resident hiring and prevailing wage matters. [ATTACH WITH FINAL REQUISITION FORM ONLY]

G. Attached hereto are copies of the front and back of the building permit for the work covered by the Project, and/or, if applicable, the certificate of occupancy for the Project. [ATTACH WITH THE FIRST REQUISITION FORM ONLY, IF REQUESTED BY DDP.]

H. Attached hereto is a copy of the inspecting architect's confirmation of construction completion. [ATTACH WITH FINAL REQUISITION FORM ONLY]

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

Hispanic Housing North and Pulaski LLC, an Illinois limited liability company

By: Hispanic Housing Development Corporation, an Illinois not-for-profit corporation, its sole member

By:

Name: Hipolito Roldan Title: President

Subscribed and sworn before me this day of .

My commission expires: Agreed and

accepted:

Name
Title: ;
City of Chicago
Department of Housing and Economic Development

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EXHIBIT J

TIF-Funded Improvements

Line Item Cost

Construction Costs of 3939-59 W. North Ave. 13,829,787*

Architectural Costs related to 2656 W. North Ave. Construction \$800,000*

Environmental Testing, Review and Remediation Costs related to \$57,500* 3939-59 W. North Avenue Construction

TOTAL \$14,687,287**

***Only 50% of the construction costs are eligible TIF-Funded Improvements [are these only hard construction costs-HED review]**

**** The maximum amount of City Funds provided to the Developer shall not exceed \$4,000,000.**

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EXHIBIT K

Form of Subordination Agreement

This document prepared by and after recording return to:

, Esq.

Assistant Corporation Counsel Department of Law
121 North LaSalle Street, Room 600 Chicago, IL
60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the
day of , between the City of Chicago by and through its Department of
Housing and Economic Development (the "City"), [Name Lender], a [national banking association]
(the "Lender").

WITNESSETH:

WHEREAS, [INSERT RECITAL B FROM AGREEMENT];

WHEREAS, [INSERT BANK NAME] ("Lender") and North and Pulaski Elderly Limited
Partnership, an Illinois limited partnership (the "Borrower"), have entered into a certain
Loan Agreement dated as of pursuant to which the Lender has agreed
to make a loan to the Borrower in an amount not to exceed (the "Loan"), which
Loan is evidenced by a Mortgage Note and executed by the Borrower in favor of the Lender (the "Note") and

Loan is evidenced by a mortgage note and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i)

Mortgage dated _____ and recorded _____ as document number _____ made by the Borrower to the Lender; and (ii) Assignment of Leases and Rents dated _____ and recorded _____ as document number _____ made by the Borrower to the Lender (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, the Borrower and Hispanic Housing North and Pulaski LLC, an Illinois limited liability company (the "LLC", and collectively with the Borrower, the "Developer") and Hispanic Housing Development Corporation ("HHDC") desire to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

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WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 8.02, 8.19 and 8.20 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively; and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

3. Waivers. No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

the respective successors and assigns of the City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

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If to the City: City of Chicago Department of Housing and Economic
Development
121 North LaSalle Street, Room 1000 Chicago,
Illinois 60602 Attention: Commissioner

With a copy to: City of Chicago Department of Law
121 North LaSalle Street, Room 600 Chicago,
Illinois 60602
Attention: Finance and Economic Development Division

If to the Lender:

Attention:

With a copy to:

Attention:

And to: North and Pulaski Elderly Limited Partnership
c/o North and Pulaski Corporation 325 N. Wells,
Suite 800 Chicago, Illinois 60647

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

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IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

[LENDER], [a national banking association] By:

Its:

CITY OF CHICAGO

By:

Its: Commissioner, Department of Planning
and Development

ACKNOWLEDGED AND AGREED TO THIS
DAY OF

North and Pulaski Elderly Limited Partnership, an Illinois limited partnership

By: North and Pulaski Corporation, an Illinois corporation, its general partner

By:

Hipolito Roldan, President

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STATE OF ILLINOIS) COUNTY OF COOK

)SS)

I, the undersigned, a notary public in and for the County and State aforesaid, DO
HEREBY CERTIFY THAT _____ personally known to me to be the
Commissioner of the Department of Housing and Economic Development of the City of Chicago, Illinois (the
"City") and personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that as such Commissioner, she signed
and delivered the said instrument pursuant to authority given to her, as her free and voluntary act, and as the
free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _____

Notary Public

(SEAL)

STATE OF ILLINOIS COUNTY OF COOK

)
)SS)

I, _____, a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the
_____ of [Lender], a _____, and personally known to me
to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in
person and acknowledged that he/she signed, sealed and delivered said instrument, pursuant to the authority
given to him/her by Lender, as his/her free and voluntary act and as the free and voluntary act of the Lender,
for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _____, _____.

Notary Public

My Commission Expires _____

(SEAL)

(SEAL)

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

The undersigned, a notary public in and for County in the State aforesaid, does hereby certify that Hipolito Roldan, the President of North and Pulaski Corporation, an Illinois corporation and the general partner ("General Partner") of North and Pulaski Elderly Limited Partnership, an Illinois limited partnership (the "Partnership"), personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered such instrument as his own free and voluntary act, and as the free and voluntary act of the General Partner of behalf of the Partnership, all for the uses and purposes set forth therein.

GIVEN under my hand and notarial seal this day of .

Notary Public

My Commission Expires

(SEAL)

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EXHIBIT A - LEGAL DESCRIPTION

EXHIBIT L

Opinion of Developer's Counsel (Attach at Closing)

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EXHIBIT M

Form of Payment Bond (Attach at Closing, if Applicable)

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

April 10, 2013

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing the execution of a loan agreement and associated conveyance and tax credits for North and Pulaski Elderly, LP.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

CHICAGO May 8, 2013

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

A proposed ordinance concerning the authority to enter into and execute a Loan Agreement with, the donation of tax credits to and a conveyance of property to North and Pulaski Elderly, Limited Partnership. ;

02013-3167

Amount of Loan not to exceed:

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

**This recommendation was concurred in by
of members of the committee with**

(signed)^

Respectfully submitted

Chairman

CONTENTS

Document No.

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