
2007 Annual Report

79th/Vincennes Redevelopment Project Area



Pursuant to 65 ILCS 5/11-74.4-5(d)

JUNE 30, 2008

June 30, 2008

Mr. Arnold L. Randall
Commissioner
Department of Planning and Development
121 North LaSalle Street
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the 79th/Vincennes Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.6-1 et seq.), as amended. The contents are based on information provided to us by Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

It has been a pleasure to work with representatives from the Department of Planning and Development and other City Departments.

Very truly yours,



Ernst & Young LLP

79th/Vincennes Redevelopment Project Area 2007 Annual Report

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City of Chicago
Richard M. Daley, Mayor

**Department of Planning and
Development**

Arnold L. Randall
Commissioner

City Hall, Room 1000
121 North LaSalle Street
Chicago, Illinois 60602
312 744-4190
312 744-2271 (FAX)
312 744-2578 (TTY)

<http://www.cityofchicago.org>

June 30, 2008

The Honorable Daniel Hynes
Comptroller
State of Illinois
Office of the Comptroller
201 Capitol
Springfield, IL 62706

Dear Comptroller Hynes:

We have compiled the attached information for the 79th/Vincennes
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-
74.4-5(d).

Sincerely,

Arnold L. Randall
Commissioner



**79th/Vincennes Redevelopment Project Area
2007 Annual Report**

(1) DATE OF DESIGNATION AND TERMINATION - 65 ILCS 5/11-74.4-5(d)(1.5)

The Project Area was designated on September 27, 2007. The Project Area may be terminated no later than December 31, 2031.

**79th/Vincennes Redevelopment Project Area
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(2) AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)

During 2007, no financial activity or cumulative deposits over \$100,000 occurred in the Project Area. Therefore, no audited statements were prepared pertaining to the Special Tax Allocation Fund for the Project Area.

**79th/Vincennes Redevelopment Project Area
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(3) MAYOR'S CERTIFICATION - 65 ILCS 5/11-74.4-5(d)(3)

Please see attached.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION

TO:

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Tallamantez, Director of Local
Government

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

Peter C. Nicholson, Director
Cook County Department of Planning &
Development
69 West Washington Street, Room 2900
Chicago, Illinois 60602

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Street, Suite 2060
Chicago, IL 60602

Martin Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
Chicago, Illinois 60603

Timothy Mitchell, General Superintendent &
CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611

Douglas Wright
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq, (the "Act") with regard to the 79th/Vincennes Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

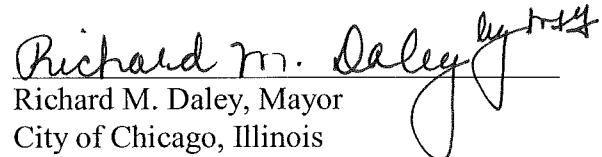
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2007, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2008.


Richard M. Daley, Mayor
City of Chicago, Illinois

**79th/Vincennes Redevelopment Project Area
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(4) OPINION OF LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)

Please see attached.



City of Chicago
Richard M. Daley, Mayor

Department of Law

Mara S. Georges
Corporation Counsel

City Hall, Room 600
121 North LaSalle Street
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<http://www.cityofchicago.org>

June 30, 2008

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Tallamantez, Director of
Local Government

Dolores Javier, Treasurer
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226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

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100 East Erie Street, Room 2429
Chicago, Illinois 60611

Douglas Wright
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426

Re: 79th/Vincennes
Redevelopment Project Area (the "Redevelopment Project
Area")

Dear Addressees:

I am Corporation Counsel of the City of Chicago, Illinois (the "City"). In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.* (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.



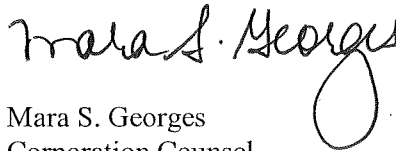
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Housing, Department of Finance and Office of Budget and Management, have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such Department(s) and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed, subject to the limitations hereinafter set forth, unless and except to the extent set forth in an Exception Schedule attached hereto as Schedule 1.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,



Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**79th/Vincennes Redevelopment Project Area
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(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

During 2007, there was no financial activity in the Special Tax Allocation Fund.

**79th/Vincennes Redevelopment Project Area
2007 Annual Report**

(6) DESCRIPTION OF PROPERTY - 65 ILCS 5/11-74.4-5(d)(6)

TABLE 6
DESCRIPTION OF PROPERTY PURCHASED BY THE MUNICIPALITY WITHIN THE TIF
AREA

STREET ADDRESS	APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY	PURCHASE PRICE	SELLER OF PROPERTY
7544 S. Emerald ¹	N/A	N/A	N/A

¹ This property was acquired through the Tax Reactivation Program (“TRP”), under which the City instructs the County of Cook to make a no cash bid on certain tax-delinquent parcels. The City then pursues the acquisition in a court proceeding and receives a tax deed from the County after a court order is issued. The City pays court costs and certain incidental expenses for each parcel, which average between \$2,000 and \$2,500. The size and description of each parcel is usually not available.

**79th/Vincennes Redevelopment Project Area
2007 Annual Report**

(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)

- (A) Projects implemented in the preceding fiscal year.
- (B) A description of the redevelopment activities undertaken.
- (C) Agreements entered into by the City with regard to disposition or redevelopment of any property within the Project Area.
- (D) Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E) Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F) Joint Review Board reports submitted to the City.
- (G) Project-by-project review of public and private investment undertaken from 11/1/99 to 12/31/07, and of such investments expected to be undertaken in year 2008; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/07, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON FOLLOWING PAGES.

**79th/Vincennes Redevelopment Project Area
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(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2007, no projects were implemented.

(7)(B) - 65 ILCS 5/11-74.4-5(d)(7)(B)

Redevelopment activities undertaken within this Project Area during the year 2007, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

(7)(C) - 65 ILCS 5/11-74.4-5(d)(7)(C)

TABLE 7(C)
AGREEMENTS ENTERED INTO WITH REGARD TO THE DISPOSITION & REDEVELOPMENT
OF PROPERTY WITHIN THE PROJECT AREA

STREET ADDRESS	APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY	PURCHASE PRICE	BUYER OF PROPERTY
7653 S. GREEN	N/A	N/A	N/A
537 W. 79TH	N/A	N/A	N/A
537 W. 79TH	N/A	N/A	N/A
7915 S. PARNELL	N/A	N/A	N/A
7722 S. UNION	N/A	N/A	N/A

**79th/Vincennes Redevelopment Project Area
2007 Annual Report**

(7)(D) - 65 ILCS 5/11-74.4-5(d)(7)(D)

The Project Area has not yet received any increment.

(7)(E) - 65 ILCS 5/11-74.4-5(d)(7)(E)

During 2007, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

**79th/Vincennes Redevelopment Project Area
2007 Annual Report**

(7)(F) - 65 ILCS 5/11-74.4-5(d)(7)(F)

Joint Review Board Reports were submitted to the City. See attached.

(7)(G) - 65 ILCS 5/11-74.4-5(d)(7)(G)

Since November 1, 1999, no public investment was undertaken in the Project Area. As of December 31, 2007, no public investment is estimated to be undertaken for 2008.

CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on June 1, 2007, at 10:05 a.m.
City Hall, Room 703, Conference Room,
Chicago, Illinois, and presided over by
Mr. Eric Reese.

PRESENT:

MR. ERIC REESE, CHAIRMAN
MR. JOHN McCORMICK
MS. SUSAN MAREK
MR. DION SMITH

REPORTED BY: Accurate Reporting Service
200 N. LaSalle Street
Chicago, Illinois
By: Jack Artstein, C.S.R.

1 MR. REESE: Good morning. For the
2 record, my name is Eric Reese. I'm the
3 representative of the Chicago Park District,
4 which under Section 11-74.4-5 of the Tax
5 Increment Allocation Redevelopment Act, as
6 one of the statutory designated members to
7 this Joint Review Board.

8 Until election of a Chairperson,
9 I'll moderate to the Joint Review Board
10 Meetings. Start off with introduction.

11 MR. SMITH: Dion Smith, Chicago
12 Public Schools.

13 MR. McCORMICK: John McCormick, City
14 of Chicago.

15 MS. DAVIS: Patricia Davis, resident
16 of the District.

17 MR. REESE: Thank you very much for
18 joining us.

19 MS. DAVIS: You're welcome.

20 MR. REESE: For the record, there
21 will be two meetings of the Joint Review
22 Board today. The first meeting will be to
23 review the 79th and Vincennes, and the date
24 of the meeting was announced at and set by

1 the Community Development Commission, City
2 of Chicago in it's meeting of May 8th, 2007.

3

4 Notice of this meeting of the
5 Joint Review Board was also provided by

6 Certified Mail to each of the taxing
7 districts represented on the Board which
8 includes Chicago Board of Ed., Chicago
9 Community Colleges District 508, the Chicago
10 Park District, Cook County, City of Chicago.

11 Public notice of this meeting was
12 also posted on Wednesday, May 30th, 2007 in
13 various locations throughout City Hall.

14 When a proposed redevelopment
15 plan results in the displacement of
16 residents of 10 or more inhabited residents,
17 residential units, or will include 75 or more
18 inhabited residential units, the TIF Act
19 requires that the Public Member of the Joint
20 Review Board must reside in the proposed
21 redevelopment project area.

22 In addition, the Municipalities
23 Housing Effects Study determines that the
24 majority of residential units in a proposed

1 redevelopment project area are occupied by
2 very low, low or moderate income households,
3 as defined by Section 3 of the Illinois
4 Affordable Housing Act, the Public Member
5 must -- reside in the very low, low or
6 moderate income housing within the proposed
7 redevelopment project area.

8 With us today is Patricia Davis?

9 MS. DAVIS: Yes.

10 MR. REESE: Are you familiar with the
11 boundaries of the 79th and Vincennes project
12 area? What's the address of your residence?

13 MS. DAVIS: 7651 South Emerald
14 Avenue, Chicago, Illinois 60620.

15 MR. REESE: Is such address within
16 the boundaries of the 79th and Vincennes
17 project area?

18 MS. DAVIS: Yes.

19 MR. REESE: Thank you. Have you,
20 have you been provided, has provided. Have
21 representatives of the City of Chicago's
22 Department of Planning and Development
23 provided you with accurate information
24 concerning your income and the income of

1 other members of the household at your
2 address?

3 MS. DAVIS: Yes.

4 MR. REESE: Okay. Are you willing to
5 serve as the Public Member on the Joint

6 Review Board for the 79th and Vincennes
7 project area?

8 MS. DAVIS: Yes.

9 MR. REESE: Thank you very much.
10 I'll entertain a motion that Ms. Davis be
11 selected as Public Member. Is there a
12 motion?

13 MR. McCORMICK: So moved.

14 MR. SMITH: Second.

15 MR. REESE: Thank you. All in favor?

16

17 (Chorus of ayes.)

18 MR. REESE: Let the record reflect
19 Ms. Davis has been selected as Public Member
20 for the proposed 79th and Vincennes project
21 area.

22 Our next order of business is to
23 select a Chairperson for this Joint Review
24 Board. Are there any nominations?

1 MR. McCORMICK: I nominate Eric
2 Reese.

3 MR. REESE: Is there a second?

4 MR. SMITH: Second.

5 MR. REESE: All in favor of this
6 nomination.

7 (Chorus of ayes.)

8 MR. REESE: Thank you. Let the
9 record reflect myself, Eric Reese, has been
10 elected Chairperson and will now serve as
11 Chairperson for the remainder of the
12 meeting.

13 As I mentioned, at this meeting,
14 we will be reviewing a plan for the proposed
15 79th and Vincennes Tax Increment Financing
16 District proposed by the City of Chicago,
17 staff of the City's Planning Department,
18 Planning and Development and Law, and other
19 departments have reviewed this plan which
20 was introduced by the City's Community
21 Development Commission on May 2007.

22 We will listen to a presentation
23 by the consultant on the plan. Following the
24 presentation, we can address any questions

1 which the members might have for the
2 consultant or City staff.

3 An amendment to the TIF Act
4 requires us to base our recommendation to
5 approve or disapprove on the proposed 79th
6 and Vincennes Tax Increment Financing
7 District on the basis that the area and the
8 plan satisfying the plan requirements, the
9 eligibility criteria defined in the TIF Act
10 and the objectives of the TIF Act.

11 If the Board approves the plan,
12 the Board will then issue an advisory non-
13 binding recommendation by the vote of the
14 majority of the members present and voting.
15 Such recommendation shall be submitted to
16 the City within 30 days after the Board
17 Meeting.

18 Failure to submit a recommendation shall be
19 deemed to constitute approval by the Board.

20 If the Board disapproves the
21 plan, the Board must issue a written report
22 describing why the plan area failed to meet
23 one or more of the objectives of the TIF Act
24 in both plan requirements and eligibility

1 requirements of the TIF Act.

2 The City then will have 30 days
3 to resubmit a revised plan. The Board and
4 the City must also confer with, during this
5 time to try and resolve the issues that led
6 to their disapproval.

7 If such issues cannot be
8 resolved, or if the revised plan is
9 disapproved, the City may proceed with the
10 plan, and the plan can be approved only with
11 three-fifths vote of the City Council,
12 excluding members that are vacant and those
13 members that are ineligible due to conflicts
14 of interest.

15 We're now going to have a
16 presentation by S.B. Friedman for the 79th
17 project area.

18 MS. KOSARKO: Good morning. I'm
19 Gretchen Kosarko, Project Manager, S.B.
20 Friedman & Company.

21 The 79th and Vincennes TIF
22 boundary is illustrated on this graphic,
23 generally bounded on the north by 75th and
24 76th Street, on the south by 79th, 80th, and

1 81st, on the east by Perry, the Dan Ryan --
2 and on the west, excuse me, by Halsted and
3 Peoria.

4 And note an odd configuration
5 here to the center, the railroad -- didn't
6 want us to split prior to this meeting a TIF.
7 It can be addressed later if the City decides
8 that that is desirable.

9 Currently within a TIF, the land
10 uses are mainly residential. A couple
11 notable exceptions are the CTA bus line
12 facilities here, two public schools on
13 Ogelsby and Parker, and commercial along
14 primarily 79th Street and little bit here
15 along the Halsted frontage -- but otherwise
16 it's mainly residential. And again, there's
17 also the -- Park running through the center
18 of the TIF.

19 We did field work to verify the
20 eligibility of the parcels within the TIF, as
21 well as obtain information from the County
22 Inspector's office, and then the Sewer and
23 Water Department with regard to adequacy of
24 utilities.

1 We have designated the TIF in our
2 plan as a conservation area in that more than
3 50 percent of the structures are more than 35
4 years old in the district, and we have four
5 eligibility factors.

6 Just one step back, that the TIF
7 overall is 880 parcels on 59 tax blocks, and
8 though our analysis was done parcel-by-
9 parcel, we displayed, for the sake of
10 simplicity, the eligibility factors by
11 block.

12 So a block would deem to exhibit
13 the eligibility factor, at least 50 percent
14 of the parcels on that block exhibit the
15 factor, so that was our threshold of
16 eligibility.

17 The factors, in addition to the
18 age factor I that mentioned that we found
19 present in the TIF, first of all the lack of
20 growth in the EAB in three of the past five
21 years from which information was available
22 at the time we did our study, that being 2000
23 to 2005.

24 The district lags the -- of the

1 Chicago -- is five years.

2 The second factor that we found
3 to be present to a significant extent was
4 deterioration. This included either one or
5 more of the following deterioration --

6 either infrastructure, building, I believe
7 those were the two parking areas, area
8 surfaces.

9 So if a parcel was to have at
10 least one of those factors, it was deemed to
11 be deteriorated, and again the blocks shown
12 as eligible here were those where at least 50
13 percent of the parcels exhibited one or more
14 of those types of deterioration.

15 So that factor was found to be
16 present on -- percent of the blocks, excuse
17 me, and as you can see here, there were a few
18 exceptions on some residential blocks, but
19 for the most part is very prevalent
20 throughout, throughout the district.

21 Second factor that we found to be
22 present to a significant extent of layouts.
23 This we analyzed in a couple of ways.

24 The first one, we looked at

1 alleys where there were conflicting uses
2 sharing alleys, commercial uses and
3 residential uses sharing the same space
4 behind the buildings where there tend to be
5 vehicular conflicts as loading and unloading
6 versus residential access.

7 This is present in a couple of
8 places, mainly here on 79th Street where the
9 residential units sharing the alley with
10 storefronts and businesses.

11 We also looked at unsafe, excuse
12 me, vehicular access and/or traffic flow.
13 For instance, here along Stewart Avenue,
14 while this is a public right-of-way, you
15 know, through street, there are residential
16 units that back up against this street, and
17 therefore backing out into the street
18 causing through-street unsafe traffic
19 situations.

20 There are some triangular
21 parcels throughout the district that have
22 vehicular access points on multiple sides --
23 danger configurations at the intersection.

24 And the most prevalent factor

1 that led us to deem a parcel to exhibit
2 deleterious land use or layout, was the
3 presence of a large number of vacant lots
4 distributed very far and wide throughout the
5 district.

6 They're vacant parcels often
7 unsecured, or inadequately secured,
8 exhibiting a lot of debris in the yards,
9 either landscaping debris or some dumping
10 that had been done there, and we deemed those
11 to be a health and safety hazard when
12 interspersed so regularly within, in between
13 residential parcels.

14 So we looked within, I think it
15 was 50, 50 yards of any vacant parcel we
16 deemed those to be exhibiting deleterious
17 land use and layout. And again, for any
18 block it was deemed to be giving this factor,
19 if that block had 50 percent or more of its
20 parcels flagged as exhibiting deleterious
21 land use and layout.

22 MR. REESE: Sorry to interrupt you.
23 Does the City have any parcels, acquire any
24 of the parcels on there?

1 MS. KOSARKO: The vacant parcels?

2 MR. REESE: Yes.

3 MS. KOSARKO: Those don't -- I'm not
4 sure we've got the number.

5 MR. REESE: Okay.

6 MS. KOSARKO: Some of those are City
7 fund. We have deleterious land use and
8 layout to be present on 64 percent, I'm
9 sorry, 68 percent of the block, so 40 of the
10 -- within the redevelopment area.

11 The final primary factor for the
12 -- what we had, as I mentioned earlier we
13 obtained water and sewer line information
14 for the redevelopment area, and based on the
15 useful life, as determined by the City's
16 Water & Sewer Department, we determined that
17 there were inadequate utilities present, I'm
18 sorry, I stated the percentage for
19 deleterious land use and layout, that was
20 78 percent of the block.

21 Inadequate utilities were 68
22 percent of the blocks, where sewer lines and
23 water lines were over 100 years old, or the
24 department, the respective department had

1 somewhat deemed that the lines in that area
2 were ready for replacement and had not yet
3 been replaced. They were inadequate to pass
4 the development. So that factor was present
5 on, again, 68 percent of the blocks.

6 Two other factors that we looked
7 at as purporting, but not major factors,
8 again in terms of -- further decline of the
9 area, which we did not map, or obsolescence.

10 A number, a small number of
11 buildings, 13 within the district, deemed to
12 exhibit obsolescence, or physical or
13 economic. Those are mainly, but not
14 exclusively related to the CTA bus
15 facilities. Some of the structures are very
16 old. The changes in technology and simply
17 given the size of the buses be extra long,
18 particularly the buses.

19 The facilities are not adequate
20 and up-to-date to really service the buses in
21 a more efficient and effective way.

22 So while there's a small number
23 of buildings, they occupy a very large land
24 area within the district, and we think that

1 that could contribute to further decline of
2 the area. It's not addressed through a
3 redevelopment plan.

4 Another minor factor that we
5 looked at was structures below minimum code
6 standards. We found between 2000 and 2006
7 there were 86 separate property addresses
8 within the RTA that had -- violation
9 citations that were related to health,
10 safety and welfare, not things like replace
11 the sign on your building. Things like
12 broken windows, inadequate fire access,
13 etc., some more serious violations, and we
14 found that factor to be present, too. We --
15 on 13 of the 59 blocks, so again, not a major
16 factor, but something with which we were
17 concerned.

18 The final supporting factor we
19 looked at was environmental cleanup.
20 According to the Illinois EPA, there are 11
21 sites within the RTA beginning with the
22 ground storage tank site.

23 They're mainly along the
24 Vincennes corridor, here in that area of the

1 TIF, and again, while that didn't effect the
2 majority of parcels, we felt it was worth
3 noting and something that could be addressed
4 in the redevelopment plan for the area.

5 We looked at the lack of growth
6 in private investment and found that the
7 compounding in the TIF District between 2000
8 and 2005, the growth rate of -- was about
9 five percent lower than the bounds of the
10 City of Chicago.

11 We also looked at building
12 permits to determine what type of
13 development activity had taken place. One-
14 hundred-eight-six building permits were
15 issued between 2001 and 2006. Only 45 of
16 these permits were for new construction. The
17 rest were for addressing code issues, or for
18 repairs, or minor additions.

19 Half of that 45 were for
20 ancillary structure construction, fences,
21 and garages, and other sort of minor
22 structures. So there were only 23 primary
23 structures which were comprised of a retail
24 store, a single -- building and 21

1 residential buildings, comprising 33
2 housing.

3 When we delved deeper into this
4 number, of 174 residential dwelling units
5 constructed between 2001 and 2006 were
6 permitted. Only seven of these were for
7 market rate housing. The balance were for
8 incomes restricted or special needs housing,
9 including 141 SRO units.

10 So we deemed that the level of
11 market could have been invested in the area,
12 but was lacking.

13 We did conduct a housing impact
14 study. There are 1,485 residential units in
15 the TIF area, 222 single-family units and
16 1,263 multi-family units.

17 Based on our field observation,
18 222 units, or about 15 percent, were deemed
19 to be vacant based on observing the typical
20 status of the building where or not it
21 appeared to be occupied.

22 Based on the average household
23 size in the area, which is three people for,
24 per the 2000 census, we estimated 3,789

1 residents living within the proposed
2 district.

3 We conducted research for,
4 related to for sale and rental housing within
5 the RPA and surrounding community areas, and
6 we do believe that there are adequate units
7 to meet the needs of any -- could potentially
8 be displaced, so it should be noted that
9 there is no acquisition list of this proposed
10 TIF district, and there are no planned
11 redevelopment projects that we anticipate
12 and reduce the number of our, but again based
13 on the guidelines and the statute, the study
14 was conducted and housing, both for sale and
15 rental, in the area, if any residents do
16 happen to be displaced.

17 The goals of the plan are
18 infrastructure improvements, resources for a
19 rehabilitation building, property assembly
20 and site preparation as needed, and job
21 training and day care assistance.

22 As you can see in the future land
23 use plan and the budget for the district --
24 The future land uses. A largely unchanged,

1 primarily indicated to be a residential
2 district, as it is now, which is this here,
3 the dot pattern here and most of the blocks,
4 continuing to maintain the green spaces.
5 There's a -- park here along, adjacent to a
6 rail right-of-way, and the -- Park.

7 We want to leave some opportunity
8 for continued mix of uses, residential,
9 commercial and public institutional, and
10 there are two public schools, churches,
11 other social service agencies throughout the
12 district that we do not anticipate being
13 disruptive and would like to keep in the
14 district.

15 MR. REESE: And the, I'm sorry. And
16 then the -- is just to the south of the
17 district, right?

18 MS. KOSARKO: It --

19 MR. REESE: On Vincennes? Yeah.

20 MS. KOSARKO: So again, not
21 anticipating those uses being excluded from
22 the district and this is the CTA bus barn
23 site from which there will likely be some
24 form of redevelopment during the district

1 life, but that's yet to be determined. We --
2 as mixed use allows some flexibility.

3 MR. REESE: What are the adjacent
4 TIFs?

5 MS. KOSARKO: To the south is the
6 Chatham Bridge, and adjacent to the west is
7 the 79th Street --

8 MR. REESE: Okay.

9 MS. KOSARKO: -- which abuts here,
10 and the Chatham Bridge abuts here.

11 MR. REESE: Okay.

12 MS. KOSARKO: In terms of the budget
13 for the TIF, excuse me, the estimated
14 redevelopment project costs a total of
15 \$40 million, half of which we have, is
16 currently allocated to public works and
17 improvement to these streets, utility needs
18 potential public school capital costs, and
19 the two schools within the district, and
20 other open space parks and public facilities
21 as determined necessary during the life of
22 the district.

23 A couple of the other larger cost
24 categories in the budget as it stands are

1 property assembly and rehabilitation of the
2 structures.

3 It should also be noted that
4 there is \$3 million total allocated to job
5 training, retraining and day care services
6 -- of the plans, or any questions?

7 MR. McCORMICK: Well, I think the one
8 thing that's -- that we expanded the -- TIF.
9 You have money -- right?

10 MR. SMITH: Yes.

11 MR. McCORMICK: So if having that
12 there -- adjacent to this TIF. You know, it
13 looks, there's nothing on the east side,
14 though, I don't think as far as continuous
15 TIFs?

16 MS. KOSARKO: No. No, there's --

17 MR. McCORMICK: That's pretty --

18 MS. KOSARKO: -- and then the Dan
19 Ryan.

20 MR. McCORMICK: Yeah. And then
21 there's nothing all the way over to the Lake.
22 I mean, they're looking at some over there --

23

24 MS. KOSARKO: Yeah.

1 MR. McCORMICK: -- but, okay.

2 MR. SMITH: I'm sorry. Where's the
3 Dan Ryan --

4 MS. KOSARKO: It's pretty much right
5 under --

6 MS. SMITH: Yes, okay.

7 MS. KOSARKO: Just a couple blocks
8 away.

9 MR. McCORMICK: You have most of
10 Chatham Ridge is right on the Dan Ryan right
11 -- extended it to --

12 MR. SMITH: Yeah. And -- is over
13 there, too.

14 MR. REESE: Any further questions?
15 If there are no further questions, I'll
16 entertain a motion that this Joint Review
17 Board finds the proposed 79th Vincennes
18 project area satisfies the redevelopment
19 plan requirements under TIF Act and the
20 eligibility criteria defined in the TIF Act,
21 and the objectives of the TIF Act, and that
22 based on such findings approves such
23 proposed plan under the TIF Act. Is there a
24 motion?

1 MR. McCORMICK: So moved.

2 MR. SMITH: Second.

3 MR. REESE: All in favor?

4 (Chorus of ayes.)

5 MR. REESE: Let the record reflect

6 the Joint Review Board's approval of the
7 proposed 79th and Vincennes under the TIF
8 Act.

9 MR. McCORMICK: Thank you for
10 your --

11 MR. REESE: Thank you so much for
12 your time. Motion to adjourn the first part?

13

14 MR. McCORMICK: So moved.

15 MR. SMITH: Second.

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**(8) DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE
MUNICIPALITY - 65 ILCS 5/11-74.4-5(d)(8)(A)**

During 2007, there were no obligations issued for the Project Area.

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(9) ANALYSIS OF DEBT SERVICE - 65 ILCS 5/11-74.4-5(d)(8)(B)

During 2007, there were no obligations issued for the Project Area.

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(10) CERTIFIED AUDIT REPORTS - 65 ILCS 5/11-74.4-5(d)(9)

During 2007, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

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(11) GENERAL DESCRIPTION AND MAP

The 79th/Vincennes Redevelopment Project Area is generally bounded by Perry Avenue on the east; 79th and 81st Streets on the south; portions of Union and Emerald Avenues and Halsted Street on the west; and 76th Street on the north. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.

