## 2009 Annual Report

## Little Village East Redevelopment Project Area



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

JUNE 30, 2010



Ernst & Young LLP Sears Tower 233 South Wacker Drive Chicago, Illinois 60606-6301

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Ms. Christine Raguso Acting Commissioner Department of Community Development 121 North LaSalle Street Chicago, Illinois 60602

30 June 2010

Dear Commissioner:

Enclosed is the annual report for the Little Village East Redevelopment Project Area, which we compiled at the direction of the Department of Community 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 Community 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 Community Development and other City Departments.

Very truly yours,

Ernst & Young LLP

Ernst + Young LLP

#### TABLE OF CONTENTS

ANNUAL REPORT – LITTLE VILLAGE EAST REDEVELOPMENT PROJECT AREA IN COMPLIANCE WITH SECTION (d) OF 65 ILCS 5/11-74.4-5.

|     |  | PAGE |
|-----|--|------|
| LE' | TTER TO STATE COMPTROLLER                                    | 1    |
| 1)  | DATE OF DESIGNATION OR TERMINATION                           | 2    |
| 2)  | AUDITED FINANCIALS   | 3    |
| 3)  | MAYOR'S CERTIFICATION  | 4    |
| 4)  | OPINION OF LEGAL COUNSEL                                     | 5    |
| 5)  | ANALYSIS OF SPECIAL TAX ALLOCATION FUND                      | 6    |
| 6)  | DESCRIPTION OF PROPERTY                                      | 7    |
| 7)  | STATEMENT OF ACTIVITIES                                      | 8    |
| 8)  | DOCUMENTS RELATING TO OBLIGATIONS ISSUED BY THE MUNICIPALITY | 12   |
| 9)  | ANALYSIS OF DEBT SERVICE                                     | 13   |
| 10) | CERTIFIED AUDIT REPORT                                       | 14   |
| 11) | GENERAL DESCRIPTION AND MAP                                  | 15   |



City of Chicago Richard M. Daley, Mayor

Department of Community Development

Chris Raguso Acting 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, 2010

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 Little Village East Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Christine Raguso

Acting Commissioner





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

The Project Area was designated on April 22, 2009. The Project Area may be terminated no later than December 31, 2033.

### (2) AUDITED FINANCIALS - 65 ILCS 5/11-74.4-5(d)(2)

During 2009, 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.

## (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 Canello, Director of Local Government

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

Maurice S. Jones Director Cook County Dept. Planning & Dev. 69 West Washington Street, Suite 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

Ron Huberman 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 Little Village East 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, 2009, 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, 2010.

Richard M. Daley, Mayor City of Chicago, Illinois

## (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
Chicago, Illinois 60602
(312) 744-0200
(312) 744-8538 (FAX)
(312) 744-2963 (TTY)
http://www.cityofchicago.org

June 30, 2010

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 Canello, Director of Local Government

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Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

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

Re: Little Village East

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)

- (X) No Exceptions
- ( ) Note the following Exceptions:

### Note

Reference is made in the first paragraph of Page 2 of the Opinion of Counsel for 2009 Annual Report to the Department of Planning and Development and the Department of Housing. The functions of both of these departments have been consolidated into the Department of Community Development.

(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

Please see attached.

# LITTLE VILLAGE EAST REDEVELOPMENT PROJECT AREA COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND YEAR ENDED DECEMBER 31, 2009

| YEAR ENDED DECEMBER 31, 2009   |              |  |
|--|--------------|--|
|  | 2009         |  |
| Revenues   | ,            |  |
| Property tax   | \$ -         |  |
| Sales tax  | -            |  |
| Interest   | 1            |  |
| Total revenues   | 1            |  |
| Expenditures   |              |  |
| Costs of studies, admin., and professional services. (q)(1)          | -            |  |
| Marketing costs. (q)(1.6)  | -            |  |
| Property assembly, demolition, site preparation and environmental    |              |  |
| site improvement costs. (q)(2)                                       | 2,500        |  |
| Costs of rehabilitation, reconstruction, repair or remodeling and    |              |  |
| of existing buildings. (q)(3)  | -            |  |
| Costs of construction of public works and improvements. (q)(4)       | <del>-</del> |  |
| Cost of job training and retraining. (q)(5)                          | -            |  |
| Financing costs. (q)(6)  | -            |  |
| Approved capital costs of overlapping taxing districts. (q)(7)       | -            |  |
| Cost of reimbursing school district for their increase costs caused  |              |  |
| by TIF assisted housing projects (q)(7.5) Relocation costs. (q)(8)   | -            |  |
| Payments in lieu of taxes. (q)(9)                                    | -            |  |
| Costs of job training, retraining advanced vocational or career      |              |  |
| education provided by other taxing bodies. (q)(10)                   |              |  |
| Costs of reimbursing private developers for interest expenses        |              |  |
| incurred on approved redevelopment projects. (q)(11)(A-E)            |              |  |
| Costs of construction of new housing units for low income and very   |              |  |
| low income households. (q)(11)(F)                                    |              |  |
| Cost of day care services and operational costs of day care centers. |              |  |
| (q)(11.5)  |              |  |
| Total expenditures   | 2,500        |  |
| Expenditures over revenues   | (2,499)      |  |
| Other financing sources  |              |  |
| Operating transfers in   | 2,500        |  |
|  |              |  |
| Revenues and other financing sources over expenditures               | 1            |  |
| Fund balance, beginning of year                                      |              |  |
| Fund balance, end of year  | \$ 1         |  |
| Fund balance   |              |  |
| Reserved for debt service  | \$ -         |  |
| Reserved for encumbrances  | <del>.</del> |  |
| Designated for future redevelopment project costs                    | 1_           |  |
| Total fund balance   | <u>\$1</u>   |  |

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

During 2009, the City did not purchase any property in the Project Area.

### (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 12/31/09, and of such investments expected to be undertaken in year 2010; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/09, 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.

### (7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2009, 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 2009, 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)

During 2009, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

### (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 2009, 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.

### (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, 2009, no public investment is estimated to be undertaken for 2010.

#### CITY OF CHICAGO JOINT REVIEW BOARD

## COPY

Report of proceedings of a hearing before the City of Chicago, Joint Review Board held on December 5, 2008, at 10:05 a.m. City Hall, Room 1003, Conference Room, Chicago, Illinois, and presided over by Ms. Tanya Anthony.

#### PRESENT:

MS. TANYA ANTHONY, CHAIRMAN

MS. SUSAN MAREK

MR. JOHN SCHNEIDER

MR. JORGE VARELA

MS. PHOEBE WOOD

REPORTED BY: LeGrand Reporting & Video Services

333 W. Irving Park Road, S. 331

Roselle, Illinois

By: Carol Robertson

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MS. ANTHONY: Okay, we can call this
```

- 2 meeting to order. I'd like to ask everyone
- 3 to introduce themselves. I'll start off, my
- 4 name is Tanya Anthony from Chicago Park
- 5 District.
- 6 MS. WOODS: My name's Phoebe Woods
- 7 with City Colleges of Chicago.
- MR. VARELA: My name is Jorge
- 9 Varela and I'm coming from Little Village.
- MR. SCHNEIDER: John Schneider from
- 11 Cook County Department of Planning and
- 12 Development.
- MS. MAREK: Susan Marek, Chicago
- 14 Board of Education.
- MS. ANTHONY: For the record again,
- 16 my name is Tanya Anthony. I am the
- 17 representative of the Chicago Park District,
- which under Section 11-74, 4 and 5 of the Tax
- 19 Increment Allocation Redevelopment Act, is
- one of the statutorily designated members of
- 21 the Joint Review Board.
- Until election of a chairperson,
- I will moderate this Joint Review Board
- 24 meeting. For the record, there will be one

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1 meeting of the Joint Review Board. The
```

- 2 meeting is to review the proposed Little
- 3 Village East Tax Increment Financing
- 4 District.
- 5 The date of this meeting was
- 6 announced at and set by the Community
- 7 Development Commission of the City of
- 8 Chicago at its meeting of November 18th,
- 9 2008.
- Notice of this meeting of the
- Joint Review Board was also provided by
- 12 certified mail to each taxing district
- 13 represented on the board which includes the
- 14 Chicago Board of Education, the Chicago
- Community Colleges, District 508, the
- 16 Chicago Park District, Cook County and the
- 17 City of Chicago. Public notice of this
- meeting was also posted as of Wednesday,
- December 3rd, 2008 in various locations
- 20 throughout City Hall.
- When a proposed redevelopment
- 22 plan would result in displacement of
- 23 residents from ten or more inhabited
- 24 residential units, or would include 75 or

```
1 more inhabited residential units, the TIF
```

- 2 Act requires that the public member of the
- 3 Joint Review Board must reside in the
- 4 proposed redevelopment project area.
- In addition, if a municipality's
- 6 housing impact study determines that the
- 7 majority of residential units in the
- 8 proposed redevelopment project area are
- 9 occupied by very low, low or moderate income
- households as defined in Section 3 of the
- 11 Illinois Affordable Housing Act, the public
- member must be a person who resides in very
- low, low or moderate income housing, with the
- 14 proposed redevelopment project area.
- With us today is Jorge Varela.
- 16 Are you familiar with the boundaries of the
- 17 proposed Little Village East Tax Increment
- 18 Financing Redevelopment Project Area?
- MR. VARELA: Yes.
- MS. ANTHONY: What is the address of
- 21 your primary residence?
- MR. VARELA: 3015 South -- Chicago,
- 23 Illinois.
- MS. ANTHONY: Is such address within

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the boundaries of the proposed Little
```

- Village East Tax Increment Financing
- 3 Redevelopment Project Area?
- 4 MR. VARELA: Yes, it is.
- 5 MS. ANTHONY: Have you provided a
- 6 representative of the city of Chicago's
- 7 Department of Planning and Development with
- 8 accurate information concerning your income
- 9 and the income of any other members of the
- 10 household residing at such address?
- MR. VARELA: Yes.
- MS. ANTHONY: Mr. Varela, are you
- willing to serve as the public member for the
- Joint Review Board for the proposed Little
- 15 Village East Tax Increment Financing
- 16 Redevelopment Project Area?
- MR. VARELA: Yes.
- MS. ANTHONY: I will entertain a
- 19 motion that Jorge Varela be selected as the
- 20 public member. Is there a motion?
- MS. MAREK: So moved.
- MS. ANTHONY: Is there a second?
- MS. WOOD: Second.
- MS. ANTHONY: All in favor please

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vote by saying aye.
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- 2 (Chorus of ayes.)
- MS. ANTHONY: All opposed please vote
- 4 by saying no. Let the record reflect that
- 5 Jorge Varela has been selected as the public
- 6 member for the proposed Little Village East
- 7 Tax Increment Financing Redevelopment
- 8 Project Area.
- 9 Our next order of business is to
- 10 select a chairperson for this Joint Review
- Board. Are there any nominations?
- MS. MAREK: I'll nominate Tanya
- 13 Anthony.
- MS. ANTHONY: Is there a second for
- 15 the nomination?
- MS. WOOD: Second.
- MS. ANTHONY: Are there any other
- nominations? Let the record reflect that
- there were no other nominations. All in
- 20 favor of the nomination please vote by saying
- 21 aye.
- (Chorus of ayes.)
- MS. ANTHONY: All opposed please vote
- 24 by saying no. Let the record reflect that

Legrand Reporting & Video Services (630) 894-9389

 $oldsymbol{7}$ 

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1 Tanya Anthony has been elected as
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- chairperson and will now serve as the
- 3 chairperson for the remainder of the
- 4 meeting.
- 5 As I mentioned earlier at this
- 6 meeting, we will be reviewing a plan for the
- 7 proposed Little Village East Tax Increment
- 8 Financing District proposed by the city of
- 9 Chicago, staff of the city's Departments of
- 10 Planning and Development and Law, and other
- 11 departments that reviewed this plan, which
- was introduced to the city's Community
- Development Commission on November 18th,
- 14 2008.
- We will listen to a presentation
- by the consultant on the plan. Following the
- 17 presentation we can address any questions
- that the members might have for the
- 19 consultant or city staff.
- 20 An amendment to the TIF Act
- 21 requires us to base our recommendations to
- approve or disapprove the proposed Little
- 23 Village East Tax Increment Financing
- 24 District on the basis of the area and the

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1 plan satisfying the plan requirements, the
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- 2 eligibility criteria defined in the TIF Act
- 3 and objectives of the TIF Act.
- 4 If the board approves the plan,
- 5 the board will then issue an advisory, non-
- 6 binding, recommended by the vote of the
- 7 majority of those members present and
- 8 voting. Such recommendation shall be
- 9 submitted to the city within 30 days after
- 10 the board meeting. Failure to submit such
- 11 recommendation shall be deemed to constitute
- 12 approval by the board.
- 13 If the board disapproves the
- 14 plan, the board must issue a written report
- describing why the plan and area failed to
- meet one or more of the objectives of the TIF
- 17 Act, and both the plan requirements and the
- 18 eligibility criteria of the TIF Act. The
- 19 City will then have 30 days to resubmit a
- 20 revised plan.
- The board and the City must also
- confer during this time to try to resolve the
- issues that led to the board's disapproval.
- 24 If such issues cannot be resolved, or if the

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1 revised plan is disapproved, the City may
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- 2 proceed with the plan, but the plan can be
- approved only with a three-fifths vote of the
- 4 City Counsel, excluding positions of members
- 5 that are vacant and those members that are
- 6 ineligible to vote because of conflicts of
- 7 interest.
- 8 At this time we'll have a
- 9 presentation.
- MS. SAWYER: Well good morning,
- 11 everyone. I'm Mishaune Sawyer and I work
- with ERS Enterprises and we have been getting
- to know Little Village East for a while now.
- 14 It's a wonderful area. It's a blue, majority
- blue collar area where you've got a lot of
- 16 people that obviously care for their homes.
- there's some businesses here. You have, the
- 18 primary thing that we noticed throughout
- here is deterioration. And a lot of that
- comes because there's a lot of joblessness in
- 21 the area. So, in the summertime if you drive
- down the street you'll see cut lawns and, you
- 23 know, toys in the yard and everything looking
- 24 peaceful, no trash on the street. But at the

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1 same time you might see a porch sagging,
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- 2 those kinds of things that takes money to
- 3 repair.
- So, the majority of the factors,
- if we want to go straight to that, well, I
- guess we'll go over the boundaries, we've
- 7 got, we've got 25th Street on the north, as
- 8 you can see here, and we go all the way south
- 9 to the railroad, and on the east and the west
- 10 we've got Spaulding Avenue and Rockwell
- Avenue. And as you can see by the existing
- land use that's here now, we've got, we've
- got little patches of vacant land here and
- here, and mostly they're in, they're in
- large, large parcels, multiple parcels that
- are there. And we have one or two here and
- there, you know, mixed in.
- You can see where all the yellow
- is all residential, and all along some of the
- 20 main corridors you can see that there's some
- commercial, and then the peak is industrial.
- 22 As you can see with the mixing of colors, you
- can see here that we've got some mixed uses
- 24 going on here. You know, you might have some

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industrial that's right, in fact, you could,
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- 2 right here, you've got industrial here, and
- 3 then you've got a little clump of houses. So
- 4 that'll give, that's another one of the
- factors that, that we noticed here.
- You've got these area here, which
- 7 is currently industrial, but if the plan goes
- 8 through will hopefully someday be something
- 9 wonderful and, and be a park-like setting.
- 10 We tried to keep, with the future land use
- 11 plan, we tried to keep the zoning consistent,
- and with the land uses that are, that are in
- 13 the majority.
- So what you'll see, let's see,
- and I apologize, we don't have a large map
- 16 for the future land use plan, but this right
- here, this area here, including this blue,
- going down here, will all be park and open
- space in the future land use plan. We've got
- here, down here, this around in here will
- become commercial. And we've got, here we'll
- have some mixed use. And up here what we've
- got, this whole area up here, this will stay,
- the majority of the stuff over here is

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1 residential and it will stay residential so
```

- you'll see that there's not a lot of plans to
- make, to make major changes for the area.
- 4 It's all about improving what's there.
- 5 This is an area that needs some
- 6 public investment. It's very, it's very
- 7 congested, there's not a lot of parking on
- 8 the streets. As you can see, there is, the
- 9 commercial arteries are pretty crowded
- there, so there's a need for parking. A lot
- of the properties are, it's very densely
- 12 populated, so a lot of the properties are
- 13 pretty close together. But again, it's got a
- 14 nice community feel to it, it just needs
- 15 some, it needs some development. It needs
- 16 some, some money to come into the area and
- there needs to be some encouragement for that
- to happen. There needs to be, the houses
- need to be repaired, the businesses where the
- 20 buildings are deteriorating need to be
- 21 repaired.
- We've got, throughout the area --
- MS. MAREK: Can I ask a question
- about the area that's industrial right now,

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that would be the big area --
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- MS. SAWYER: This area here?
- MS. MAREK: -- that's going to
- 4 convert to park district?
- 5 MS. SAWYER: Mm-hmm.
- 6 MS. MAREK: Is that vacant?
- 7 MS. SAWYER: It's, it is, it is
- 8 vacant, yes.
- 9 MS. MAREK: Okay.
- MS. SAWYER: It's, currently I think
- 11 they're parking some vehicles on it, but
- 12 there's no --
- MR. SCHNEIDER: There's no
- 14 structures on it?
- MS. SAWYER: No, no structures.
- MS. MAREK: Do you know what it was
- 17 at some point?
- MS. SAWYER: It's Celotex
- 19 Corporation.
- MS. MAREK: Ah, okay.
- MS. SAWYER: And there's one other
- company, which I'm not remembering right
- now, there's one other company that, that has
- been, that had some of the land in there too.

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1 It's all been industrial in the past.
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- MS. MAREK: And then the area that's
- just to the east, is that currently
- 4 industrial or?
- 5 MS. SAWYER: Right in here?
- 6 MR. SAWYER: Cook County Jail --
- 7 MR. SCHNEIDER: That's Cook County
- 8 Jail Complex.
- 9 MS. MAREK: Oh, okay. Okay.
- MS. SAWYER: And as you can see, it's
- around, you know, by the housing, and you've
- 12 got some, you've got some, a few vacant
- parcels here and there too. So you've got a
- little bit of, the residential would be along
- 15 the sides there once it's, once it's done.
- Any questions? Okay. We've got,
- we've got 35, in order to do this we have to
- show that, how many buildings are, a majority
- of the buildings have to be over 35 years of
- age. We've got a total of 456 buildings in
- the area, and 95 percent of those are over 35
- 22 years old.
- We have got the presence of
- 24 deterioration, which is pretty much spread

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1 out on, of the approved tax lots, it's, we
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- 2 have deterioration present on 22 out of the
- 3 24 tax lots in the area. We've got some code
- 4 violations that show up on 11 out of the 24
- 5 improved tax lots.
- The majority of those, I can give
- you some information on which, on what types
- 8 of code violations, they're all, they're all
- 9 pretty, we've got a missing smoke detectors,
- 10 missing carbon monoxide detectors, repair
- 11 porches, which is what I was talking about
- 12 earlier. You can have a, you know, pretty
- decent house and everything and everybody's
- doing what they can do but the porch might be
- sagging, that kind of thing.
- 16 Failure to make exterior service
- walks between the buildings and stuff for the
- 18 commercial areas. We've got some broken
- 19 windows and door frames and things like that
- that need repair, and then broken floors.
- Those were the predominant things we found in
- the code violations.
- MR. SCHNEIDER: I guess I have a
- question here, and I raised it before the

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1 meeting, looking at the, at the area, I think
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- it would be very helpful to have, when you
- 3 talk about deterioration, if there's 25
- 4 buildings within an area, how many of those
- 5 are deteriorating, and the percentage of
- 6 that? Because when you talk just about
- 7 blocks, you might have one building that's
- 8 deteriorated in one block. That doesn't mean
- 9 a whole block or the area is impacted --
- MS. SAWYER: If the whole area was
- impacted we would be doing a blighting study
- 12 instead of a conservation.
- MR. SCHNEIDER: Well, even if it's a
- 14 conservation area, you have to have a find
- that there's a predominant amount of this
- 16 that qualifies.
- MR. SAWYER: If there was a
- 18 predominant amount, again, we'd be in
- 19 blighting, we're --
- MR. SCHNEIDER: I mean, no, but --
- MR. HASTINGS: John, can I, can I
- 22 ask --
- MR. SCHNEIDER: Sure.
- MR. HASTINGS: So I think what you're

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1 suggesting is instead of in future plans,
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- doing a block by block analysis, taking it to
- another level below that, so that it's more
- 4 descriptive on a little bit more detailed
- 5 level, is that pretty much --
- 6 MR. SCHNEIDER: I think that's what,
- 7 I think that's what the state statute asks
- 8 for.
- 9 MR. HASTINGS: Okay.
- MS. SAWYER: Okay, well, I, I just, I
- think the state statute makes a point to
- 12 differentiate where they ask for that
- reasonable distribution in this blighting
- 14 statute, as opposed to what's ask for in the
- 15 conservation statute.
- MR. HASTINGS: So I think what we'll
- do is, as we move forward, we'll do, we'll do
- a little bit better job of looking on a more
- 19 detailed level, beyond just the block base
- and maybe put it outside by a side --
- MS. SAWYER: Okay. I mean -- well,
- it doesn't matter I guess, unless you have a,
- I mean, we've got, we've got the majority of
- the blocks that are there, again, I mean,

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we've got some sample pictures and I was made
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- 2 aware of your concern, but not until late
- 3 yesterday.
- 4 MR. SCHNEIDER: Well, I didn't,
- 5 I didn't look at it until late yesterday,
- 6 but --
- 7 MS. SAWYER: No, I'm not, I'm not
- 8 criticizing, I'm just saying I would have
- 9 been more prepared had I known --
- 10 MR. SCHNEIDER: I think it's
- something that's important, that if I go back
- and there's issues with commission members
- of the Cook County that are saying, are these
- 14 districts really qualified, and you know,
- 15 it's that I think all of our bodies are being
- asked this and I think it's important to have
- in there to prove and show up, even if it's a
- 18 conservation area, how intense are these
- 19 items within the area. Because if you just
- have one building that has deterioration,
- 21 you know, that conservation thing can be done
- by the Housing Department, by going in and
- 23 fixing up --
- MS. SAWYER: You don't get a clear

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1 picture.
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- MR. SCHNEIDER: You don't get a clear
- 3 picture, right. So I would ask that that
- 4 definitely be included in future ones. And I
- 5 think for, for Mr. Sawyer's benefit, when he
- does the CDC, I think those numbers need to
- 7 be in there because I think the questions are
- being asked, and there are litigations out
- 9 there for, for --
- MR. SAWYER: Again, Ernest Sawyer,
- 11 Principal of ERS, certainly that, that is
- 12 collected as you know, John.
- MR. SCHNEIDER: I know, I know.
- MR. SAWYER: We collected house by
- 15 house and, and by block by block.
- MR. SCHNEIDER: It just needs to be
- in here then.
- MR. SAWYER: We can certainly put it
- in there in future ones we're doing. It's,
- like I say, just a matter of compiling it
- 21 that way.
- MR. SCHNEIDER: It just makes it
- easier for the rest of us to go back to our
- 24 case and -- well they gave up \$38 million and

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1 this is why, you know, and makes it simple.
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- MR. SAWYER: Yeah, we can certainly
- do that part, it's no problem, on future
- 4 ones. If we haven't got it he's got it
- 5 right there. She's got it, too.
- 6 MR. SCHNEIDER: I know, I know and
- 7 she's the -- of having it in a report so
- 8 that, you know, when we're all gone and
- 9 someone looks at this, that they're, that
- 10 that record is there.
- MS. McGUIRE: Are you saying --
- 12 parcel that we need this by parcel, because
- 13 right now they do call out, you know -- Lot
- 14 24 show --
- MR. SCHNEIDER: You can have, if a
- 16 block consists of 50 buildings, and one
- building is deteriorating, that does not
- make a finding that, you know, deterioration
- is present to make an area observation. I
- 20 mean, Susan and, and I over the years have
- 21 had long discussions about this. It's
- something that's been in reports.
- MR. SAWYER: Yeah, John, because we,
- 24 you know we --

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MR. SCHNEIDER: You've got the data,
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- 2 so --
- MR. SAWYER: We collected, we
- 4 collected parcel by parcel, pen by pen.
- 5 MS. SAWYER: And I guess my
- 6 clarification, and this is something I spoke
- 7 with Susan about this morning, what, at what
- 8 percentage, because the statute doesn't
- 9 define the --
- MR. SCHNEIDER: Susan and I discussed
- 11 it for quite a while --
- MS. SAWYER: Let me finish my point.
- My point is is that at what point, for, for
- the blighting statute it's been defined, it
- says if it's not 50, more than 50 percent of,
- of the tax parcels in the tax block then it's
- 17 not blighted. That detail is not given in,
- 18 clarified, in the conservation area. So I'm,
- 19 I guess where my point is, the percentages
- are there, but at what point do we say is 20
- 21 percent enough to make it a conservation
- area, does it have to get to the 40 percent,
- or is 10 percent enough? Because if we say
- that we've got 10, 10 streets in a tax block,

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1 are we saying that, if we say four of them
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- 2 are, are deteriorating, is that enough? I
- mean, where do we draw the line and --
- 4 MR. SCHNEIDER: That's an issue
- 5 between you and the corporation counsel,
- 6 which we went through for 20 years, so, it's
- 7 a discussion that's been ongoing, it's, Mr.
- 8 Sawyer --
- 9 MS. SAWYER: I'm just saying --
- MR. SCHNEIDER: -- knows well, you
- 11 know, on dilapidation, if you have ten
- buildings that are dilapidated out of 30,
- that has a much, major impact on neighborhood
- than having deterioration of a sagging porch
- in one block --
- MS. SAWYER: Actually 10 out of 30 is
- only, is only a third, that's not quite
- 18 major.
- MR. SCHNEIDER: I mean, that's,
- that's between you and them.
- MS. McGUIRE: In the future though, I
- think, I mean, obviously we know some of this
- is subjective, especially for conservation
- 24 areas, there is no hard, fast number. In the

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future we will try and put in more detail
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- about the, a little more parcel by parcel as
- opposed to block by block, you know,
- 4 especially for conservation areas, to give
- 5 maybe a more clear picture of the eligibility
- factors present, and you know, we'll look at
- 7 that for future plans.
- 8 MR. SAWYER: Exactly, right. So --
- 9 MS. SAWYER: Okay. I don't know
- where to go from here. Any other questions?
- 11 Any other questions?
- MS. ANTHONY: Okay. Thank you.
- MR. SAWYER: I guess the bottom line
- is you're finding that it does qualify.
- MS. SAWYER: We, we believe that it
- does qualify. This is, like I said, this is
- an area where you, you can't ride down the
- street without seeing some deterioration.
- 19 And you can't, you can't, the
- infrastructure's old, needs to be replaced
- and updated, or at least scoped. I mean,
- there's, this is an area where it's not, in
- my personal opinion, I believe that this is
- 24 an area that the TIF statute was indeed

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1 created for.
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- I believe that without some
- 3 infusion in this area, this area will
- 4 continue to decline, especially with the
- 5 economy the way it is, joblessness is only
- 6 increasing, and it's increasing on a daily
- 7 basis, especially along main street as
- 8 everybody likes to say. This area is main
- 9 street.
- It's, it's a wonderful, you've got an
- 11 area where there are people that care about
- their homes here, and you can tell that too
- by walking along those streets. And that's
- something we've done over the past year.
- We've been in the neighborhood, we've been
- 16 walking along the streets, we've seen the
- congestion, we've seen the work that needs to
- 18 be done there, but we've also seen the fact
- that the people that are there, while they
- might want to, can't afford to do it.
- MR. SCHNEIDER: I agree with you.
- MS. SAWYER: And we've also got --
- 23 schools --
- MR. SCHNEIDER: I know the area well,

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I know the representatives of the area have
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- 2 walked those streets, I've talked to people
- 3 about doing a soccer facility there. I agree
- 4 with you whole heartedly, the area
- 5 qualifies. I think it's a matter of the
- 6 process, and making, making sure that that
- 7 process for all of us is there. I've worked
- 8 with all the folks out there, I know the
- 9 contamination that exists on the site that is
- going to be the park facility, I know the
- efforts by the community to do those things.
- I, you know, the question was not
- raised in questioning this particular thing,
- but it was more of one across the board, in
- terms of just making sure that if someone
- 16 comes back and says why and how, that we have
- 17 that data there.
- MS. SAWYER: Understand your point.
- 19 Thank you.
- MS. ANTHONY: I have one quick
- question. I noticed that the Cook County
- 22 Complex is in the TIF, are there any plans
- for that?
- MS. SAWYER: What Cook County

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1 Complex?
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- MS. ANTHONY: The, isn't that -- so
- 3 what's that on there again?
- 4 MS. SAWYER: This right now is a
- 5 commercial area.
- 6 MS. ANTHONY: Okay.
- 7 MS. SAWYER: I'm trying to --
- 8 MR. MAULDIN: It's industrial.
- 9 MR. SCHNEIDER: The City of
- 10 Chicago --
- MS. SAWYER: No, it's commercial
- 12 right now. We're talking about existing.
- And it's some, I'm not sure what business it
- 14 is right now --
- MS. ANTHONY: Okay.
- MS. MAULDIN: And the parking -- is
- down there, it's kind of mislabeled, that's
- 18 the -- it's like the distribution site down
- 19 there.
- MS. ANTHONY: Okay, so Cook County's
- 21 actually right adjacent to --
- MR. SAWYER: Cook County's in the
- 23 white, yeah.
- MS. ANTHONY: Okay, all right. Thank

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1 you. One more time, are there any additional
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- 2 questions from the members of the Joint
- 3 Review Board? Okay, if there are no further
- 4 questions I will entertain a motion that this
- 5 Joint Review Board finds that the proposed
- 6 Little Village East Tax Increment Financing
- 7 Redevelopment Project Area satisfies the
- 8 redevelopment plan requirements under the
- 9 TIF Act, the eligibility criteria defined in
- 10 Section 11-74, 4 through 3 of the TIF Act and
- 11 the objectives of the TIF Act, and that based
- on such findings, approve such proposed plan
- under the TIF Act. Is there a motion?
- MS. MAREK: So moved.
- MS. ANTHONY: Is there a second for
- 16 the motion?
- MS. WOOD: Second.
- MS. ANTHONY: Is there any further
- 19 discussion? If not, all in favor please vote
- 20 by saying aye.
- (Chorus of ayes.)
- MS. ANTHONY: All opposed please
- vote by saying no. Let the record reflect
- the Joint Review Board's approval of the

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proposed Little Village East Tax Increment
  1
       Financing Redevelopment Project Area
  2
       under the TIF Act. This meeting is
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  4
       adjourned.
  5
                    (Whereupon, the meeting
  6
                    adjourned at 10:50 a.m.)
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STATE OF ILLINOIS )

SS.

COUNTY OF C O O K )

I, CAROL ROBERTSON, depose and say that I am a direct record court reporter doing business in the State of Illinois; that I reported verbatim the foregoing proceedings and that the foregoing is a true and correct transcript to the best of my knowledge and ability.

Carol Robertson

NOTARY PUBLIC

OFFICIAL SEAL
RONALD N. LEGRAND, JR.
Notary Public - State of Illinois
My Commission Expires Oct 03, 2010

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

During 2009, there were no obligations issued for the Project Area.

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

During 2009, there were no obligations issued for the Project Area.

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

During 2009, there were no tax increment expenditures or cumulative deposits over \$100,000 within the Project Area. Therefore, no compliance statement was prepared.

#### (11) GENERAL DESCRIPTION AND MAP

The Little Village East Redevelopment Project Area is irregularly shaped and is generally bounded on the north by 25<sup>th</sup> St., on the east by Rockwell Ave., by Spaulding on the west and by the C & I Railroad on the south. 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.

