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# **1998 Annual Report**

## **Lincoln-Belmont-Ashland Redevelopment Project Area**



**Pursuant to Mayor's  
Executive Order 97-2**

*JUNE 30, 1999*

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City of Chicago  
Richard M. Daley, Mayor

Department of Planning  
and Development

Christopher R. Hill  
Commissioner

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Chicago, Illinois 60602

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June 30, 1999

The Honorable Mayor Richard M. Daley, Members  
of the City Council, and Citizens of the City of Chicago  
City of Chicago  
121 N. LaSalle Street  
Chicago, Illinois 60602

Ladies and Gentlemen:

The attached information for the Lincoln-Belmont-Ashland Redevelopment Project Area, along with 63 other individual reports, is presented pursuant to the Mayoral Executive Order 97-2 (Executive Order) regarding annual reporting on the City's tax increment financing (TIF) districts. The City's TIF program has been used to finance neighborhood and downtown improvements, leverage private investment, and create and retain jobs throughout Chicago.

Pursuant to the Executive Order, the Annual Report, presented in the form of the attached, will be filed with the City Clerk for transmittal to the City Council and be distributed in accordance with the Executive Order.

Sincerely,

Christopher R. Hill  
Commissioner  
Department of Planning and Development

Walter K. Knorr  
Chief Financial Officer

NEIGHBORHOODS



June 30, 1999

Mr. Christopher R. Hill  
Commissioner  
Department of Planning and Development  
121 N. LaSalle St.  
Chicago, Illinois 60602

Commissioner Hill:

Enclosed is the required annual report for the Lincoln-Belmont-Ashland Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to the Mayor's Executive Order 97-2. The contents are based on information provided to us by the Chicago Departments of Planning and Development, Finance, and Law Department. We have not audited, verified, or applied agreed upon procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

The report includes the City's data methodology and interpretation of Executive Order 97-2 in addition to required information. The tables in this report use the same lettering system as the Executive Order in order to allow the reader to locate needed information quickly.

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*

Ernst & Young LLP

# Lincoln-Belmont-Ashland Redevelopment Project Area

## 1998 Annual Report

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# **Lincoln-Belmont-Ashland Redevelopment Project Area**

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### **Purpose of Report:**

The purpose of the Annual Report for the Lincoln-Belmont-Ashland Redevelopment Project Area (Report) is to provide information regarding the City of Chicago (City) tax increment financing (TIF) districts in existence on December 31, 1998, as required by the Mayor's Executive Order 97-2 (Executive Order). This Report covers the Lincoln-Belmont-Ashland Redevelopment Project Area (Project Area).

### **Methodology:**

In the process of providing information about the Project Area, care was taken to follow the organization of the Executive Order to allow the reader to locate needed information in an efficient manner. The Report reflects only TIF economic activity during 1998, also referred to in this report as "the prior calendar year." As outlined below, several assumptions were made concerning certain required information.

#### **(a) General Description**

The general boundaries of the Project Area are described and illustrated in a map. However, in order to provide ease of reading, only major boundary streets are identified. For exact boundaries, the interested reader should consult the legal description of the Project Area boundaries found in the Redevelopment Plan (Attachment).

#### **(b) Date of Designation and Termination**

For purposes of this Report, the date of termination is assumed to occur 23 years from the date of designation, the maximum duration currently allowed under the Tax Increment Allocation Redevelopment Act.

#### **(c) Copy of Redevelopment Plan**

The Redevelopment Plan, as amended (if applicable), for the Project Area is provided as the Attachment at the end of the Report.

## **Lincoln-Belmont-Ashland Redevelopment Project Area 1998 Annual Report**

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### **(d) Description of Intergovernmental and Redevelopment Agreements**

Table D describes agreements related to the Project Area which are either intergovernmental agreements between the City and another public entity or redevelopment agreements between the City and private sector entities interested in redeveloping all or a portion of the Project Area. The date of recording of agreements executed by the City in 1998 and filed with the Cook County Recorder of Deeds is included in Table D (if applicable).

### **(e) Description of TIF Projects**

Table E describes each TIF project in the Project Area that has already received approval by the Community Development Commission, and which received TIF financing during 1998. Those projects in discussion, pre-proposal stage with a developer, or being reviewed by Community Development Commission staff are not "projects" for purposes of the Report. The amount budgeted for project costs and the estimated timetable were obtained from the Project Area's intergovernmental or redevelopment agreements, if such agreements exist. Table E specifically notes:

- 1) the nature of the project;
- 2) the budgeted project cost and the amount of TIF assistance allocated to the project;
- 3) the estimated timetable and a statement of any change in the estimate during the prior calendar year;
- 4) total City tax increment project expenditures during the prior calendar year and total City tax increment project expenditures to date;
- 5) a description of all TIF financing, including type, date, terms, amount, project recipient, and purpose of project financing.

## **Lincoln-Belmont-Ashland Redevelopment Project Area 1998 Annual Report**

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### **(f) Description of all TIF Debt Instruments**

Table F describes all TIF debt instruments related to the Project Area in 1998. It should be noted that debt instruments issued without a security pledge of incremental taxes or direct payments from incremental taxes for principal and interest are not included in Table F, as such instruments do not qualify as TIF debt instruments as defined by the Executive Order. Table F includes:

- 1) the principal dollar amount of TIF debt instruments;
- 2) the date, dollar amount, interest rate, and security of each sale of TIF debt instruments and type of instrument sold;
- 3) the underwriters and trustees of each sale;
- 4) the amount of interest paid from tax increment during the prior calendar year (1998);
- 5) the amount of principal paid from tax increment during the prior calendar year (1998).

### **(g) Description of City Contracts**

Table G provides a description of City contracts related to the Project Area, executed or in effect during 1998 and paid with incremental tax revenues. In addition, the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid is included in the table. Table G does not apply to any contract or contract expenditure reported under (e)(5) of Section 4 of the Executive Order.

City contracts related to the Project Area are defined as those contracts paid from TIF funds, not related to a specific TIF project, and not elsewhere reported. Items include, but are not limited to, payments for work done to acquire, dispose of, or lease property within a Project Area, or payments to appraisers, surveyors, consultants, marketing agents, and other professionals. These services may affect more than one project in a Project Area and are not otherwise reported. Table G does not report such noncontractual cost items as Recorder of Deeds filing fees, postage, telephone service, etc. City contracts include term agreements which are city-wide, multi-year contracts that provide goods or services for various City departments.

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### **(h) Summary of Private and Public Investment Activity**

Table H describes each TIF project in the Project Area that has been executed through an intergovernmental or redevelopment agreement in 1998, or that has been approved by the Community Development Commission in 1998.

To the extent this information is available to the Commissioner of Planning and Development on a completed project basis, the table provides a summary of private investment activity, job creation, and job retention within the Project Area and a summary for each TIF project within the Project Area.

Table H contains the final ratio of private/public investment for each TIF project. The private investment activity reported includes data from the intergovernmental or redevelopment agreement(s) and any additional data available to the Commissioner of Planning and Development. Other private investment activity is estimated based on the best information available to the Commissioner of Planning and Development.

### **(i) Description of Property Transactions**

Information regarding property transactions is provided in Table I to the extent the City took or divested title to real property or was a lessor or lessee of real property within the Project Area. Specifically, the Executive Order requires descriptions of the following property transactions occurring within the Project Area during 1998:

- 1) every property acquisition by the City through expenditure of TIF funds, including the location, type and size of property, name of the transferor, date of transaction, the compensation paid, and a statement whether the property was acquired by purchase or by eminent domain;
- 2) every property transfer by the City as part of the redevelopment plan for the Project Area, including the location, type and size of property, name of the transferee, date of transaction, and the compensation paid;
- 3) every lease of real property to the City if the rental payments are to be made from TIF funds. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount;



## Lincoln-Belmont-Ashland Redevelopment Project Area

### 1998 Annual Report

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- 4) every lease of real property by the City to any other person as part of the redevelopment plan for the Project Area. Information shall include the location, type and size of property, name of lessor, date of transaction, duration of lease, purpose of rental, and the rental amount.

#### (j) Financial Summary Prepared by the City Comptroller

Section (j) provides a 1998 financial summary for the Project Area audited by an independent certified public accounting firm. These statements were prepared in accordance with generally accepted accounting principles. These statements include:

- 1) the balance in the fund for the Project Area at the beginning of the prior calendar year;
- 2) cash receipts by source and transfers deposited into the fund during the prior calendar year;
- 3) transfer credits into the fund for the Project Area during the prior calendar year;
- 4) expenditures and transfers from the fund, by statutory category, for the Project Area during the prior calendar year;
- 5) the balance in the fund for the Project Area at the conclusion of the prior calendar year.

#### (k) Description of Tax Receipts and Assessment Increments

Table K provides the required statement of tax receipts and assessment increments for the Project Area as outlined in the Executive Order. The amount of incremental property tax equals the incremental EAV from the prior year multiplied by the applicable property tax rates. Actual receipts may vary due to delinquencies, sale of prior years' taxes, and payment of delinquencies. See the financial report for actual receipts. Table K provides the following information:

- 1) for a sales tax Project Area, the municipal sales tax increment and state sales tax increment deposited in the fund during the prior calendar year;

## Lincoln-Belmont-Ashland Redevelopment Project Area 1998 Annual Report

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- 2) for a utility tax Project Area, the municipal utility tax increment and the net state utility tax increment amount deposited in the special allocation fund during the prior calendar year;
- 3) for a property tax Project Area, (A) the total initial equalized assessed value of property within the Project Area as of the date of designation of the area, and (B) the total equalized assessed value of property within the Project Area as of the most recent property tax year;
- 4) the dollar amount of property taxes on property within the Project Area attributable to the difference between items (3)(A) and (3)(B) above.

All terms used in Table K relating to increment amounts and equalized assessed value (EAV) are construed as in Section 9 of the Illinois Tax Increment Allocation and Redevelopment Act or the Illinois Industrial Jobs Recovery Law. Unless otherwise noted, the EAV and property tax information were obtained from the Cook County Clerk's Office. All sales tax information was obtained from the City of Chicago.

### (l) Certain Contracts of TIF Consultants

Table L provides information about contracts, if any, between the TIF consultant who was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area. The contents of Table L are based on responses to a mail survey. This survey was sent to every consultant who has prepared at least one redevelopment plan for the establishment of a redevelopment project area within the City in 1998. The Executive Order specifically applies to contracts that the City's tax increment advisors or consultants, if any, have entered into with any entity that has received or is receiving payments financed by tax revenues produced by the same Project Area.

### (m) Compliance Statement Prepared by an Independent Public Accountant

As part of the audit procedures performed by independent accountants, certain compliance tests were performed related to the Project Area. Included in the Annual Report is an audit opinion indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. Section (m) provides this statement.

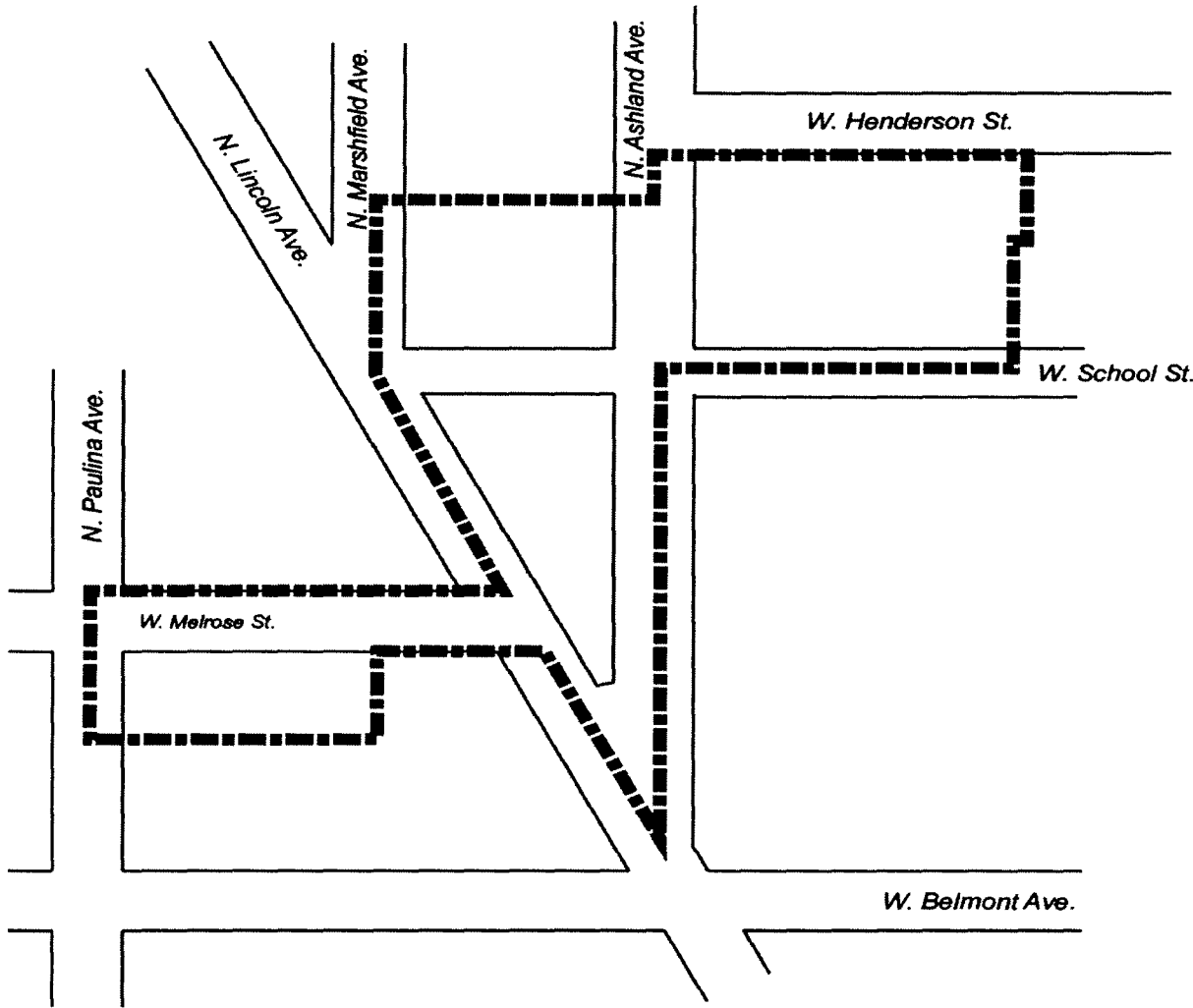
# Lincoln-Belmont-Ashland Redevelopment Project Area

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### (a) GENERAL DESCRIPTION

the Project Area is generally bounded by West Henderson Street on the north; North Ashland Avenue and the north-south alley east of North Ashland on the east; West Belmont on the south; and North Paulina, North Lincoln Avenue, and North Marshfield Street on the west. For precise boundaries, please consult the legal description in the Redevelopment Plan (Attachment).



~~Lincoln-Belmont-Ashland Redevelopment Project Area~~  
1998 Annual Report

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**(b) DATE OF DESIGNATION AND TERMINATION**

The Project Area was designated by the Chicago City Council on November 2, 1994 and amended on November 4, 1998. The Project Area may be terminated no later than November 2, 2017.

**(c) COPY OF REDEVELOPMENT PLAN**

The Redevelopment Plan for the Project Area, as amended (if applicable), is contained in this Report (Attachment).

**(d) DESCRIPTION OF INTERGOVERNMENTAL AND REDEVELOPMENT AGREEMENTS**

During 1998, no new agreements were executed in the Project Area.

~~Lincoln-Belmont-Ashland Redevelopment Project Area~~  
**1998 Annual Report**

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**(e) DESCRIPTION OF TIF PROJECT(S)**

During 1998, there were no tax increment project expenditures within the Project Area.

# Lincoln-Belmont-Ashland Redevelopment Project Area 1998 Annual Report

## (f) DESCRIPTION OF TIF DEBT INSTRUMENTS

TABLE F  
DESCRIPTION OF TIF DEBT INSTRUMENTS RELATED TO THE PROJECT AREA - TERMS

NAME OF DEBT INSTRUMENT	DATE	PRINCIPAL	INTEREST RATE	SECURITY	TYPE	UNDERWRITERS	TRUSTEES	INTEREST PAID	PRINCIPAL PAID
								DURING 1998	DURING 1998
City of Chicago, Tax Increment Allocation Bonds (Lincoln - Belmont - Ashland Redevelopment Project), Series 1998A & B	8/7/98	\$12,375,000	4% to 11%	Incremental Taxes	Tax Increment Allocation Bond	Griffin, Kubik, Stephens & Thompson, Inc.	Cole Taylor Bank	\$0	\$0
City of Chicago, Tax Increment Allocation Bonds (Lincoln - Belmont - Ashland Redevelopment Project) Series 1994A	12/19/94	\$7,671,035	(2)	Incremental Taxes	Tax Increment Allocation Bond	N.A. (1)	Cole Taylor Bank	\$561,371	\$10,615,000

(1) N.A. -not applicable.

(2) The bonds were sold as Deferred/Current Interest Rate Bonds with a compound accreted value of \$10,615,000 at the conversion date (January 1, 1998). Until the conversion date the bonds accrued interest a capital appreciation bonds at a yield of 11%. After conversion date the bonds carry interest as current interest bonds at an interest rate of 8.75%.

**Lincoln-Belmont-Ashland Redevelopment Project Area  
1998 Annual Report**

**(g) DESCRIPTION OF CITY CONTRACTS**

**TABLE G  
DESCRIPTION OF CITY CONTRACTS RELATED TO THE PROJECT AREA**

<u>CONTRACTING PARTIES WITH THE CITY OF CHICAGO</u>	<u>DATE OF EXECUTION</u>	<u>PURPOSE</u>	<u>AMOUNT OF COMPENSATION PAID IN 1998</u>	<u>PERCENT OF COMPENSATION PAID TO DATE</u>
Cole Taylor Bank	1998	Financing	\$21,605	100%
Louik/Schneider & Associates	1998	Financing	\$25,000	100%
Cole Taylor Bank	1998	Financing	\$3,000	100%
Standard & Poor's	1998	Financing	\$5,600	100%
Charity & Associates	1998	Financing	\$21,000	100%
Katten Muchin & Zavis	1998	Financing	\$49,000	100%
Griffin, Kubik, Stephens & Thompson	1998	Financing	\$186,336	100%
American Capital Access	1998	Financing	\$355,186	100%
Katten Muchin & Zavis	1998	Studies/Plan/Admin.	\$1,200	100%

~~Lincoln-Belmont-Ashland Redevelopment Project Area~~  
**1998 Annual Report**

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**(h) SUMMARY OF PRIVATE AND PUBLIC INVESTMENT ACTIVITY**

During 1998, there was no information available regarding public or private investment activity in the Project Area.



**Lincoln-Belmont-Ashland Redevelopment Project Area**  
**1998 Annual Report**

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**(i) DESCRIPTION OF PROPERTY TRANSACTIONS**

During 1998, the City did not take or divest title to real property within the Project Area. Additionally, the City was not a lessor or lessee of real property within the Project Area during 1998.

**Lincoln-Belmont-Ashland Redevelopment Project Area**  
**1998 Annual Report**

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**(j) FINANCIAL SUMMARY PREPARED BY THE CITY COMPTROLLER**

DECEMBER 31, 1998 AND 1997

FINANCIAL REPORT

REDEVELOPMENT PROJECT

LINCOLN-BELMONT-ASHLAND

CITY OF CHICAGO, ILLINOIS

CITY OF CHICAGO, ILLINOIS

LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

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BANSLEY AND KIENER, L. L. P.  
CERTIFIED PUBLIC ACCOUNTANTS

125 SOUTH WACKER DRIVE  
CHICAGO, ILLINOIS 60606-4496  
AREA CODE 312 263-2700

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor  
Members of the City Council  
City of Chicago, Illinois

We have audited the accompanying combined balance sheet of the Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998, and the related combined statements of revenues, expenditures and changes in fund balance - governmental funds for the years ended December 31, 1998 and 1997. These combined financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these combined financial statements based on our audit. We previously audited and reported upon the balance sheet as of December 31, 1997, totals of which are included for comparative purposes only.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1998, and the results of its governmental funds operations and changes in fund balance for the years ended December 31, 1998 and 1997 in conformity with generally accepted accounting principles.

As explained in Note 1 to the financial statements, in 1998 the Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois changed its method of accounting for investments.

The year 2000 information on pages 8 and 9 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not ~~express an opinion on such information. Further, we were unable to apply to~~ the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City of Chicago is or will become year 2000 compliant, that the City of Chicago's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of Chicago does business are or will become year 2000 compliant.

Our audits were conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedule of cash activities on page 10 and the schedule of expenditures by statutory code on page 11, which are also the responsibility of the City of Chicago's management, are presented for purposes of additional analysis and are not a required part of the combined financial statements of Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the combined financial statements taken as a whole.

*Bansley and Kiener, L.P.*

Certified Public Accountants

May 21, 1999

CITY OF CHICAGO, ILLINOIS  
LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

COMBINED BALANCE SHEETS

DECEMBER 31, 1998

(With Comparative Totals for 1997)

<u>A S S E T S</u>	<u>Governmental Funds</u>	<u>General Long-term Debt Account Group</u>	<u>Total 1998</u>	<u>Total 1997</u>
Cash and investments	\$2,304,384	\$ -	\$ 2,304,384	\$ 997,171
Property taxes receivable	828,000	-	828,000	750,000
Accrued interest receivable	28,720	-	28,720	8,937
Amount available for debt service	-	1,473,654	1,473,654	334,512
Amount to be provided for retirement of general long-term debt	-	10,646,346	10,646,346	9,795,488
<b>Total assets</b>	<b><u>\$3,161,104</u></b>	<b><u>\$12,120,000</u></b>	<b><u>\$15,281,104</u></b>	<b><u>\$11,886,108</u></b>
 <u>LIABILITIES AND FUND BALANCE</u> 				
Vouchers payable	\$ 22,805	\$ -	\$ 22,805	\$ 25,121
Accrued interest payable	226,898	-	226,898	-
Deferred revenue	828,000	-	828,000	747,572
Bonds payable (Note 2)	255,000	12,120,000	12,375,000	10,615,000
<b>Total liabilities</b>	<b><u>1,332,703</u></b>	<b><u>12,120,000</u></b>	<b><u>13,452,703</u></b>	<b><u>11,387,693</u></b>
Fund balance				
Reserved for debt service	1,473,654	-	1,473,654	334,512
Unreserved, undesignated	354,747	-	354,747	163,903
<b>Total fund balance</b>	<b><u>1,828,401</u></b>	<b><u>-</u></b>	<b><u>1,828,401</u></b>	<b><u>498,415</u></b>
<b>Total liabilities and fund balance</b>	<b><u>\$3,161,104</u></b>	<b><u>\$12,120,000</u></b>	<b><u>\$15,281,104</u></b>	<b><u>\$11,886,108</u></b>

The accompanying notes are an integral part of the combined financial statements.

CITY OF CHICAGO, ILLINOIS  
LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

COMBINED STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
YEARS ENDED DECEMBER 31, 1998 AND 1997

	1998	1997
Revenues		
Property tax	\$ 802,349	\$766,169
Interest	46,102	17,406
Total revenues	848,451	783,575
Expenditures		
Capital projects	21,605	94,781
Bond issuance cost	646,322	-
Debt service		
Principal retirement	10,385,000	485,000
Interest	761,041	-
Total expenditures	11,813,968	579,781
Revenues over (under) expenditures	(10,965,517)	203,794
Other financing sources		
Proceeds of debt	12,295,503	-
Revenues and other financing sources over expenditures	1,329,986	203,794
Fund balance, beginning of year	498,415	294,621
Fund balance, end of year	\$ 1,828,401	\$498,415

The accompanying notes are an integral part of the combined financial statements.



CITY OF CHICAGO, ILLINOIS  
LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

NOTES TO COMBINED FINANCIAL STATEMENTS

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Note 1 - Summary of Significant Accounting Policies

Description of Project

The Lincoln-Belmont-Ashland Tax Increment Redevelopment Project Area (Project) was established in November 1994. The area has been established to finance improvements, leverage private investment and create and retain jobs. Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

Principal and interest on the bonds will be paid from incremental property taxes generated by the Redevelopment District.

Basis of Accounting

The Project is accounted for within the capital project, debt service and special revenue funds of the City. The Bonds Payable are recorded in the City's General Long-term Debt Account Group. The report is presented herein on a combined basis.

The financial statements are prepared on the modified accrual basis of accounting and current financial resources measurement focus with only current assets and liabilities included on the balance sheet. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

Fixed assets are not capitalized in the general operating funds but, instead, are charged as current expenditures when purchased. The General Fixed Asset Account Group of the City includes the capital assets, if any, of the Project.

Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF CHICAGO, ILLINOIS  
LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

Illinois Tax Increment Redevelopment Allocation Act Compliance

The Project's expenditures include reimbursements for various eligible costs as described in subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act and the Redevelopment Agreement relating specifically to the Project. Eligible costs include but are not limited to survey, property assembly, rehabilitation, public infrastructure, financing and relocation costs.

Cash and Investments

Cash belonging to the City is generally deposited with the City Treasurer as required by the Municipal Code of Chicago. The City Comptroller issues warrants for authorized City expenditures which represent a claim for payment when presented to the City Treasurer. Payment for all City warrants clearing is made by checks drawn on the City's various operating bank accounts.

The bond proceeds and incremental taxes associated with the Lincoln-Belmont-Ashland Tax Increment Financing District are deposited with the City Treasurer or in a separate trust account. Eligible project expenditures are approved by the Department of Planning and Development in accordance with the project budget and paid from the trust account. Eligible project expenditures may be paid from bond proceeds or incremental taxes in excess of next year's annual debt service, after fully funding of all other funds and accounts.

The City Treasurer and City Comptroller share responsibility for investing in authorized investments. Interest earned on pooled investments is allocated to participating funds based upon their average combined cash and investment balances.

On January 1, 1998, the City adopted GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." Accordingly, the City values its investments at fair value, or amortized cost.

Property Taxes

Property taxes are susceptible to accrual and recognized as a receivable in the year levied. Revenue recognition is deferred unless the taxes are received within 60 days subsequent to year-end.

CITY OF CHICAGO, ILLINOIS  
LINCOLN-BELMONT-ASHLAND REDEVELOPMENT PROJECT

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

Note 2 - Bonds Payable

In August, 1998, the City issued \$12,375,000 of Lincoln-Belmont-Ashland Tax Increment Allocation Bonds, Series 1998 A and Series 1998 B. The bonds have interest rates ranging from 4.0 percent to 11.0 percent and maturity dates ranging from January 1, 1999 to February 1, 2017. Net proceeds were used for the redemption of the Series 1994 bonds, project costs and to fund debt service reserve requirements. The aggregate maturities of the bonds (principal portion only) are as follows:

	<u>Series</u> <u>1998 A</u>	<u>Series</u> <u>1998 B</u>	<u>Total</u>
1999	\$ -	\$ -	\$ -
2000	230,000	-	230,000
2001	235,000	-	235,000
2002	320,000	-	320,000
2003	325,000	-	325,000
Thereafter	<u>9,545,000</u>	<u>1,465,000</u>	<u>11,010,000</u>
	<u>\$10,655,000</u>	<u>\$1,465,000</u>	<u>\$12,120,000</u>

The principal listed above for each year for Series 1998 A include amounts payable January 1 of the following year.

REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)

~~The City's operations, like those of many other business entities, may be~~ impacted by the inability of certain computer programs and electronic systems with embedded microprocessor chips to recognize calendar dates beyond the year 1999. Unless such programs and microprocessors are modified or replaced prior to the year 2000, they may not function properly after 1999.

The City formed an executive committee in May 1998, to oversee possible City-wide year 2000 impacts. The Department of Business and Information Services has been charged with managing the City's year 2000 project. The year 2000 issue is covered within the scope of the City's year 2000 project. The year 2000 project is divided into stages as follows:

**Awareness Stage** - Establishing a budget and project plan for dealing with the year 2000 issue.

**Assessment Stage** - Identifying the mission critical systems, equipment and individual components for which year 2000 compliance is needed.

**Remediation Stage** - Making changes to systems and equipment.

**Validation/testing Stage** - Validating and testing the changes that were made during the remediation stage.

The City committed approximately \$28.2 million and \$32.0 million in 1998 and 1999, respectively, for the repair and replacement of year 2000 compromised systems. As of December 31, 1998, the City entered into contracts for approximately \$17.7 million for the test plan development, audit stages and upgrade of certain software programs.

**Mission Critical Applications**

The City has identified one computer application, the Chicago Accounting and Purchasing System, as critical to conducting the operations for year 2000 compliance. As of December 31, 1998, the City completed the awareness and assessment stages, and the remediation stage was in process for the above mission critical component. This mission critical component is still subject to the validation/testing stage. The City-wide completion of all stages is scheduled for September 1999.

**Embedded Systems**

The awareness stage, including an inventory of embedded systems has been completed. Baseline assessment of mission critical functions involving embedded systems was substantially completed by the end of the first quarter of 1999. The City has retained outside consultants to manage and implement completion of this aspect of the year 2000 project by the end of September 1999.

YEAR 2000 READINESS DISCLOSURE (UNAUDITED)  
(Continued)

Other Considerations

The City also initiated an assessment of mission critical vendors, which is being performed by a consultant with oversight from the executive committee to plan for continuity in the City's supply chain. Contingency planning for mission critical systems and other elements of the year 2000 project is scheduled to be completed by the end of September 1999.

The above description of the stages of work to address the year 2000 issues is not a guarantee those systems will be year 2000 compliant. Although the City is currently on schedule to meet its objectives for year 2000 compliance, there is no assurance that compliance will be achieved in a timely manner. Further, if the City successfully addresses its year 2000 issues, there is no assurance that any other entity or governmental agency (including governmental organizations or entities that provide essential infrastructure) with which the City electronically interacts will be year 2000 compliant. At this time, the City can not determine the potential impact of such noncompliance on the business and financial condition or the results of its operations.

SUPPLEMENTARY INFORMATION

SCHEDULE OF CASH ACTIVITIES  
YEARS ENDED DECEMBER 31, 1998 AND 1997

	<u>1998</u>	<u>1997</u>
Cash flows from operating activities		
Property taxes received	\$ 804,777	\$763,754
Payments for capital projects	(23,921)	(69,660)
Bond issuance costs	(646,322)	-
Interest received	26,319	9,180
Net cash provided by operating activities	<u>160,853</u>	<u>703,274</u>
Cash flows from financing sources		
Debt service		
Principal retirement	(10,615,000)	-
Interest paid	(561,371)	-
Proceeds of debt	12,322,731	-
Net cash provided by financing activities	<u>1,146,360</u>	<u>-</u>
Increase in cash and investments	1,307,213	703,274
Cash and investments, beginning of year	<u>997,171</u>	<u>293,897</u>
Cash and investments, end of year	<u>\$ 2,304,384</u>	<u>\$997,171</u>
Reconciliation of revenues over (under) expenditures to net cash provided by operating activities		
Revenues over (under) expenditures	\$(10,965,517)	\$203,794
Adjustments to reconcile revenues over (under) expenditures to net cash provided by operating activities		
Financing activities	11,149,143	-
Changes in assets - (increase) decrease		
Property tax receivable	(78,000)	40,199
Accrued interest receivable	(19,783)	(8,226)
Changes in liabilities - increase (decrease)		
Vouchers payable	(2,316)	25,121
Accrued interest payable	226,898	-
Deferred revenue	80,428	(42,614)
Bonds payable	(230,000)	485,000
	<u>\$ 160,853</u>	<u>\$703,274</u>



SCHEDULE OF EXPENDITURES BY STATUTORY CODE

<u>Code Description</u>	<u>1998</u>	<u>1997</u>
Costs of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing	\$ -	\$ 92,091
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	<u>11,813,968</u>	<u>487,690</u>
	<u>\$11,813,968</u>	<u>\$579,781</u>

**Lincoln-Belmont-Ashland Redevelopment Project Area**  
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**(k) DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

**TABLE K**  
**DESCRIPTION OF TAX RECEIPTS AND ASSESSMENT INCREMENTS**

<u>YEAR</u>	<u>MUNICIPAL SALES TAX INCREMENT</u>	<u>STATE SALES TAX INCREMENT</u>	<u>MUNICIPAL UTILITY TAX INCREMENT</u>	<u>NET STATE UTILITY TAX INCREMENT</u>	<u>INITIAL EAV</u>	<u>TOTAL 1997 EAV</u>	<u>TOTAL INCREMENTAL PROPERTY TAXES 1997</u>
1998	N.A. (1)	N.A. (1)	N.A. (1)	N.A. (1)	\$2,457,347	\$11,199,003	\$828,312

(1) N.A. -not applicable.

**Lincoln-Belmont-Ashland Redevelopment Project Area**  
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**(I) CERTAIN CONTRACTS OF TIF CONSULTANTS**

During 1998, no TIF consultant was paid by the City for assisting to establish the Project Area and paid by any entity that has received or is currently receiving payments financed by tax increment revenues from the Project Area.

**Lincoln-Belmont-Ashland Redevelopment Project Area**  
**1998 Annual Report**

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**(m) COMPLIANCE STATEMENT PREPARED BY AN INDEPENDENT PUBLIC  
ACCOUNTANT**

BERNARD J. SULLIVAN, CPA  
RICHARD J. QUINN, CPA  
FRANK S. GADZALA, CPA  
PAUL A. MERKEL, CPA  
THOMAS A. TYLER, CPA  
JOHN W. SANEW III, CPA  
THOMAS A. CERWIN, CPA  
STEPHEN R. PANFIL, CPA  
MICHAEL D. HUELS, CPA  
ROBERT J. MARSON, CPA  
THOMAS J. CAPLICE, CPA  
ROBERT J. HANNIGAN, CPA  
GERARD J. PATER, CPA  
VINCENT M. GUZALDO, CPA  
TIMOTHY J. QUINN, CPA

**Bansley and Kiener, L.L.P.**

Certified Public Accountants

*Established 1922*

125 SOUTH WACKER DRIVE CHICAGO, ILLINOIS 60606-4496 312/263-2700 FAX: 312/263-6935

INDEPENDENT AUDITOR'S REPORT

The Honorable Richard M. Daley, Mayor  
Members of the City Council  
City of Chicago, Illinois

We have audited, in accordance with generally accepted auditing standards, the combined balance sheet of Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois as of December 31, 1998, and the related combined statement of revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated May 21, 1999.

In connection with our audit, nothing came to our attention that caused us to believe that the Project failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act and Subsection (o) of Section 11-74.6-10 of the Illinois Industrial Jobs Recovery Law as they relate to the eligibility for costs incurred incidental to the implementation of the Lincoln-Belmont-Ashland Redevelopment Project of the City of Chicago, Illinois.

This report is intended for the information of the City of Chicago's management. However, this report is a matter of public record, and its distribution is not limited.

*Bansley and Kiener, L.L.P.*

Certified Public Accountants

May 21, 1999

**Lincoln-Belmont-Ashland Redevelopment Project Area  
1998 Annual Report**

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**ATTACHMENT  
REDEVELOPMENT PLAN**

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**LINCOLN/ BELMONT/ ASHLAND  
REDEVELOPMENT PROJECT AREA  
TAX INCREMENT ALLOCATION FINANCE PROGRAM**

**REDEVELOPMENT PLAN AND PROJECT**

**June, 1994  
Revised August, 1995  
Amended November, 1998**

**CITY OF CHICAGO**

**Richard M. Daley  
Mayor**

REDEVELOPMENT PLAN AND PROJECT FOR  
~~LINCOLN/BELMONT/ASHLAND REDEVELOPMENT PROJECT AREA~~  
TAX INCREMENT FINANCING PROGRAM

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## INTRODUCTION

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The Lincoln//Belmont/Ashland Redevelopment Project Area is located in the City of Chicago, Illinois. The Redevelopment Project Area contains approximately 8.96 acres. The Redevelopment Project Area is generally located between Lincoln and Marshfield Avenues and Paulina Street on the west, Henderson and Melrose Streets on the north, Belmont Avenue on the south, and the first alley east of Ashland Avenue on the east. The Redevelopment Project Area is located in the North side of the City in an area of the City of Chicago that has excellent transportation access especially to surrounding city communities. The major access to the Redevelopment Project Area is provided by Ashland, Lincoln, and Belmont Avenues. Public transportation is available via CTA surface buses along major arterial streets, Lincoln, Ashland, and Belmont Avenues. The Kennedy expressway (I-90/94) is available via the Belmont Avenue interchange which is located approximately a mile west of the Project Area. The location and boundaries of the Redevelopment Project Area are shown on Map 1, Project Boundary.

The Lincoln/Belmont/Ashland Redevelopment Project Area is located within an area which contains: service, retail and residential uses. The Redevelopment Project Area contains major areas which are under-utilized and vacant. The Redevelopment Project Area is located in the Lake View neighborhood. According to the 1990 census figures the Lake View area has a population of 91,031, which is a decrease of 7% over the 1980 census. The residential community is primarily comprised of single-family and two-flat residences which were constructed from the turn of the Century to the present day with the majority of the housing stock predating 1940. Some new housing is being constructed in the nearby area which includes single-family, townhouses, and condominiums. The Redevelopment Project Area is immediately surrounded by commercial/retail uses along the three major arterial streets, Lincoln, Belmont, and Ashland Avenues.

The Lincoln/Belmont/Ashland shopping district had a long established history of being Lake View's main retail/commercial center. In 1987, the focal point of the Lincoln/Belmont/Ashland retail/commercial area, the Wieboldt's Department Store which utilized the "Tower" building and "Annex" buildings closed its operations. The closure of one of Chicago's oldest retail establishments created a negative impact upon the surrounding retail businesses which continues to today. As a result of the Wieboldt's closing, various other related

commercial operations have also closed and the surrounding residential areas are showing signs of neglect and disrepair due at least in part to the economic decline of the area.

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In order to redevelop this Redevelopment Project Area numerous and costly improvements will be necessary: including environmental remediation, site improvements, infrastructure, demolition, etc.

The purpose of the Redevelopment Plan is to create a mechanism to allow for the redevelopment of existing buildings and for the development of new commercial and residential facilities on existing vacant and/or under-utilized land. The redevelopment of these buildings is expected to encourage economic revitalization within the community and surrounding area.

#### Tax Increment Allocation Redevelopment Act.

An analysis of conditions within this area indicates that it is appropriate for designation of this Redevelopment Project Area as a redevelopment project, utilizing the State of Illinois tax increment financing legislation. The Redevelopment Project Area is characterized by conditions which warrant the designation as a "blighted area" within the definitions set forth in the Tax Increment Allocation Redevelopment Act (hereafter referred to as the "Act"). The Act is found in 65 ILCS 5/11-74-1 et seq., as amended.

The Act provides a means for municipalities, after the approval of a "Redevelopment Plan and Project" to redevelop blighted areas by pledging the increase in tax revenues generated by public and private redevelopment in order to pay for the up front public costs which are required to stimulate such private investment in new redevelopment and rehabilitation. Municipalities may issue obligations to be repaid from the stream of real property tax increments that occur within the tax increment financing district.

The property tax increment revenue is calculated by determining the difference between the initial equalized assessed value (the Certified EAV Base) for all real estate located within the district and the current year EAV. Any increase in EAV is then multiplied by the current tax rate, which determines the incremental real property tax.

The Lincoln/Belmont/Ashland Redevelopment Area Tax Increment Allocation Financing Project Redevelopment Plan and Project (hereafter referred to as the "Redevelopment Plan") has been formulated in accordance with the provisions of the Act. It is a guide to all proposed public and private action in the Redevelopment Project Area. In addition to describing the objectives of redevelopment, the Redevelopment Plan sets forth the overall program to be undertaken to accomplish these objectives. This program is the "Redevelopment Project".

This Redevelopment Plan also specifically describes the Lincoln/Belmont/ Ashland Tax Increment Redevelopment Project Area (hereafter referred to as the "Redevelopment Project Area"). This area meets the eligibility requirements of the Act. The Redevelopment Project Area boundaries are described in Section II of the Redevelopment Plan and shown in Map 1, Boundary Map.

After its approval of the Redevelopment Plan, the City Council then formally designates the Redevelopment Project Area.

The purpose of this Redevelopment Plan is to ensure that new development occurs:

1. On a coordinated rather than a piecemeal basis to ensure that the land-use, vehicular access, parking, service and urban design systems will meet modern-day principles and standards.
2. On a reasonable, comprehensive and integrated basis to ensure that blighting factors are eliminated.
3. Within a reasonable and defined time period.

Revitalization of the Redevelopment Project Area is a large and complex undertaking and presents challenges and opportunities commensurate to its scale. The success of this effort will depend to a large extent on the cooperation between the private sector and agencies of local government. The adoption of the Redevelopment Plan makes possible the implementation of a logical program to stimulate redevelopment in the Redevelopment Project Area, an area which cannot reasonably be anticipated to be developed without the adoption of this Redevelopment Plan. Public investments will create the appropriate environment to attract the investment required for the rebuilding of the area. But for the

investment of seed funds by the City, the proposed developments would not be financially feasible and would not go forward.

Successful implementation of the Redevelopment Plan and Project requires that the City of Chicago take full advantage of the real estate tax increments attributed to the Redevelopment Project as provided in accordance with the Act. The Redevelopment Project Area would not be reasonably developed without the use of such incremental revenues.

## REDEVELOPMENT PROJECT AREA AND LEGAL DESCRIPTION

The Lincoln/Belmont/Ashland Redevelopment Project Area is located approximately 4.5 miles northwest of Chicago's Central Business District. The Redevelopment Project Area contains approximately 8.96 acres. The Redevelopment Project Area is generally located between Lincoln and Marshfield Avenues and Paulina Street on the west, Henderson and Melrose Streets on the north, Belmont on the south, and the first alley east of Ashland Avenue on the east.

The legal description of the Lincoln/Belmont/Ashland Redevelopment Project Area is as follows:

That part of the Southeast Quarter of Section 19 and the Southwest Quarter of Section 20, both in Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

Beginning at the intersection of the centerline of North Lincoln Avenue with the centerline of North Ashland Avenue, being also the East line of said Southeast Quarter of Section 19 and the West line of said Southwest Quarter of Section 20; thence northwesterly along said centerline of North Lincoln Avenue, a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet to the centerline of North Marshfield Avenue; thence northerly along said centerline of North Marshfield Avenue, 242.31 feet to the Westerly extension of the North line of the South 10.00 feet of Lot 33 in Block 8 in G.H.A. Thomas' Subdivision of Blocks 8 and 9 of L. Turner's Subdivision of the Northeast Half of the East Half of the Southeast Quarter of Section 19, aforesaid; thence easterly along said North line and the westerly extension thereof, 157.88 feet to the East line of said Lot 33; thence southerly along said East line, 10.00 feet to the Southeast corner thereof; thence easterly along the North line and the westerly extension thereof, of Lot 17 in said Block 8, a distance of 123.90 feet to the Northeast corner thereof; thence easterly at right angles to the East line of said Lot 17, a distance of 50.00 feet to the centerline of North Ashland Avenue, aforesaid;

thence northerly along said centerline, 66.99 feet to the westerly extension of the North line of Lot 19 in Block 1 of Sickel and Hufmeyer's Subdivision of the South Half of the North Half of the Southwest Quarter of the Southwest Quarter of Section 20, aforesaid; thence easterly along the North line of said Lot 19 and said westerly extension and the easterly extension of said North line, and the North line of Lots 9 through 18, inclusive, being also the South line of West Henderson Street, 426.00 feet to the Northeast corner of said of Lot 9; thence southerly along the East line of said Lot 9, a distance of 125.20 feet to the southeast corner thereof; thence westerly along the South line of said Lot 9, a distance of 16.00 feet to the Northerly extension of the East line of the West 9.00 feet of Lot 38 in said Block 1; thence Southerly along the East line of said 9.00 feet, and said northerly extension thereof, and the southerly extension thereof, 174.21 feet to the centerline of West School Street; thence westerly along said centerline, 410.14 feet to the centerline of North Ashland Avenue, aforesaid; thence southerly along said centerline of North Ashland Avenue, 670.32 feet to the centerline of North Lincoln Avenue, aforesaid, being the place of beginning, in Cook county, Illinois.

Gross Land Area 8.9631 Acres  
Net Usable Area 5.4263 Acres

## REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

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### General Goals:

- \* Improve the quality of life in Chicago by eliminating the influence of, as well as the manifestations of, both physical and economic blight in the Redevelopment Project Area.
- \* Provide sound economic development in the Redevelopment Project Area.
- \* Revitalize the Redevelopment Project Area to make it an important center contributing to the revitalization of the area.
- \* Create an environment within the Redevelopment Project Area which will contribute to the health, safety, and general welfare of the City, and preserve or enhance the value of properties in the area.
- \* Create suitable locations for commerce.
- \* Create job opportunities.
- \* Create quality housing.
- \* Create new retail centers and the accompanying job opportunities.

### Redevelopment Objectives:

- \* Reduce or eliminate those conditions which qualify the Redevelopment Project Area as a Blighted Area. Blighted Area Conditions Existing in the Redevelopment Project Area, describes the blighting conditions.
- \* Enhance the tax base of the City of Chicago and of the other taxing districts which extend into the Redevelopment Project Area by encouraging private investment in new commercial and residential development.
- \* Strengthen the economic well-being of the Redevelopment Project Area and the City by increasing business activity, taxable values, and job opportunities.
- \* Encourage the assembly of land into parcels that are functionally adaptable with respect to shape and size for redevelopment needs and standards.
- \* Provide needed incentives to encourage improvements for new development efforts.

- \* Provide needed incentives to encourage a broad range of improvements in both new commercial and residential development and rehabilitation efforts.
- \* Encourage the participation of minorities and women in the development of the Redevelopment Project Area.

#### Development and Design Objectives

- \* Establish a pattern of land use activities arranged in compact, compatible groupings to increase efficiency of operation and economic relationships.
- \* Encourage coordinated development of parcels and structures in order to achieve efficient building design.
- \* Achieve development which is integrated both functionally and aesthetically with nearby existing development.
- \* Ensure a safe and adequate circulation pattern, adequate ingress and egress and capacity in the project area.
- \* Encourage a high-quality appearance of buildings, rights-of-way and open spaces, and encourage high standards of design.



## BLIGHTED AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Based upon surveys, inspections, research and analysis of the area by Louik/Schneider & Associates, Inc. the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. A separate report entitled Eligibility Study Of A Proposed Redevelopment Project Area For Tax Increment Financing In The Lincoln/Belmont/ Ashland Study Area Chicago Illinois, dated June, 1994 describes in detail the surveys and analysis undertaken and the basis for the finding that the Redevelopment Project Area qualifies as a "blighted area" as defined by the Act. Summarized below are the findings of the Eligibility Report: The Redevelopment Project Area is characterized by the presence of eight of the blighting factors as listed in the Act, impairing the sound growth of the taxing districts in this area of the City. Specifically:

- \* Of the fourteen factors set forth in the law, eight are present in the Redevelopment Project Area.
- \* The blighting factors which are present are reasonably distributed throughout the Redevelopment Project Area.
- \* All areas within the Redevelopment Project Area show the presence of blighting factors.

The following factors are present within the improved area:

1. **Age**  
Age as a factor is present to a major extent in 2 of the 4 blocks. Of the 10 total buildings in the Study Area, 8 (80 percent) are 35 years of age or older.
2. **Dilapidation**  
Dilapidation is present in one block containing one building.
3. **Obsolescence**  
Obsolescence as a factor is present in 4 of the 4 blocks. Conditions contributing to this factor include obsolete buildings and obsolete platting. One building and one block is characterized by obsolescence as the result of an irregularly shaped parcel.

4. **Deterioration**

~~Deterioration as a factor is present in 4 of the 4 blocks of the Study Area.~~ Conditions contributing to this factor include deteriorating structures, deteriorating off-street parking, site surface areas, and deteriorating street pavement, curbs, gutters and sidewalks. A total of 9 of the 10 buildings (90%) are characterized by deterioration, and 18 of the 25 parcels (72%) of the Study Area exhibit signs of deterioration.

5. **Presence Of Structures Below Minimum Code Standards**

One structure within the Study Area, contains evidence of being below minimum code based upon the exterior survey. Structures below minimum code standards include all structures which do not meet the standards of zoning, subdivision, building, housing, property maintenance, fire, or other governmental codes applicable to the property.

6. **Excessive Vacancies**

Excessive vacancies as a factor is present to a major extent in 4 of the 4 blocks. Nine buildings are significantly or totally vacant representing 90% of the buildings and 3.14 acres land are vacant.

7. **Deleterious Land-Use or Layout**

Deleterious land-use or layout is present in all blocks of the Study Area. Conditions contributing to this factor include parcels of irregular shape and limited size. Two large tracts of vacant and under-utilized land exists, and nine vacant including one dilapidated structure exists within the area along with one parcel of property which is triangularly shaped.

8. **Depreciation of Physical Maintenance**

Depreciation of physical maintenance is present in all 4 blocks. Conditions contributing to this factor include deferred maintenance and lack of maintenance of buildings, parking areas, and site improvements including streets, alleys, walks, curbs gutters and utilities.

## 9. Lack of Community Planning

The Study Area contains four blocks of which 2 1/2 blocks are located within the Commercial District Development Commission's 1990 Redevelopment Plan for the Lincoln / Belmont / Ashland Commercial Area. The 1 1/2 blocks not located within the above referenced Plan lack an overall plan for coordinated development on a block by block and parcel by parcel basis. However, based on our review lack of community planning is not exhibited throughout the Study Area

The conclusion of the consultant team engaged to conduct the study is that the number, degree and distribution of blighting factors as documented in this report warrant the designation of all of the Study Area as a "blighted area" as set forth in the "Act." Specifically:

The analysis above was based upon data assembled by Louik/Schneider & Associates, Inc. The surveys, research and analysis conducted include:

1. Exterior surveys of the condition and use of the Redevelopment Project Area;
2. Field surveys of environmental conditions covering streets, sidewalks, curbs and gutters, lighting, traffic, parking facilities, landscaping, fences and walls, and general property maintenance;
3. Analysis of existing and previous uses and their relationships;
4. Comparison of current land use to current zoning ordinance and the current zoning maps;
5. Historical analysis of site uses and users;
6. Analysis of original and current platting and building size layout;
7. Analysis of tax delinquency; and
8. Review of previously prepared plans, studies and data.

Based upon the findings of the Eligibility Study for the LINCOLN/BELMONT/ASHLAND Study Area, 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 this Redevelopment Plan. But for the investment of seed funds by the City, the proposed developments would not be financially feasible and would not go forward.

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## LINCOLN/BELMONT/ ASHLAND REDEVELOPMENT PLAN AND PROJECT

### A. REDEVELOPMENT PROJECT AREA GOAL AND OBJECTIVES

The City proposes to realize its goals and objectives of redevelopment through public finance techniques, including but not limited to tax increment financing, and by undertaking some or all of the following actions:

1. Assemblage of Sites. To achieve the renewal of the Redevelopment Project Area, property identified in Map 3 Redevelopment Plan, attached hereto and made a part hereof, may be acquired by the City of Chicago and cleared of all improvements if any and either (a) sold or leased for private redevelopment, or (b) sold, leased or dedicated for construction of public improvements or facilities. The City may determine that to meet the renewal objectives of this Redevelopment Plan, other properties in the Redevelopment Project Area not scheduled for acquisition should be acquired or certain property currently listed for acquisition should not be acquired. Acquisition of land for public rights-of-way will also be necessary for the portions of said rights-of-way that the City does not own.

As a necessary part of the redevelopment process, the City may hold and secure property which it has acquired and place it in temporary uses until such property is scheduled for disposition and redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the City may deem appropriate.

2. Provision of Public Improvements and Facilities. Adequate public improvements and facilities will be provided to service the entire Redevelopment Project Area. Public improvements and facilities may include, but are not limited to:
  - a. Reconstruction of interior streets
  - b. Provision of utilities necessary to serve the redevelopment.
3. Provision for Soil and Site Improvements. Funds may be made available for improvements to properties for the purpose of making land suitable for development.

- a. Entering into a redevelopment agreement for necessary site improvements in the ~~Redevelopment Project Area~~.
  - b. Environmental remediation necessary for redevelopment of the Redevelopment Project Area.
4. Redevelopment Agreements. Land assemblage shall be conducted for (a) sale, lease, or conveyance to private developers, or (b) sale, lease, conveyance or dedication for the construction of public improvements or facilities. Terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific controls than those stated in the Redevelopment Plan. Requirements for site improvement and public improvements may also be included in the Redevelopment Agreements.

In the event that the City determines that construction of certain improvements is not financially feasible, the City may reduce the scope of the proposed improvements.

## B. REDEVELOPMENT PLAN

The Redevelopment Plan proposes the redevelopment of the Lincoln/Belmont/Ashland Area, to stimulate or stabilize not only the Redevelopment Project Area but also the properties within the surrounding area. This plan proposes the following redevelopment improvements which are located within the Lincoln/Belmont/Ashland Area, (see Map 3):

1. Property east of Ashland Avenue consists of an approximately 64,000 square foot parcel of vacant land located east of Ashland Avenue between School and Henderson Streets. The property, which was formally used as the Wieboldt's customer parking area is bounded on the south by School Street, on the north by Henderson Street, on the west by the La Salle Bank drive-through facility, and on the east by single and multi-family residences.

Approximately 48 townhomes will be developed on this parcel with a total of approximately 95,000 square feet of new construction. The townhomes will range in size from 1,000 square feet to 2,500 square feet. All of the homes will have classic

brick facades, attached garage parking, and private outdoor spaces with either balconies, patios, or roof decks.

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2. Property west of Ashland and south of School Street, known as "The Tower", was formally operated as the Wieboldt's retail store and is located on the south side of School Street between Ashland and Lincoln Avenues. This property consists of a part two-story and part seven-story brick building of approximately 170,000 square feet. The building will be redeveloped with retail on the first floor (37,105 square feet) and a portion of the second floor (20,000 square feet), and loft residential units on floors 2 through 7. The loft units will range in size from 800-1,500 square feet. Common area features will include a secure indoor parking garage in the basement, an exercise room, and a common area roof deck on the top of the seven story building.
  
3. Property west of Ashland Avenue, east of Marshfield Avenue, and north of School Street, known as the "Annex" property is improved with several buildings. The eastern building, known as the Wieboldt's Annex, was formally used by Wieboldt's to merchandise furniture and for loading purposes. The Annex building, which is a two-story structure of 42,000 square feet will be demolished and the land will be improved for retail surface parking. The basement of the "Annex" will be developed for additional residential parking for the "Tower" condominiums. An existing passage under School Street will be renovated so that occupants of the Tower condominiums can go from the underground parking garage to the "Tower" property. An alley to the west of the Annex separates the Wieboldt's Annex from five (5) one and two-story buildings which front onto Marshfield Avenue and total approximately 20,000 square feet. These buildings, which were not part of the former Wieboldt's operation will also be razed and a 30,000 square foot retail store with a multi-level parking structure above will be built in their place. The parking facility will be used to service both the retail tenants in the "Annex" and "Tower" properties and will accommodate approximately 321 cars.
  
4. Property on the north corner of Lincoln/Belmont/Ashland, known as the "Price" property, is an improved parcel with a two-story building which contains approximately 12,000 square feet per floor. The Price property will be renovated if

feasible or will be demolished and improved with a building of similar size for commercial use.

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5. The property along Melrose and Paulina, the City-owned parking lot, will not be redeveloped at this time. The lot may be resurfaced or redeveloped at a later date.

The proposed Lincoln/Belmont/Ashland Redevelopment Project Area will require planning and programming of improvements. The redevelopment agreement will generally provide for the City to provide funding for activities permitted by the Illinois Compiled Statutes. The funds for said improvements will come directly from the incremental increase in tax revenues generated from the entire Redevelopment Project Area or the City's issuance of bonds to be repaid from the incremental increase in tax revenues to be generated from the entire Redevelopment Project Area. A developer or user will undertake the responsibility for the required site improvements, a portion of which may be paid for from the issuance of bonds, and will further be required to build any agreed to improvements and necessary ancillary improvements required for the project.

#### C. GENERAL LAND-USE PLAN

The Redevelopment Plan and the proposed projects described herein conform to the land uses and development policies for the City as a whole as currently provided by the City of Chicago Zoning Ordinances.

The proposed land use institutes changes within the area bounded on the west by Lincoln and Marshfield Avenues and Paulina Street, on the north by Henderson and Melrose Streets, on the east by the first alley east of Ashland Avenue, and on the south by Belmont Avenue. It was determined that the proposed residential and commercial development is in conformity with existing zoning and if any zoning changes are required they will need to be undertaken.



#### D. ESTIMATED REDEVELOPMENT PROJECT COSTS

Redevelopment project costs mean the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to this Redevelopment Plan and Redevelopment Project pursuant to the State of Illinois Tax Increment Allocation Redevelopment Act. Such costs may include, without limitation, the following:

1. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan, including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected;
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. Costs of the construction of public works or improvements;
5. Costs 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 hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 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 in furtherance of the objectives of the redevelopment 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. Payment 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 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; and (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 this Act;
  - b. such payments in any one year may not exceed 30 percent of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
  - 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 amount 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 30 percent of the total of (i) costs 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.
12. Unless explicitly stated in the Act, the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

The estimated redevelopment project costs are shown in Table 1. To the extent that municipal obligations have been issued to pay for such redevelopment project costs incurred prior to, but in anticipation of, the adoption of tax increment financing, the City shall be reimbursed for such redevelopment project costs. The total redevelopment project costs provide an upper limit on expenditures (exclusive of capitalized interest, issuance costs, interest and other financing costs). Within this limit, adjustments may be made in line items without amendment to this Redevelopment Plan.

TABLE 1

**ESTIMATED REDEVELOPMENT PROJECT COSTS**

Program Action/Improvements

Land Acquisition	\$ 6,000,000
Demolition	\$ 535,000
Environmental Remediation	\$ 300,000
Renovation of Existing Structures	\$ 3,135,000
Site Preparation	\$ 270,000
Public Improvements	\$ 32,000
Planning, legal, studies	\$ 470,000

TOTAL PROJECT COST\* \$ 10,742,000

\*Exclusive of capitalized interest, issuance costs and other financing costs

E. SOURCES OF FUNDS TO PAY REDEVELOPMENT PROJECT COSTS

Funds necessary to pay for redevelopment project costs and/or municipal obligations which have been issued or incurred to pay for such costs are to be derived principally from tax increment revenues and/or proceeds from municipal obligations which have as their revenue source tax increment revenue. To secure the issuance of these obligations, the City may permit the utilization of guarantees, deposits and other forms of security made available by private sector developers.

The tax increment revenue which will be used to fund tax increment obligations and eligible redevelopment project costs shall be the incremental real property tax revenues. Incremental real property tax revenue is attributable to the increase in the current equalized assessed value of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each

such property in the Redevelopment Project Area. Other sources of funds which may be used to pay for redevelopment costs and obligations issued or incurred, ~~the proceeds of~~ which are used to pay for such costs, are land disposition proceeds, state and federal grants, investment income, and such other sources of funds and revenues as the municipality may from time to time deem appropriate such as municipal sales taxes, municipal amusement taxes, generated from the district. Without the use of such tax incremental revenues, the Redevelopment Project Area would not reasonably be developed. All incremental revenues utilized by the City of Chicago will be utilized exclusively for the development of the Redevelopment Project Area.

### **Issuance of Obligations**

To finance redevelopment costs a municipality may issue obligations secured by the anticipated tax increment revenue generated within the TIF redevelopment area. In addition, a municipality may pledge towards payment of such obligations any part or any combination of the following: (a) net revenues of all or part of any redevelopment project; (b) taxes levied and collected on any or all property in the municipality; (c) the full faith and credit of the municipality; (d) a mortgage on part or all of the redevelopment project; or (e) any other taxes or anticipated receipts that the municipality may lawfully pledge.

All obligations issued by the City pursuant to this Redevelopment Plan and the Act shall be retired within twenty-three (2017) years from the adoption of the ordinance approving the Redevelopment Project Area. Also, the final maturity date of any such obligations which are issued may not be later than twenty years from their respective dates of issue. One or more series of obligations may be sold at one or more times in order to implement this Redevelopment Plan. The amounts payable in any year as principal and interest on all obligations issued by the City pursuant to the Redevelopment Plan and the Act shall not exceed the amounts available, or projected to be available, from tax increment revenues and from such bond sinking funds or other sources of funds (including ad valorem taxes) as may be provided by ordinance. Obligations may be of a parity or senior/junior lien natures. Obligations issued may be serial or term maturities, and may or may not be subject to mandatory, sinking fund, or optional redemptions.

Revenues shall be used for the scheduled and/or early retirement of obligations, and for reserves, bond sinking funds and redevelopment project costs, and, to the extent that real

property tax increment is not used for such purposes, shall be declared surplus and shall then become available for distribution annually to taxing districts in the Redevelopment Project Area in the manner provided by the Act.

### **Most Recent Equalized Assessed Valuation of Properties in the Redevelopment Project Area**

The total 1992 equalized assessed valuation for the entire Redevelopment Project Area is \$2,210,398. This equalized assessed valuation is subject to final verification by Cook County. After verification, the County Clerk of Cook County, Illinois will certify the amount, and this amount will serve as the "Initial Equalized Assessed Valuation".

### **Anticipated Equalized Assessed Valuation**

By the year 1998 when it is estimated that initial commercial and residential development will be completed and fully assessed, the estimated equalized assessed valuation of real property within the Redevelopment Project Area is estimated at between \$10,000,000 and \$12,000,000. These estimates are based on several key assumptions, including: 1) all commercial re-development will be completed in 1996; 2) the market value of the anticipated developments will increase following completion of the redevelopment activities described in the Redevelopment Project and Plan; 3) the most recent State Multiplier of 2.0897 as applied to 1992 assessed values will remain unchanged and 4) for the duration of the project the tax rate for the entire Redevelopment Project Area is assumed to be the same and will remain unchanged from the 1992 level.

### **F. LACK OF GROWTH AND DEVELOPMENT THROUGH INVESTMENT BY PRIVATE ENTERPRISE**

As described in the Blighted Area Conditions Section of this Redevelopment Project and Plan Report, the Redevelopment Project Area as a whole is adversely impacted by the presence of numerous blighting factors, and these factors are reasonably distributed throughout the area. Although some rehabilitation has occurred on a limited and scattered basis, the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise. No large scale projects have been

initiated in over 20 years. The lack of private investment is evidenced by continued existence of blight, large tracts of vacant land and the limited number of new development projects undertaken on a planned basis.

It is clear from the study of this area that private investment in revitalization and redevelopment has not occurred to overcome the blighting conditions that currently exist. The Redevelopment Project Area is not reasonably expected to be developed without the efforts and leadership of the City, including the adoption of this Redevelopment Project and Plan.

#### G. FINANCIAL IMPACT OF THE REDEVELOPMENT PROJECT

Without the adoption of this Redevelopment Project and Plan, and tax increment financing, the Redevelopment Project Area is not reasonably expected to be redeveloped by private enterprise. There is a real prospect that the blighted conditions will continue to exist and spread, and the whole area will become less attractive for the maintenance and improvement of existing buildings and sites. The possibility of the erosion of the assessed value of property which would result from the lack of a concerted effort by the City to stimulate revitalization and redevelopment could lead to a reduction of real estate tax revenue to all taxing districts.

Section A, B, & C of this Redevelopment Project and Plan describes the comprehensive redevelopment program proposed to be undertaken by the City to create an environment in which private investment can occur. The redevelopment program will be staged with various developments taking place over a period of years. If the redevelopment project is successful, various new private projects will be undertaken that will assist in alleviating blighted conditions, creating new jobs and promoting development in the area.

The Redevelopment Project is expected to have short and long term financial impacts on the taxing districts affected by the Redevelopment Plan. During the period when tax increment financing is utilized, real estate tax increment revenues (from the increases in Equal Assessed Valuation [EAV] over and above the certified initial EAV established at the time of adoption of this Project and Plan) will be used to pay eligible redevelopment project costs for the Tax Increment Financing District. At the end of the TIF time period, the real estate tax

revenues will be distributed to all taxing districts levying taxes against property located in the Redevelopment Project Area.

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#### H. DEMAND ON TAXING DISTRICT SERVICES

The following major taxing districts presently levy taxes on properties located within the Redevelopment Project Area: City of Chicago; Chicago Board of Education; Chicago School Finance Authority; Chicago Park District; Chicago Community College District; Metropolitan Water Reclamation District of Greater Chicago; County of Cook; and Cook County Forest Preserve District.

The proposed Redevelopment Plan involves the acquisition of vacant and under-utilized buildings, new construction of commercial and residential buildings, and the improvement of existing commercial buildings. Therefore, the financial burden of the redevelopment project on taxing districts is expected to be negligible.

Non-residential development, such as retail, commercial, office, hotel, public and institutional uses, should not cause increased demand for services or capital improvements on any of the taxing districts named above except for the Metropolitan Water Reclamation District. Replacement of vacant and under-utilized buildings and sites with active and more intensive uses will result in additional demands on services and facilities provided by the Metropolitan Water Reclamation District. However, it is expected that any increase in demand for treatment of sanitary and storm sewage associated with the Redevelopment Project Area can be adequately handled by existing treatment facilities maintained and operated by the Metropolitan Water Reclamation District.

Residential development may cause increased demand for services or capital improvements to be provided by the Board of Education, Community College District 508, Chicago Park District, Metropolitan Water Reclamation District, and City. New private investment in residential and non-residential development, and public investment in infrastructure improvements may increase the demand for public services or capital improvements provided by the City of Chicago and the Chicago Park District within and adjacent to the Redevelopment Project Area. These public services or capital improvements may include but are not necessarily limited to, the provision of additional open spaces and recreational



facilities by the Chicago Park District. However, it is not possible at this time to predict, with any degree of reliability, (i) the number or timing of new or rehabilitated residential buildings that may be added within the Redevelopment Project Area, or (ii) the increased level of demand for services or capital improvements to be provided by any taxing district as a result therefrom.

If successful, the implementation of the Redevelopment Project may enhance the values of properties within and adjacent to the Redevelopment Project Area.

#### I. PROGRAM TO ADDRESS FINANCIAL AND SERVICE IMPACTS

As described in detail in prior sections of this report, the complete scale and amount of development in the Redevelopment Area cannot be predicted with complete certainty at this time and the demand for services provided by those taxing cannot be quantified at this time.

As indicated in Section D, Estimated Redevelopment Project Costs of the Redevelopment Project and Plan, the City plans to provide public improvements and facilities to service the Redevelopment Project Area. Such improvements may mitigate some of the additional service and capital demands placed on taxing districts as a result of the implementation of this Redevelopment Project and Plan.

**PROVISION FOR AMENDING ACTION PLAN**

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The LINCOLN/BELMONT/ASHLAND Redevelopment Project Area Tax Increment  
Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

## AFFIRMATIVE ACTION PLAN

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The City is committed to and will affirmatively implement the following principles with respect to the LINCOLN/BELMONT/ASHLAND Redevelopment Project Area.

- A. The assurance of equal opportunity in all personnel and employment actions with respect to the Plan and Project, including but not limited to: hiring, training, transfer, promotion, discipline, fringe benefits, salary, employment working conditions, termination, etc., without regard to race, color, religion, sex, age, handicapped status, national origin, creed, or ancestry.
  
- B. 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.

## LEGAL DESCRIPTION

That part of the Southeast Quarter of Section 19 and the Southwest Quarter of Section 20, both in Township 40 North, Range 14 East of the Third Principal Meridian, bounded and described as follows:

Beginning at the intersection of the centerline of North Lincoln Avenue with the centerline of North Ashland Avenue, being also the East line of said Southeast Quarter of Section 19 and the West line of said Southwest Quarter of Section 20; thence northwesterly along said centerline of North Lincoln Avenue, a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet to the centerline of North Marshfield Avenue; thence northerly along said centerline of North Marshfield Avenue, 242.31 feet to the Westerly extension of the North line of the South 10.00 feet of Lot 33 in Block 8 in G.H.A. Thomas' Subdivision of Blocks 8 and 9 of L. Turner's Subdivision of the Northeast Half of the East Half of the Southeast Quarter of Section 19, aforesaid; thence easterly along said North line and the westerly extension thereof, 157.88 feet to the East line of said Lot 33; thence southerly along said East line, 10.00 feet to the Southeast corner thereof; thence easterly along the North line and the westerly extension thereof, of Lot 17 in said Block 8, a distance of 123.90 feet to the Northeast corner thereof; thence easterly at right angles to the East line of said Lot 17, a distance of 50.00 feet to the centerline of North Ashland Avenue, aforesaid; thence northerly along said centerline, 66.99 feet to the westerly extension of the North line of Lot 19 in Block 1 of Sickel and Hufmeyer's Subdivision of the South Half of the North Half of the Southwest Quarter of the Southwest Quarter of Section 20, aforesaid; thence easterly along the North line of said Lot 19 and said westerly extension and the easterly extension of said North line, and the North line of Lots 9 through 18, inclusive, being also the South line of West Henderson Street, 426.00 feet to the Northeast corner of said of Lot 9; thence southerly along the East line of said Lot 9, a distance of 125.20 feet to the southeast corner thereof; thence westerly along the South line of said Lot 9, a distance of 16.00 feet to the Northerly extension of the East line of the West 9.00 feet of Lot 38 in said Block 1; thence Southerly along the East line of said 9.00 feet, and said northerly extension thereof, and the southerly extension thereof, 174.21 feet to the centerline of West School Street; thence westerly along said centerline, 410.14 feet to the centerline of North Ashland Avenue, aforesaid; thence southerly along said centerline of North Ashland Avenue, 670.32 feet to the centerline of North Lincoln Avenue, aforesaid, being the place of beginning, in Cook County, Illinois.

Gross Land Area 8.9631 Acres/ Net Usable Area 5.4263 Acres

TABLE 1

**ESTIMATED REDEVELOPMENT PROJECT COSTS**

Program Action/Improvements

Land Acquisition	\$ 6,000,000
Demolition	\$ 535,000
Environmental Remediation	\$ 300,000
Renovation of Existing Structures	\$ 3,135,000
Site Preparation	\$ 270,000
Public Improvements	\$ 32,000
Planning, legal, studies	\$ 470,000

TOTAL PROJECT COST\* \$ 10,742,000

\*Exclusive of capitalized interest, issuance costs and other financing costs

**TABLE 2**  
**1992 EQUALIZED ASSESSED VALUATION**

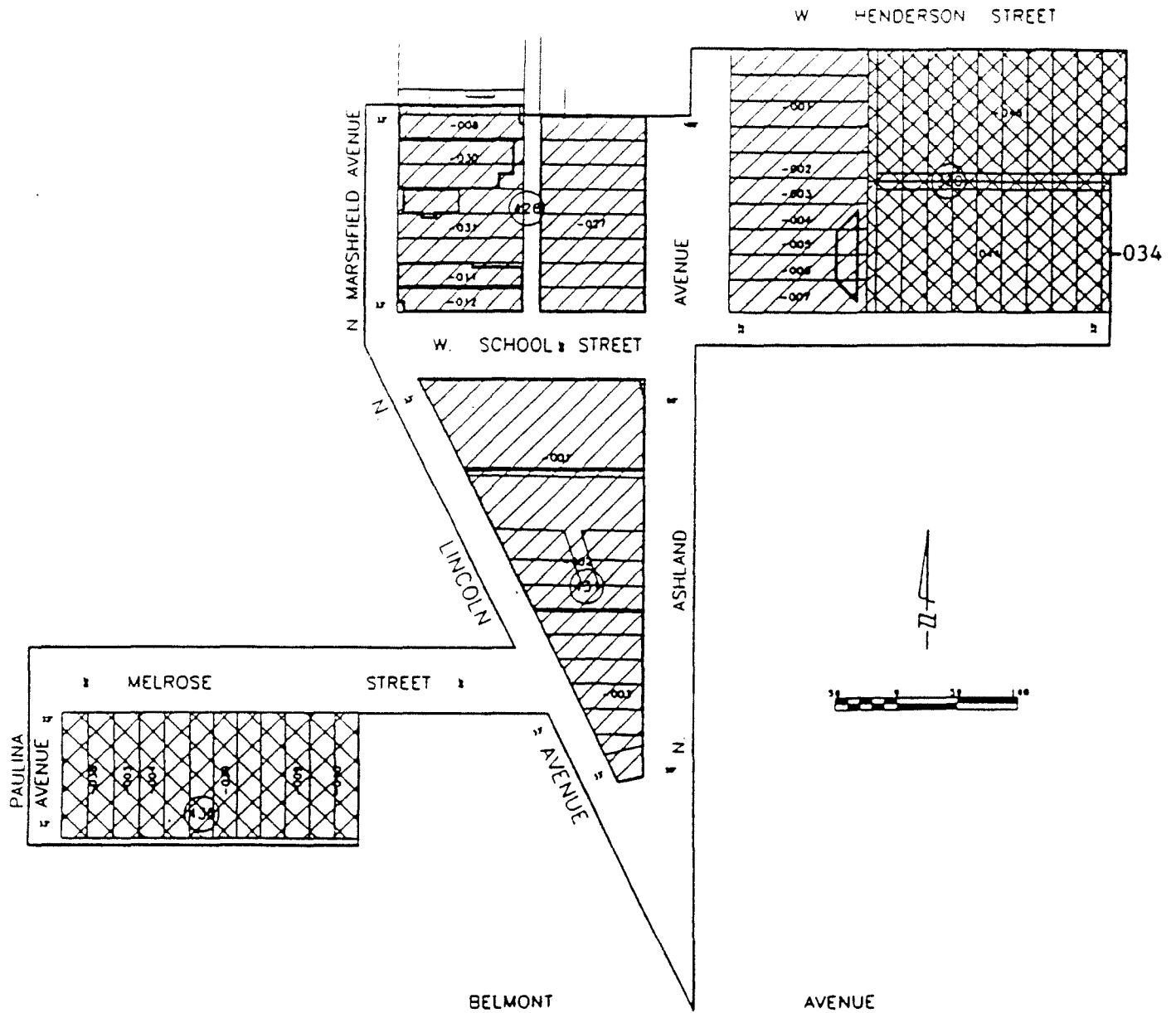
Perm Index #	1992 EAV
14-19-426-008	\$44,544
-011	\$29,082
-012	\$24,824
-027	\$179,424
-030	\$51,806
-031	\$93,713
14-19-431-001	\$262,569
-002	\$99,186
-003	\$544,145
14-19-435-003	EXEMPT
-004	EXEMPT
-009	EXEMPT
-038	EXEMPT
-039	EXEMPT
-040	EXEMPT
14-20-320-001	\$148,680
-002	\$37,134
-003	\$90,787
-004	\$90,787
-005	\$90,787
-006	\$90,787
007	\$100,061
-034	\$2,104
-043	\$120,875
-044	\$109,103
<b>TOTALS</b>	<b>\$2,210,398</b>



## MAPS

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- Map 1                      Redevelopment Project Boundaries
- Map 2                      Existing Land-Use
- Map 3                      Redevelopment Plan / Proposed Land-Use

# LINCOLN BELMONT ASHLAND AREA T.I.F.



-  Retail / Commercial
-  Parking / Vacant

Lincoln / Belmont / Ashland  
 Eligibility Study  
 City of Chicago  
 June, 1994  
 Prepared By: Louik / Schneider & Associates, Inc.



EXHIBIT A

PLAN AMENDMENT NO. 1

July 8, 1998

Lincoln-Belmont Ashland Redevelopment Area  
Redevelopment Plan and Project

The Lincoln-Belmont-Ashland Redevelopment Plan and Project (the "Plan") of the City of Chicago approved by Ordinance of the City Council of Chicago on November 2, 1994, is amended by the following deletions and insertions:

On the Cover: Added text: "Amended July, 1998"

On Page 1 - Introduction:

In the first paragraph, the following text is deleted:

"...and Paulina Street... and Melrose Streets"

On Page 5 - Redevelopment Project Area and Legal Description

In the first paragraph, the following text is deleted:

"...and Paulina Street... and Melrose Streets"

In the legal description, the following text is deleted:

a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet"

And the following text is inserted:

"A distance of 744.00 feet more or less"

~~On Page 6 the following text is deleted: "Gross land Area 8.9651 Acres  
Net usable Area 5.4263 Acres"~~

On Pages 9-11, Blighted Area Conditions Existing in the Redevelopment Project Area:

In Sections 1 through 9 inclusive, references to "4 blocks" are replaced by "3 blocks"

On Page 13, Section 1 - Assemblage of Sites:

The following text is deleted:

"identified in Map 3 Redevelopment Plan, attached hereto and made a part hereof."

On page 16, the following text is deleted:

"Section 5. The property along Melrose and Paulina, the City-owned parking lot, will not be redeveloped at this time. The lot may be resurfaced or redeveloped at a later date."

"...and Paulina Street... and Melrose Streets"

On page 28 Legal Description:

the following text is deleted:

"a distance of 339.65 feet to the easterly extension of the South line of Melrose Street; thence westerly along said South line and the easterly extension thereof, 184.06 feet to the Northeast corner of Lot 41 in Block 10 in Gross' North Addition to Chicago in the Southeast Quarter of Section 19, aforesaid; thence southerly along the East line of said Lot 41 and the southerly extension thereof, 133.00 feet to the centerline of the East-West Public Alley, being 16 feet in width, in said Block 10; thence westerly along said centerline and the westerly extension thereof, 326.00 feet to the centerline of North Paulina Avenue; thence northerly along said centerline, 199.00 feet to the westerly extension of the North line of Melrose Street, aforesaid; thence easterly along said North line and the westerly and easterly extensions thereof, 477.37 feet to the centerline of North Lincoln Avenue, aforesaid; thence northwesterly along said centerline, 334.60 feet"

and the following text is inserted:

"a distance of 744.00 feet more or less"

and the following text is deleted: "Gross land Area 8.9631 Acres  
Net usable Area 5.4263 Acres"

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On Page 30. Table 2:

the following text is deleted:

14-19-435-003	EXEMPT
14-19-435-004	EXEMPT
14-19-435-009	EXEMPT
14-19-435-038	EXEMPT
14-19-435-039	EXEMPT
14-19-435-040	EXEMPT

Map 1. Redevelopment Project Boundaries. is replaced by "Map 1. Project Boundaries. July, 1998"

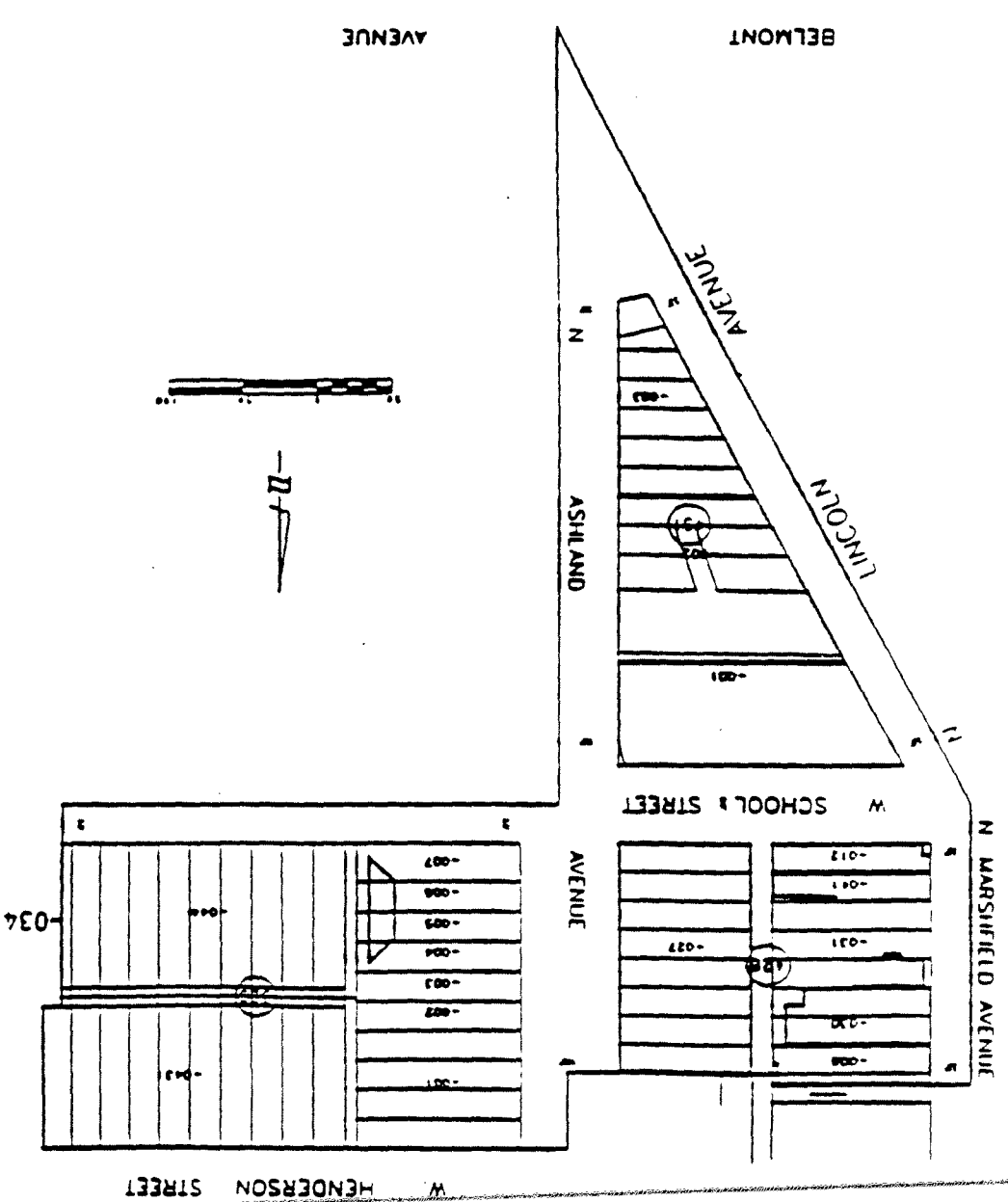
Map 2. Existing Land Use. is replaced by "Map 2. Existing Land Use. July, 1988"

Map 3. Redevelopment Plan / Proposed Land Use. is replaced by "Map 3. Proposed Land Use. July, 1998"

BELMONT ASHLAND AREA T.I.F.

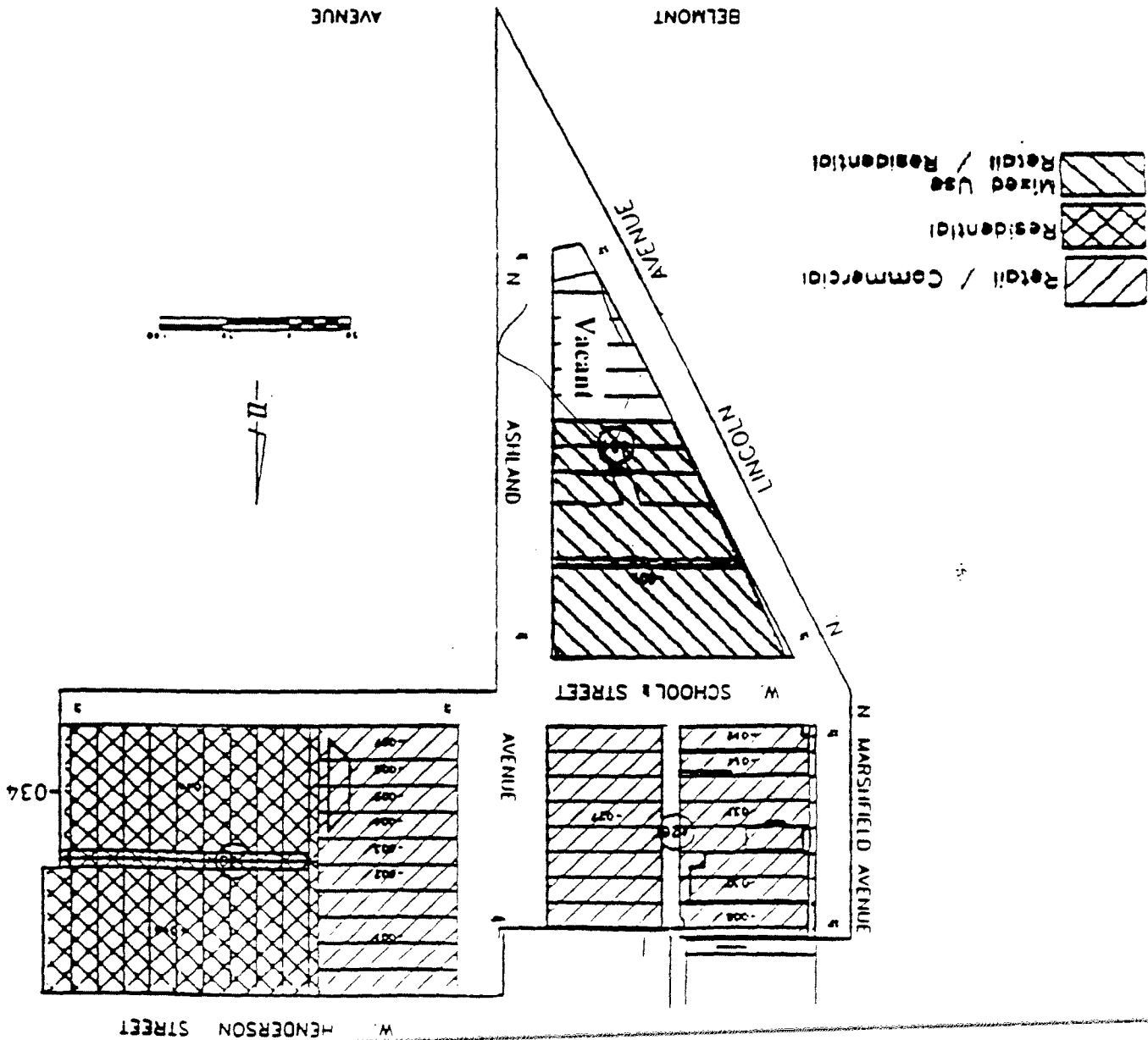
Lincoln / Belmont / Ashland  
July, 1998

PROJECT BOUNDARY



Lincoln / Belmont / Ashland  
 July, 1998

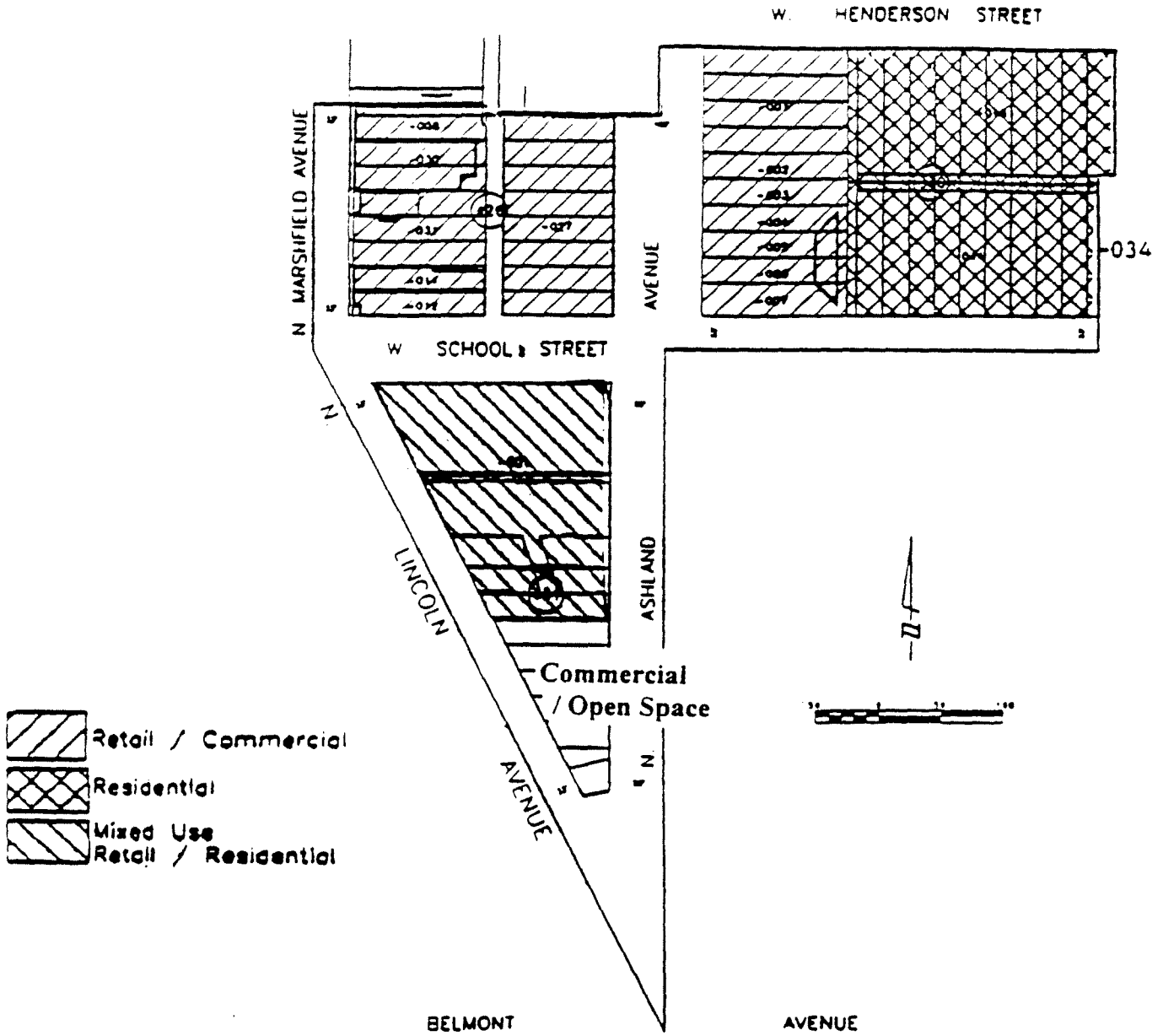
PROJECT BOUNDARY






BELMONT ASHLAND AREA ZUE

EXISTING LAND USE

BELMONT ASHLAND AREA T.I.F.



-  Retail / Commercial
-  Residential
-  Mixed Use  
Retail / Residential

————— PROJECT BOUNDARY

Lincoln / Belmont / Ashland

July, 1998

Exhibit B

Street Boundary Description  
Lincoln-Belmont-Ashland  
Tax Increment Financing District

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The Area is generally bounded by Belmont Avenue and School Street on the south, Paulina and Marshfield Avenues on the west, Melrose and Henderson Streets on the north, and Ashland Avenue and the alley east of Ashland on the east