

EXHIBIT B
ORDINANCE 47-0-90
REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT

CITY OF EVANSTON
SOUTHWEST INDUSTRIAL CORRIDOR (SWIC)
TAX INCREMENT REDEVELOPMENT AREA
REDEVELOPMENT PLAN AND PROJECT

(April 18, 1990)

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I. INTRODUCTION

The City of Evanston, Illinois, is a community of approximately 75,000 and is generally bordered on the east by Lake Michigan, on the south by the City of Chicago, on the west by the Village of Skokie and on the north by the Village of Wilmette. The City lies in Cook County and is located twelve (12) miles north of Chicago's Loop. Incorporated in 1863, the City today is the oldest, one of the largest and most diverse suburbs of Chicago, with many amenities such as an established business environment, quality housing stock, a vast public transportation system, excellent public schools and is the home of Northwestern University as well as three other institutions of higher learning.

The City has grown through the years primarily due to annexation (the Villages of North Evanston and South Evanston were annexed prior to 1892) and the increased enrollment and employment at Northwestern University, still the City's largest employer. The extension of the Chicago rapid transit system to Evanston and north to Wilmette added to the population growth throughout the early and mid-1900's.

In 1921, the Evanston City Council adopted its first zoning ordinance which was the first in the State to prevent overcrowding of land and to include provisions to separate business and industrial areas from residential neighborhoods. Today, Evanston has retained its residential character, yet it has grown with respect to its commercial and industrial base. Once the key retail center for the North Shore, north Chicago and the northwest suburbs, much retail space has been converted to office and residential space, which contributes to a more service-oriented environment in the City's downtown. Today, downtown Evanston is considered viable and well-maintained, having escaped much of the deterioration and abandonment that has impacted other older urban communities.

A strong indication of the City's viability is the public/private initiative between the City, Northwestern University and the Charles H. Shaw Company to develop a Research Park adjacent to the City's Central Business District. The Northwestern University/Evanston Research Park is located within the City's first Tax Increment Finance (TIF) District (established in 1985) and a substantial redevelopment program has thus far been initiated.

Another area of the City is now being considered for potential redevelopment, the area generally known as the City's southwest industrial corridor (SWIC). This portion of the City's industrial base had gradually begun to deteriorate by the early 1980's. It's decline has primarily been due to periodic vacancies by various industrial enterprises, the establishment of incompatible uses in and surrounding the industrial area, the abandonment of the Mayfair Railroad rail line running through the area, and the lack of investment by both the public and private sectors in maintaining the area as a safe, pleasant and functional environment.

For these and other reasons, the area today suffers from uncoordinated, sporadic development which has been limited to some retail, light industrial and automotive uses. Approximately 13 commercial and industrial facilities are currently located around the perimeter and within the area which includes a series of vacant, underutilized and/or blighted lots, creating an unassembled, unfinished appearance. There are specific factors that further impede development of the area which include poor access and badly configured parcels, poor or inadequate buffering between industrial and residential areas and land assembly problems.

The absence of a significant development within this area will likely prevent the City from achieving a 'highest and best use' of the land, as well as from realizing increased potential real estate and/or sales tax receipts from any possibility for significant increase in the assessed valuation of the area.

Further, the City, with its large numbers of residents desirous of preserving existing employment as well as the creation of local job opportunities, is determined to address these concerns.

The Redevelopment Project Area (RPA)

The proposed Southwest Industrial Corridor Redevelopment Project Area (RPA) was originally part of a larger area studied by the City in its TIF eligibility analysis. The original area was approximately 56 acres bounded roughly by Main Street, Oakton Street, Pitner and Hartrey Streets, and the City limits. (See Map 1.) This study area has now been redefined into two (2) potential redevelopment areas -- Phase I and Phase II. Phase I is the proposed RPA and includes parcels located on approximately twelve (12) acres of land. Phase II represents a total of approximately 20 acres of land. The City of Evanston's TIF Qualification Report dated April, 1990 includes both Phase I and Phase II in the study. (See Maps 1A and 1B.)

Both Phase I and Phase II have been found in the Qualification Report to qualify for RPA designation but the City is recommending in this Redevelopment Plan and Project to consider adoption of only Phase I as a proposed RPA. It is important to note, however, that the City's choice to consider only Phase I in this Plan does not preclude its future conderation for RPA designation of Phase II as either a possible amendment to this Plan or as a separate RPA.

The proposed RPA includes an area which is primarily deteriorating with some commercial and industrial-related facilities. It is part of a strip of manufacturing - zoned property which runs at a northeast diagonal along the now-abandoned Mayfair Rail line. The proposed area is roughly bounded by Main Street on the north, Pitner Avenues on the east, the northern boundary of the Rustoleum property to the south, and the North Shore Channel/City boundaries and the Main Street Commons Shopping Plaza on the west. (See Map 1 and Appendix A for a legal description, attached hereto and made a part of this Plan.) All of the land in the proposed RPA is zoned for either manufacturing or commercial use. (See Map 2 for a Sidwell version of the proposed RPA).

Most of the improvements in the proposed RPA have become obsolete, and deteriorated and the values of the properties has depreciated. Some of the lots prior to becoming vacant showed evidence of becoming blighted. There is evidence of deleterious land use in its historical development, inadequate utilities, and an absence of effective community planning for the area.

There are two (2) specific areas adjacent to the proposed RPA which have been affected by the deterioration within the proposed RPA and which have contributed to the aforementioned problems in the proposed area. The first area includes the Main Street Commons Shopping Plaza (a portion of the Plaza was built in the late 1970's and was completed in 1983) located along the western boundary of the proposed RPA which currently suffers from numerous vacancies and access/layout difficulties onto the site. Portions of the Plaza are functionally obsolete and there has been an apparent lack of planning with respect to this site, namely in reference to the site's poor visibility from major roadways surrounding the shopping plaza.

The second area, located adjacent to the southeast end of the proposed RPA, contains the previously mentioned, vacant Rustoleum property. This company at one time employed over 300 people and provided substantial real estate taxes to the City annually. It is highly likely the Rustoleum property could be fully incorporated into the proposed RPA; however, the City has determined that it is not appropriate to do so until the property has been demolished. This area may be considered at a later date as a Redevelopment Project Area - Phase II and/or as another special economic district.

The City is desirous of attracting significant private market redevelopment of this area primarily due to the location of the proposed RPA to nearby residential neighborhoods. It is also important to the economic goals of the City to attract and retain enterprises which strengthen Evanston's economic base, as well as to expand the City's manufacturing base.

In summary, the proposed Redevelopment Project Area on the whole has not been subject to significant growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of a redevelopment plan. The City has prepared this redevelopment plan to use tax increment financing in order to address its needs and meet its redevelopment goals and objectives.

The Redevelopment Plan

After more than two (2) years of intensive study by the City's Economic Development Committee and Plan Commission, the City of Evanston has determined that a well-planned, attractive area combining a mix of uses (including both industrial and commercial) would be most advantageous to the area. The City plans to involve itself in the attraction of quality developments and other businesses to create new intensive real estate improvements to the area. The residential neighborhoods, and the commercial and industrial areas to be contained in and surrounding the district are expected to benefit from said development through the various infrastructure improvements the City intends to make in conjunction with this development. The overall improvements to the area should serve to stabilize and enhance property values of commercial and retail structures and single-family residences located within or proximate to the proposed RPA.

The City of Evanston recognizes the need for implementation of a strategy to revitalize the area, create jobs within the boundaries of the proposed RPA, and strengthen and diversify the City's economy. The Redevelopment Plan will address the re-use of the property located within the proposed RPA for industrial and commercial/ retail uses that result in new property, sales and utility taxes and other revenues to the City. The industrial uses specifically contemplate light production/manufacturing, assembly and distribution and combined 'flex-tech' facilities. Encouragement of the utilization of the site will serve to spur investment and provide for the continued enhancement of the immediate area. The proposed Redevelopment Plan provides for a modern, market-oriented re-use of the property.

The needed public investment will be possible only if tax increment financing is adopted pursuant to the terms of the Tax Increment Allocation Redevelopment Act (the "Act"). Other public resources may have to be made available to attract the very needed private investment to develop the area. Property and local sales tax incremental revenue generated by the development may play a decisive role in encouraging the private development of the proposed RPA.

Conditions of obsolescence and underutilization that have precluded intensive private investment in the past will be addressed. Through this proposed Redevelopment Plan and Project, the City will serve as the central force for marshalling the assets and energies of the private sector for a unified cooperative public-private redevelopment effort. In this regard, the City will serve as a catalyst for coordinating a successful redevelopment of the area. Ultimately, the implementation of the Redevelopment Plan and Project will benefit the City and all the taxing districts which encompass the proposed RPA in the form of a significantly expanded tax base.

On November 15, 1989, the City Council adopted a Resolution (Resolution No. 53-R-89) indicating its intent to use Tax Increment Financing (TIF) for the redevelopment of the area described herein. Redevelopment of the proposed RPA is tenable only if a portion of the improvements are funded by tax increment financing.

The adoption of this Redevelopment Plan and Project makes possible the implementation of a comprehensive program for the economic redevelopment of the proposed area. By means of public investment, the proposed RPA will become an improved, more viable environment that will attract private investment and diversify the City's tax base.

Pursuant to the Act, the proposed RPA includes only those contiguous parcels of real property and improvements thereon substantially benefitted by the redevelopment project. Also pursuant to the Act, and which can be evidenced above, the RPA is not less in the aggregate than 1 1/2 acres.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The proposed Redevelopment Project Area is legally described in Appendix A.

III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The goals of the City for the proposed RPA (as expressed in this Plan), conform to the Land Use Element of the Evanston Comprehensive General Plan, adopted in April, 1986. A broadened, diversified tax base is necessary to maintain essential public services to the City and strengthen its economy. The Redevelopment Plan will also provide for expanded industrial and retail opportunities and developments to be undertaken within the City. Specific policies related to the development of the proposed RPA are provided in Appendix B.

General Goals

- 1) Strengthen Evanston's economic position, thus improving the quality of life provided through services and personal prosperity of residents.
- 2) Provide and maintain an attractive community that creates a positive public image and encourages individuals, families and businesses to locate and remain within the community.

Specific Objectives

- 1) Attract and retain enterprises which strengthen Evanston's economic base.
- 2) Establish and maintain a safe, pleasant, and functional environment in the City's commercial and industrial areas while encouraging new economic development.
- 3) Preserve existing employment and create additional local job opportunities.
- 4) Promote a positive community image through maintenance of public and private facilities.
- 5) Identify, maintain and enhance the positive physical elements of Evanston which create Evanston's visual character.
- 6) Strengthen the positive image of the community by emphasizing attention to design in development and rehabilitation of public as well as private facilities.

IV. CONSERVATION AREA CONDITIONS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Findings

The proposed Redevelopment Project Area was studied to determine its qualifications as a "conservation area" with respect to the improved portions of the area as such terms are defined in the Tax Increment Allocation Redevelopment Act (the "Act"), Illinois Revised Statutes, Section 11-74.4-3. Refer to Appendix C for a Qualification Report which includes a summary of conservation and blighting factors, findings for this proposed RPA, and a list of existing qualification factors for the area. Such findings include the age factor, lack of community planning, depreciation of physical maintenance, deterioration, deleterious land use/layout, inadequate utilities and obsolescence. See Map 3 for a summary of conservation and depreciation factors found in the proposed RPA.

Eligibility Survey

The entire designated Redevelopment Project Area was evaluated in September, 1988 - February, 1990 by representatives from the City of Evanston, Kane, McKenna and Associates, Inc. and a professional planning consultant. In such evaluation, only information was recorded which would directly aid in the determination of eligibility for a tax increment finance district.

V. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

The City of Evanston proposes to realize its goals and objectives of encouraging the development of the RPA and encouraging private investment in commercial/retail and industrial redevelopment projects through public finance techniques including, but not limited, to Tax Increment Financing. The following represents the general project goals for Tax Increment Financing Districts and defined by statute and represent the general objectives for the City. They are all inclusive and may exceed the City's specific actions as planned for this time.

- (1) By implementing a plan that addresses the redevelopment costs of land acquisition and assembly, street vacation, site preparation, demolition/removals, and provision of infrastructure improvements or rehabilitation of existing facilities that may be necessary for adaption to a market oriented reuse of sites in the RPA, improving the City's tax base and diversifying the local economy.
- (2) By improving public facilities that may include, but not be limited to:
 - i. Street improvements
 - ii. Utility improvements (including water, storm water management and sanitary sewer improvements, detention/retention ponds, if necessary)
 - iii. Landscaping and/or streetscaping
 - vi. Parking improvements (which may include structures/public facilities
 - vii. Signalization, traffic control and lighting
- (3) By entering into redevelopment agreements with developers for qualified redevelopment projects.
- (4) By improving existing structures or site improvements.
- (5) By utilizing interest cost write down pursuant to provisions of the Act.
- (6) By considering the payment of interest costs of a redeveloper related to the construction, renovation or rehabilitation of the redevelopment project.
- (7) By exercising other powers set forth in the statute as the City deems necessary.

B. Redevelopment Activities

Pursuant to the foregoing objectives, the City of Evanston will implement a coordinated program of actions, including, but not limited to, land acquisition, site assembly/ preparation, demolition/removals, infrastructure improvements and upgrading, and provision of public improvements such as landscaping and parking, where required. Land acquisition may be undertaken based upon specific redevelopment proposals for right-of-way improvements.

Public Improvements

In accordance with its estimates of tax increment and other available resources, the City of Evanston will provide public improvements in the proposed RPA to enhance the immediate area as a whole, to support the Redevelopment Project and Plan, and to serve the needs of Evanston residents. Appropriate public improvements may include, but are not limited to:

- vacation, removal, resurfacing, paving, widening, construction, turn islands, construction or reconstruction of curbs and gutters, traffic signals, and other improvements to streets, alleys, pedestrianways, and pathways: including the acquisition of rights-of-ways for construction, reconstruction and/or extension of street, alleys and pedestrian ways;
- site preparation costs (including addressing environmental concerns);
- reconfiguration of existing rights-of-way and/or creation of new rights-of-way;
- development or improvement of open spaces and plazas for public leisure and/or recreation;
- demolition of any obsolete structure or structures;
- improvements of public utilities including construction or reconstruction of water mains, as well as sanitary sewer and storm sewer, detention ponds, and streetlighting;
- beautification, landscaping, lighting, buffering, parking improvements and signage of public properties; and

- job training for area residents eligible for employment in the development of the project.
- land acquisition as required to further goals of said Plan.

Recommended public improvements are shown on page 18. The City may determine at a later date that certain improvements are no longer needed or appropriate, or may add new improvements to the list. The type of public improvement and cost for each item is subject to City Council approval and to the execution of a redevelopment agreement for the proposed project, in a form acceptable to the City Council.

Acquisition and Clearance

The City may determine that to meet redevelopment objectives it may be necessary to participate in property acquisition in the Redevelopment Project Area or use other means to induce transfer of such property to a private developer.

Clearance and grading of existing properties to be acquired will, to the greatest extent possible, be scheduled to coincide with redevelopment activities so that parcels do not remain vacant for extended periods of time and so that the adverse effects of clearance activities may be minimized.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of this Redevelopment Plan or the projects implemented pursuant to this Redevelopment Plan and the owner(s) agree(s) to rehabilitate or redevelop the property, if necessary, in accordance with the objectives of the Plan as determined by the City of Evanston.

Property which has been acquired may be made available for temporary public or private revenue producing uses which will not have adverse impacts on the redevelopment area, until such time as they are needed for planned development. Such revenues, if any, could accrue to the proposed Redevelopment Project Area.

Land Assembly and Disposition

Certain properties to be acquired by the City, and certain properties presently owned by the City (e.g., street rights-of-way and public facilities) may be assembled into appropriate redevelopment sites and/or rights-of-way. Property assembly activities may include use of the City's eminent domain power. These properties may be sold or leased by the City to a private developer in whole or in part, for redevelopment subject to invitation for proposal requirements of the Illinois tax increment law. The City may amend this plan in the future.

Terms of conveyance shall be incorporated into appropriate disposition agreements, and may include more specific restrictions than contained in this proposed Redevelopment Plan or in other municipal codes and ordinances governing the use of land.

Demolition and Site Preparation

Some of the buildings located within the proposed RPA may have to be reconfigured to accommodate new users. Partial demolition may be necessary as well as removal of debris. Additionally, the Redevelopment Plan contemplates site preparation or other requirements necessary to prepare the site for new uses. All of the above will serve to enhance site preparation for the desired redevelopment.

Interest Cost Write-Down

Pursuant to the Act, the City may allocate a portion of incremental tax revenues to reduce the interest cost incurred in connection with redevelopment activities, enhancing the redevelopment potential of the proposed RPA.

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 this Redevelopment Plan.

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

C. General Land Use Plan

Existing land uses in the proposed RPA are primarily commercial and industrial land, as shown in Map 4. Map 5 designates the intended general land uses identified for the Redevelopment Project Area, which includes commercial/retail, and industrial uses, and which is not considered a significant change in the overall use of the proposed RPA.

The Redevelopment Project shall be subject to the provisions of the City of Evanston Zoning Ordinance as such may be amended from time to time. The proposed land uses conform to the Comprehensive General Plan for the City of Evanston.

D. Additional Controls and Design Criteria

The following controls and criteria shall apply to redevelopment in the Redevelopment Project Area. Design guidelines may be expanded to include local concerns.

1. General

- (a) Redevelopment shall complement existing surrounding activities in use, scale and quality of materials.
- (b) Mixed-use development and visual/functional interrelationships are encouraged so that the entire area may appear and function as an integrated whole.

2. Pedestrian Access

Where appropriate, design layout shall facilitate internal pedestrian circulation and movement between major traffic generators and parking facilities.

3. Streetscapes/Building Facades

The Redevelopment Project Area will be designed consistent with contemporary urban industrial park and retail/commercial facilities. Design importance will be stressed in the treatment of streetscapes, and the relationships of building facades.

4. Open Spaces

Small plazas and open spaces are encouraged to provide vistas and attractive areas for employees of the industrial/commercial area. Such areas can often be created from limited building setbacks.

5. Parking and Buffering

Development should provide for an adequate supply of appropriately located short-term and long-term parking spaces. Parking structures should be visually integrated with other development. Buffering, screening, or landscaping should be used to make parking facilities as attractive as possible.

6. Signs

The design and use of signs shall be in keeping with the area's overall architectural character and shall be coordinated in type, size and location with those in nearby developments, all in accordance with the City's sign ordinance.

7. Utilities

Wherever possible, all utility lines should be located underground.

Additional planning and design controls may be included in each land disposition and/or redevelopment agreements with developers.

E. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the TIF statute, and any such costs incidental to this Redevelopment Plan and Project. Private investments which supplement "Redevelopment Project Costs" are expected to substantially exceed such redevelopment project costs. Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan and Project to be considered by the City may be:

1. Costs of studies and 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, other special 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 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 pursuant to the Act 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 in furtherance of the objectives of the redevelopment plan and project, to the extent the City by written agreement accepts and approves such costs;
8. Relocation costs to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
9. 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 the Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the

program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code.

10. If deemed prudent by the City Council of the City for the redevelopment project, interest costs incurred by the redeveloper related to the construction, renovation or rehabilitation of the redevelopment project provided that:
 - (a) such costs are to be paid directly from the special tax allocation fund established pursuant to the Act; and
 - (b) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; and
 - (c) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph (10) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and
 - (d) the total of such interest payments incurred pursuant to the Act may not exceed 30% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to the Act.

11. Payments in lieu of taxes.

In the event the City of Evanston issues debt pursuant to its general obligations under the Act or pursuant to its home rule powers, the proceeds of which are used to pay redevelopment project costs:

- (a) In any year during which said obligations are outstanding and funds in the special tax allocation fund are insufficient to pay principal and interest when due, the City shall cover such shortfall in payment in accordance with the terms of the obligations, and any such payments made by the City shall be repaid in full to the City from the special tax allocation fund from subsequent available tax increment revenues from improved taxable lots or parcels of real property prior to the creation of any surplus funds.
- (b) In any year during which said obligations are outstanding and funds in the special tax allocation fund are sufficient to pay the next due principal and interest, but it is anticipated that in subsequent years funds may be inadequate to make the current payments of principal and interest, then the City may create such reserves from the funds as it may deem appropriate to enable it to make future payments of principal and interest under said obligations. Amounts in any such reserve shall not be deemed to be surplus funds. Real estate tax increment revenues which constitute funds in the special tax allocation fund for the purpose of this paragraph include only tax increment revenues from improved taxable lots or parcels of real property.

Estimated costs are shown in the next section.

REDEVELOPMENT PROJECT - ESTIMATED PROJECT COSTS ELIGIBLE UNDER ILLINOIS TIF STATUTE. THESE ARE POTENTIAL COSTS TO BE EXPENDED OVER A PERIOD OF 23 YEARS BUT SOLELY DETERMINED BY THE CITY TO FUND AS NEEDED. (Note: This summary does not include private redevelopment costs, and each cost item is based upon standard amounts for other similar type projects.)

<u>Program Action/Improvement</u>	<u>Estimated Costs(A)</u>
1. Land Acquisition/Demolition/Site Preparation/Relocation	\$ 850,000
2. Utility Improvements/Resconstruction and Reconfiguration of Parking, Rights-of-Way and Street Improvements/ New Construction	2,400,000
3. Interest Costs Pursuant to the Act	200,000
4. Planning, Legal, Engineering, Administrative, Job Training or Other Professional Service Costs	300,000
5. Contingencies	250,000
TOTAL ESTIMATED COSTS	<u>\$4,000,000</u>

(A) All project cost estimates are in 1990 dollars. In addition to the above stated costs, any of bonds issued to finance a phase of the project may include an amount of proceeds sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. Each individual project cost will be re-evaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of line items set forth above are not intended to place a total limit on the described expenditures. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

Adjustments to these cost items may be made without amendment to the Redevelopment Plan as long as the total project expenditures remain unchanged.

F. Sources of Funds to Pay Redevelopment Project Costs Eligible Under Illinois TIF Statute

Funds necessary to pay for public improvements and other project costs eligible under the TIF statute are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project.

"Redevelopment Project Costs" specifically contemplate those eligible public costs set forth in the Illinois statute and do not contemplate the preponderance of the costs to redevelop the area. The majority of development costs will be privately financed, and TIF or other public sources are to be used only to lever and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the tax increment obligations, if any, and to directly pay redevelopment project costs shall be the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the proposed RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 1988 tax year.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: certain local sales taxes, special service area taxes, the proceeds of property sales, unlimited property taxes if the obligations are general obligations of the City, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the City of Evanston may from time to time deem appropriate.

The proposed Redevelopment Project Area would not reasonably be expected to be developed without the use of the incremental revenues provided by the Act.

G. Nature and Term of Obligations to be Issued

The City may issue obligations secured by the tax increment special tax allocation fund established for the Redevelopment Project Area pursuant to the Act or such other funds or security as are available to the City by virtue of its powers pursuant to the Illinois State Constitution.

Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three (23) years from the date of adoption of the ordinance approving the Redevelopment Project Area. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year on all obligations shall not exceed the amounts available in that year, or projected to be available in that year, from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions.

H. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Project Area

The most recent estimate of equalized assessed valuation of the property within the RPA is approximately \$1,032,000, which is the 1988 equalized assessed valuation. The Boundary Map, Map 1, shows the location of the RPA. Also, Appendix D depicts 1988 Equalized Assessed Values by parcel within the RPA.

I. Anticipated Equalized Assessed Valuation

Upon completion of the anticipated private development of the Redevelopment Project Area by the year 1994, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will be increased by approximately \$2,000,000. The estimate assumes a constant Cook County equalization factor (multiplier) of 1.9266 and 1990 dollars.

VI. SCHEDULING OF REDEVELOPMENT PROJECT

A. Redevelopment Project

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. Such strategy will contribute to a realistic approach in funding the Project while assuring the City the ability to fund the Project it deems to have the highest priority.

The Redevelopment Project will require an estimated five (5) years to complete.

The Redevelopment Project will begin as soon as the development entity (or entities) have identified market uses for the sites and such uses are conformant with City zoning and planning requirements. Depending upon the scope of the development as well as the actual uses, the following activities may be included:

Land Assembly and Disposition: Certain properties in the RPA may be acquired by the City and may be assembled into an appropriate redevelopment site. These properties may be acquired by the City, subject to City Council approval, and subsequently sold or leased by the City to the developer for redevelopment of the site.

Demolition and Site Preparation: The existing structures located within the RPA may have to be reconfigured or prepared to accommodate new uses. Partial demolition may be necessary as well as removal of debris. Additionally, the redevelopment plan contemplates site preparation, or other requirements necessary to prepare the site for the desired redevelopment.

Landscaping/Buffering/Streetscaping/Parking: The City may fund certain landscaping and parking projects which serve to beautify and improve access to public properties or rights-of-way and provide buffering between land uses.

Water, Sanitary Sewer, Storm Sewer and Other Utility Improvements: The City may extend or re-route certain utilities to serve or accommodate the new development. Upgrading of existing utilities may be undertaken. The provision of necessary detention or retention ponds may also be undertaken by the City.

Roadway/Street/Park Improvements: Widening of existing roads and/or vacation of roads may be undertaken by the City. Certain secondary streets/roads may be extended or constructed by the City. Related curb, gutter, and paving improvements could also be constructed as needed. Sidewalk and park improvements ancillary to the above may also be carried out.

Traffic Control/Signalization: The City may construct necessary traffic control or signalization improvements that improve access to the RPA and enhance its redevelopment.

Public Safety Related Infrastructure: The City may construct certain public safety improvements including, but not limited to, public signage, public facilities, and streetlights.

Interest Cost Coverage: The City may pay for certain interest costs incurred by the redeveloper for construction, renovation or rehabilitation of the redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the RPA as allowed under the Act.

Professional Services: The City may use tax increment financing to pay necessary planning, legal, engineering, administrative and financing costs during project implementation.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the City and the private developer, both will agree to establish and implement an affirmative action program that serves appropriate sectors of the City of Evanston and surrounding communities.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will countenance discrimination against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical handicaps. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and educational opportunities.

Anyone involved with employment or contracting activities for this Project will be responsible for conformance with this policy and the compliance requirements of applicable state and federal regulations.

The City and the private developers involved with this Project will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level for the project initiated within the RPA. Additionally: (a) any public/private partnership established for the development project in the RPA will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work; (b) it shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such working environment, with specific attention to minority and/or female individuals; and (c) the partnership will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner.

Underlying this policy is the recognition by the partnership that successful affirmative action programs are important to the continued growth and vitality of the City of Evanston.

C. Completion of Redevelopment Project and Retirement of Obligations to Finance Redevelopment Costs

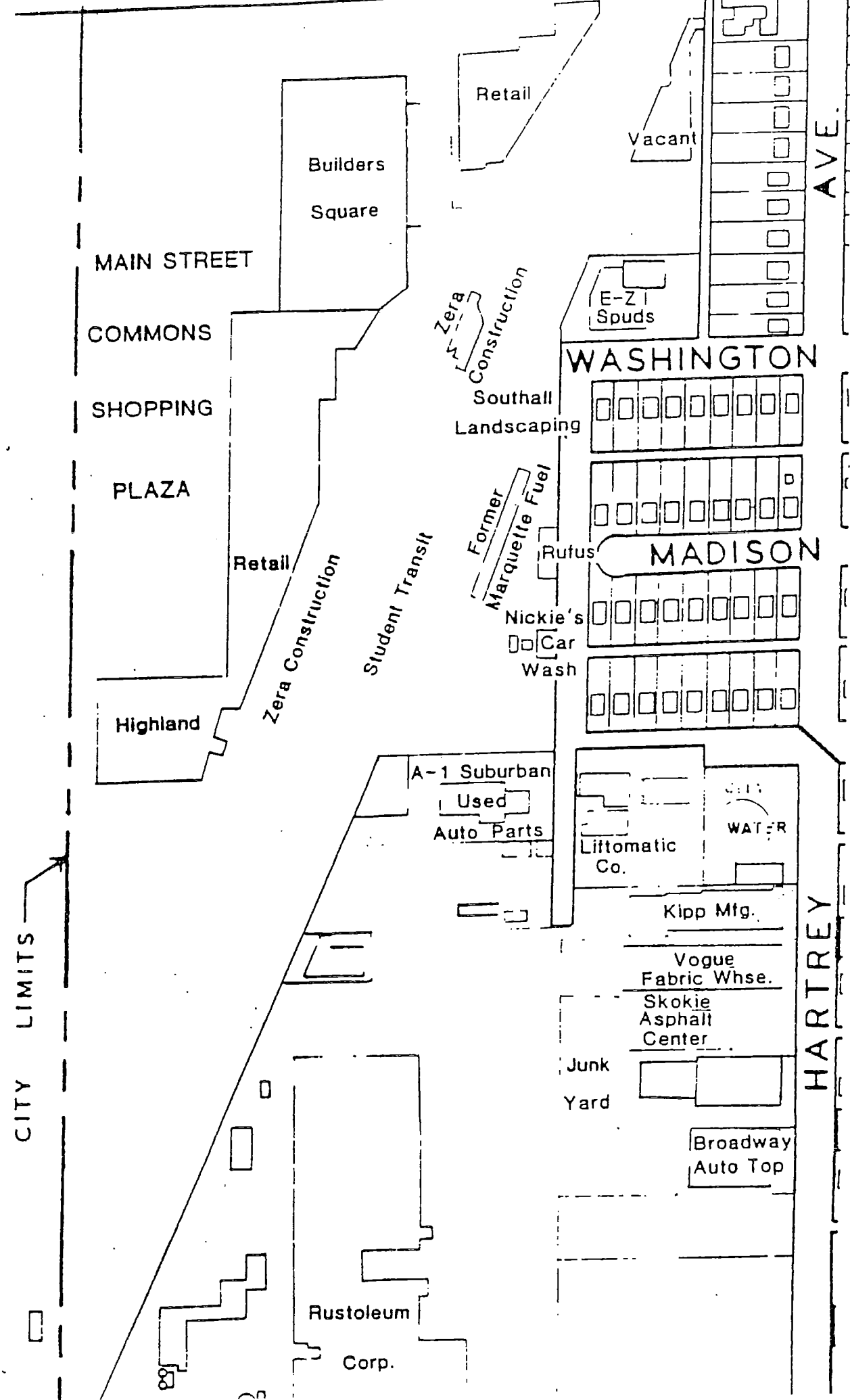
This Redevelopment Project will be completed on or before a date 23 years from the adoption of an ordinance designating the Redevelopment Project Area. The City of Evanston expects that the Redevelopment Project will be completed sooner than the maximum time limit set by the Act, depending on the incremental property tax yield. Actual construction activities are anticipated to be completed within five (5) years.

VII. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN
AND PROJECT

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.

MAP 1

MAP OF INITIAL PRIMARY STUDY AREA



CITY LIMITS

MAIN STREET

COMMONS

SHOPPING PLAZA

Highland

Builders Square

Retail

Vacant

E-ZI Spuds

WASHINGTON

Southhall Landscaping

MADISON

Former Marquette Fuel

Rufus

Nickie's Car Wash

A-1 Suburban Used Auto Parts

Littomatic Co.

WATER

Kipp Mfg.

Vogue Fabric Whse.

Skokie Asphalt Center

Junk Yard

Broadway Auto Top

Rustoleum Corp.

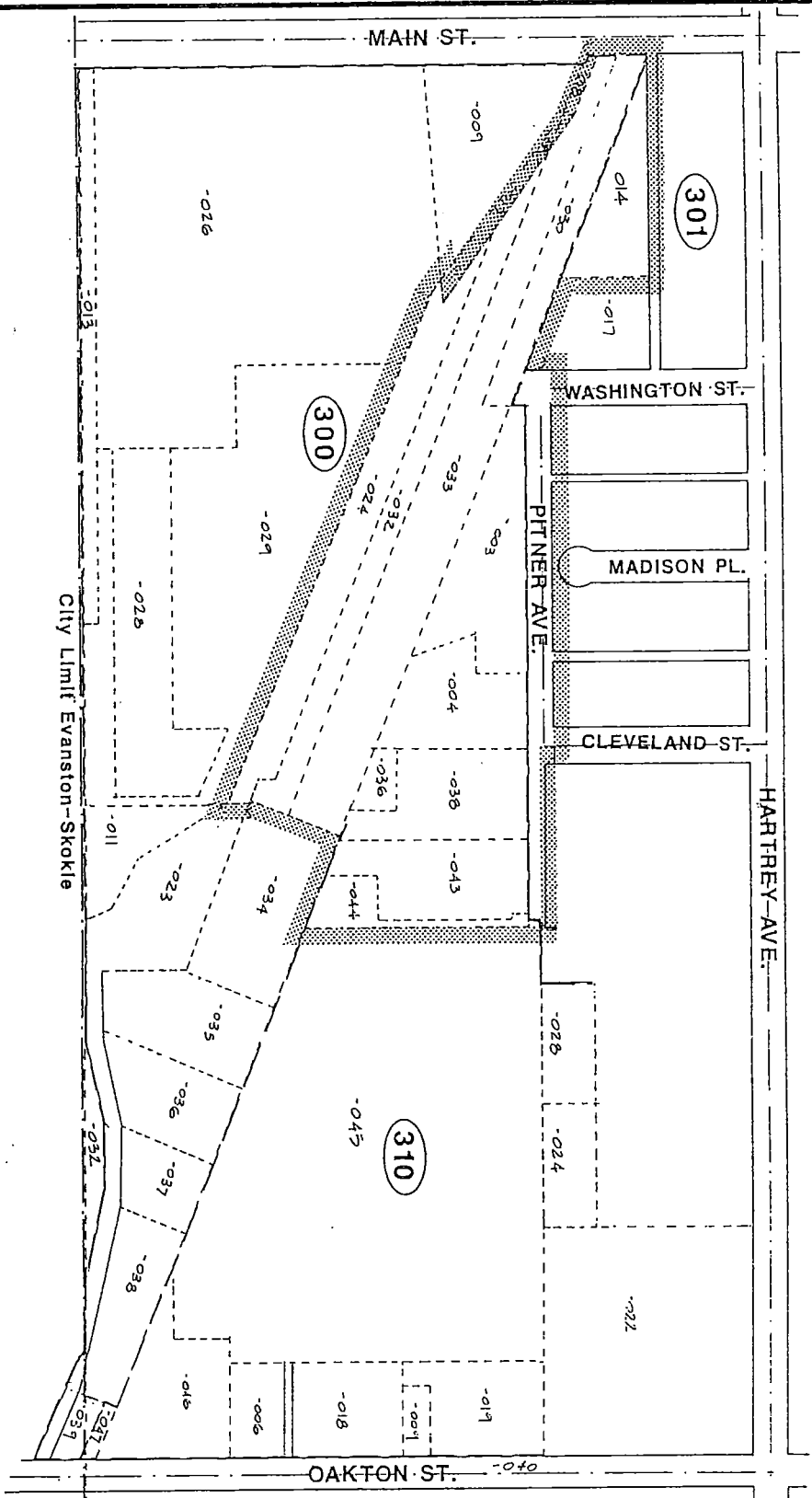
HARTREY

AVE.

MAP 1A

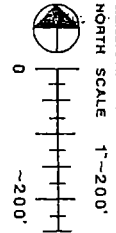
REDEVELOPMENT PROJECT AREA
Boundary Map
Phase 1

ZERA/MAP
TIF/RPA
Southeast Evanston



TITLE
PHASE I
BOUNDARY MAP

Rev. 4/17/90
REV. 4/9/90
DATE 1/26/90



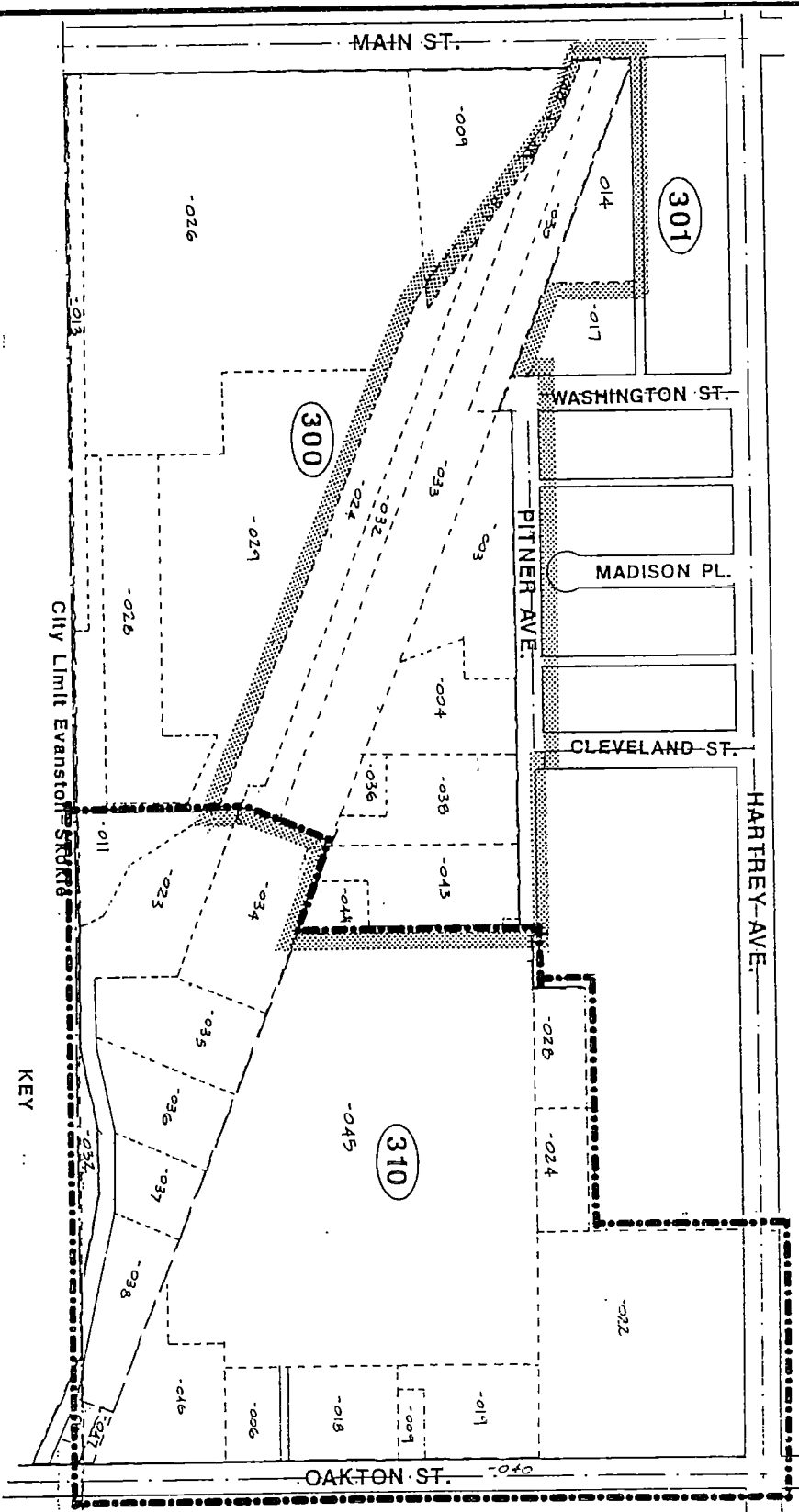
Chicago Associates
Planners and Architects
1807 West Sunnyside
Chicago, Illinois 60640
Phone: 312. 275 1807
Fax: 312. 275 1858


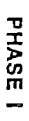
CAIPA
KANE, NICKENY,
INC. A.S.P.
1807 WEST SUNNYSIDE
CHICAGO, ILLINOIS 60640
TEL: 312. 275. 1807
FAX: 312. 275. 1858

MAP 1B

BOUNDARY MAP
Phase I & Phase II

ZERA/MAP
TIF/RPA
Southeast Evanston



KEY
 PHASE I
 PHASE II

TITLE

PHASE I &
PHASE II
BOUNDARY MAP

REV. 4/17/90
REV. 4/9/90
DATE 1/26/90

NORTH SCALE 1"=200'



CAPA

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CHICAGO, ILLINOIS 60642
PHONE 312. 275. 1800
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MAP 2
SIDWELL MAP

41-13-24 E
10-24

W. 1/2 S.W. 1/4 Sec. 24-41-13
EVANSTON

REVISED JAN 1, 1968

"A"
TAYLOR ADD. TO EVANSTON, a sub. of
the W. 1/2 of the S. 1/2 of the S. W. 1/4 of Sec.
24-41-13. Above sub. vacant.

TRAVEN'S SUB. of the N. 1/2 of the S.W. 1/4
of the S. W. 1/4 of the S. W. 1/4 of Sec. 24-
41-13. Rec. Dec. 28, 1958. Sub. 19

RAY P. TENNEY FRONT ADD. TO EVANSTON,
the S. 1/2 of the S.W. 1/4 of the S. W. 1/4
of the S. W. 1/4 of Sec. 24-41-13.
Rec. June 1, 1954. Sub. ADDRESS
RECORD, of Lots 1 & 2 to Sub. 3 and Lots 15
& 16 to Sub. 3 and vacant street to Ray P.
Tenney's Front Add. to Evanston (See "C").
Rec. Dec. 28, 1958. Dec. 15881165. Home-
For vacant street to sub. see Dec. 15881165.

CARTON CONSOLIDATION to the S. W. 1/4 of
the S. W. 1/4 of Sec. 24-41-13. Rec. July 4,
1954. Dec. 14582288.

MACLAGHART & NEWTON'S SUB., a sub.
of part of the S. 1/2 of the S. W. 1/4 of the
S. W. 1/4 of Sec. 24-41-13. Rec. Oct. 23,
1954. Dec. 14582288.

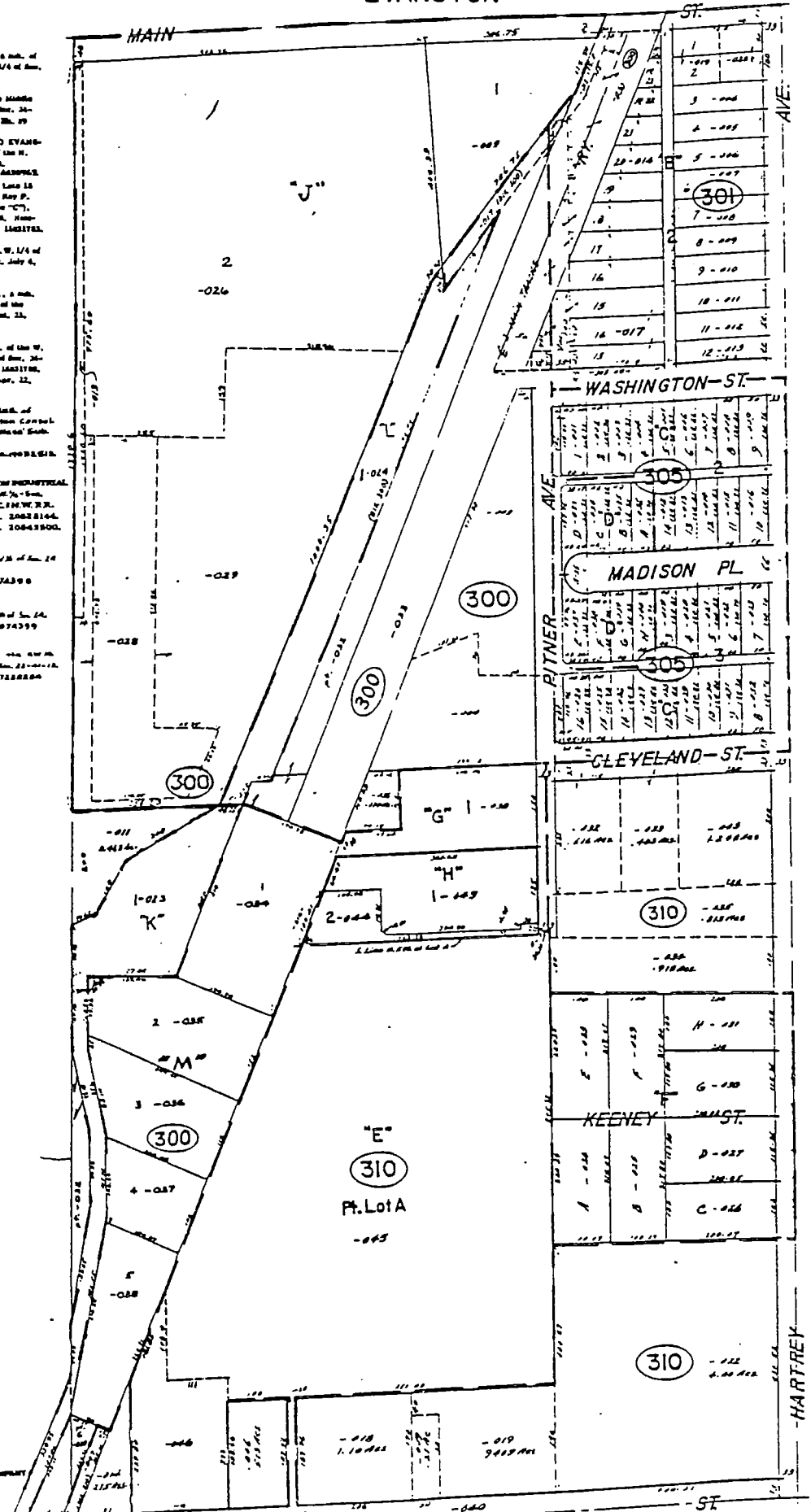
KEEP SUB. of part of the S. 1/2 of the S. W. 1/4
of the S. W. 1/4 of the S. W. 1/4 of Sec. 24-
41-13. Rec. Feb. 21, 1957. Dec. 14582288.
Certificate of correction received Apr. 22,
1957. Dec. 14582288.

HARTNEY-KARNEY ADSP. BEARS of
part of the S. 1/2 of Lot A in Section Control
(See "K") and all of Lot 2 in same Sub.
(See "K").
Rec. Jan 14, 1954. Sub. 1000000000.

GENERAL DYNAMICS - EVANSTON INDUSTRIAL
PARK, a Sub. of part of the S. W. 1/4 of Sec.
24-41-13, lying N.W. 1/4 of the S. W. 1/4 of Sec.
24-41-13. Rec. May 22, 1949. Dec. 20842164.
Rec. May 16, 1949. Dec. 20842164.

"K"
ZERA SUB. #11 of part of the S. W. 1/4 of Sec. 24
and the S. E. 1/4 of Sec. 24.
Rec. Dec. 1, 1951. Dec. 22074399

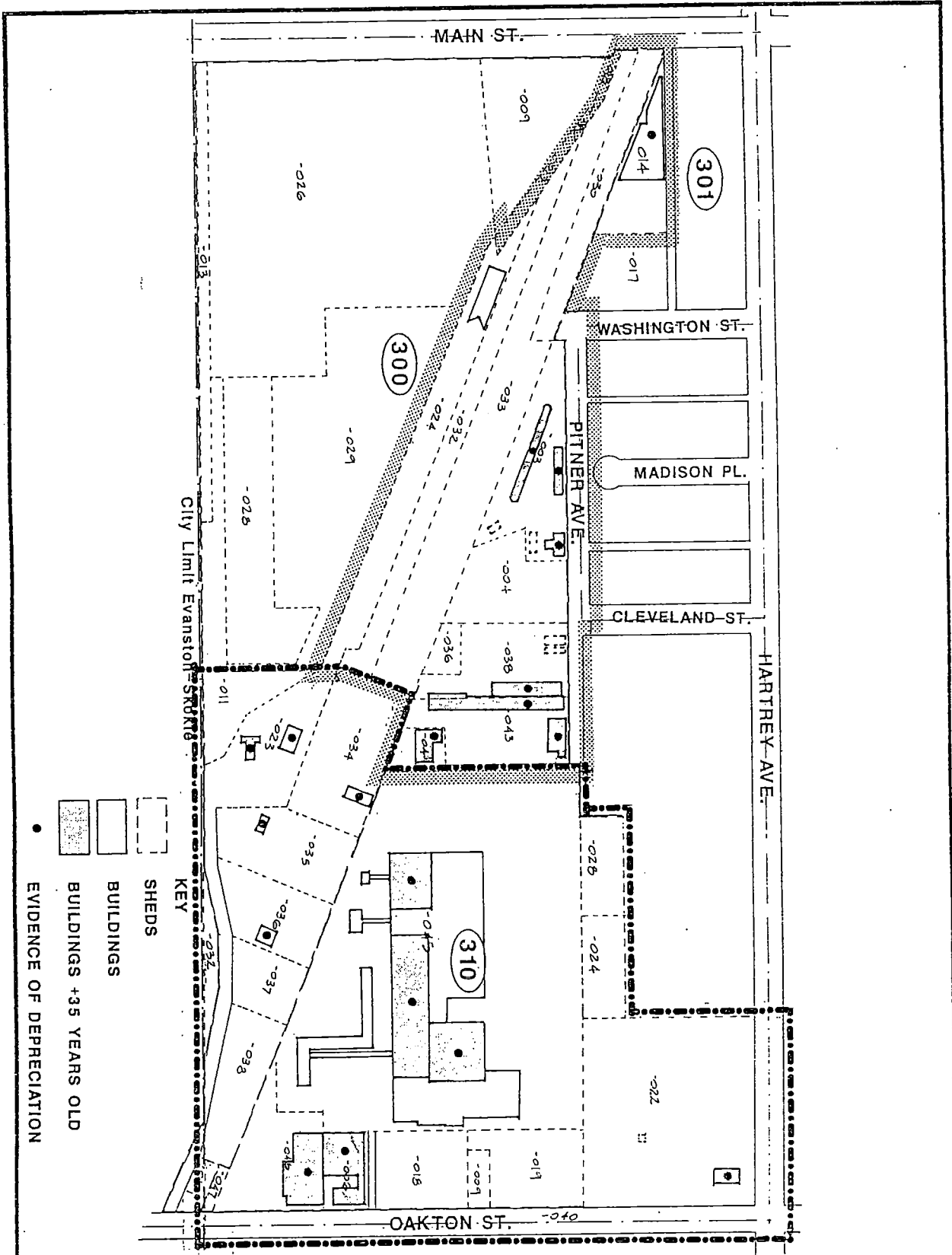
"L"
ZERA SUB. #12 of part of the S. W. 1/4 of Sec. 24
and the S. E. 1/4 of Sec. 24.
Rec. May 9, 1949. Dec. 22074399







MAP 3

CONSERVATION AREA FACTORS

ZERA/MAP
TIF/RPA
 Southeast Evanston



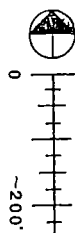
- KEY**
-  SHEDS
 -  BUILDINGS +35 YEARS OLD
 -  BUILDINGS
 -  EVIDENCE OF DEPRECIATION

TITLE

**BUILDING AGE
 AND CONDITIONS
 MAP**

Rev. 4/17/90
 REV. 4/9/90
 DATE 1/26/90

NORTH SCALE 1" = 200'



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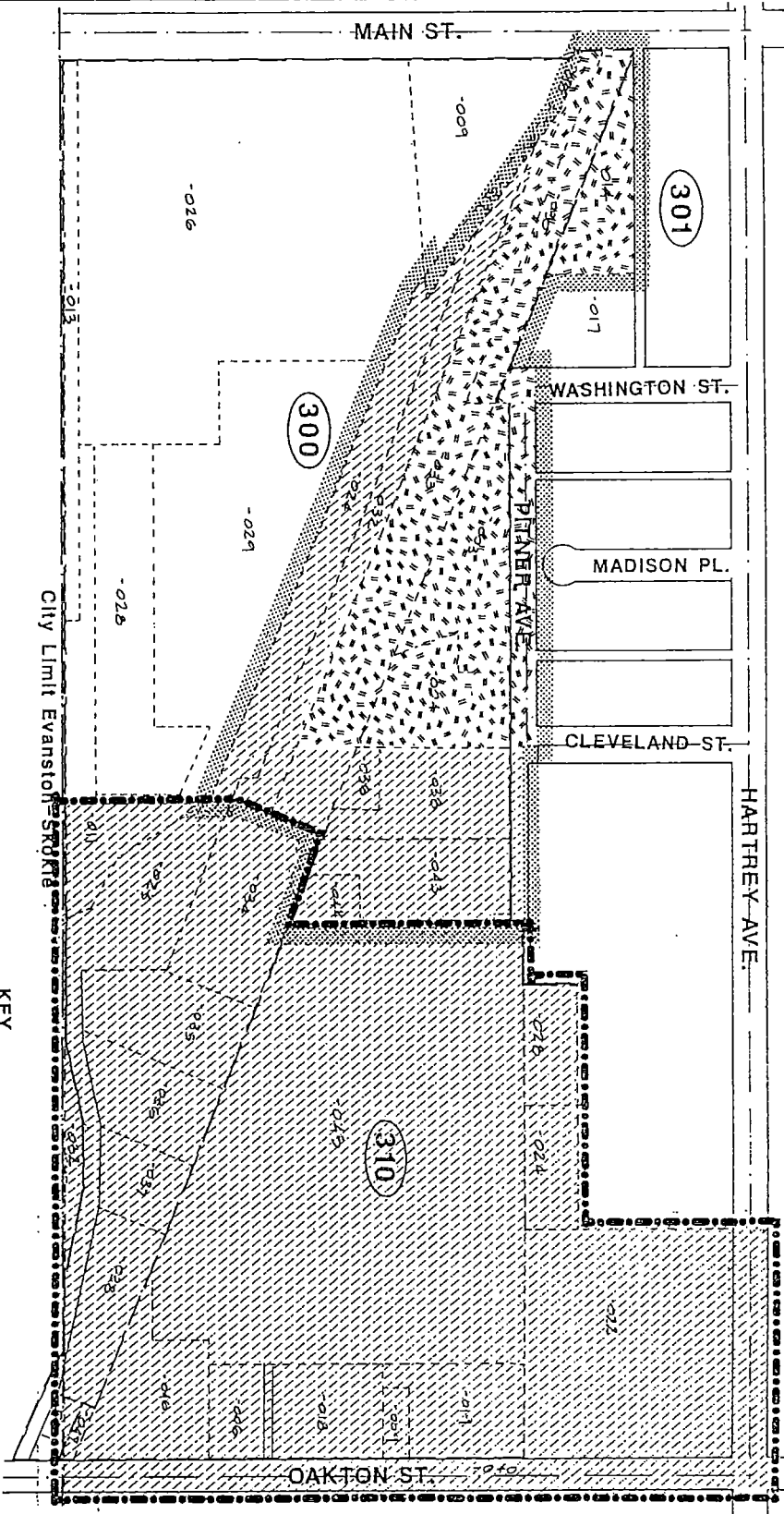
Phone: 312.275.1807
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

KANE, MCKENNA,
 AND ASSOCIATES,
 INC.
 145 NORTH WACKER DRIVE
 CHICAGO, ILLINOIS 60606
 (312) 527-1000

MAP 4

EXISTING LAND USE MAP

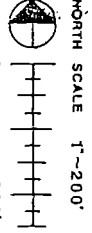
ZERA/MAP
 TIF/RPA
 Southeast Evanston



- KEY**
-  M-3 RESTRICTED MANUFACTURING DISTRICT
 -  M-4 GENERAL MANUFACTURING DISTRICT

TITLE
 EXISTING
 LAND USE/ZONING
 MAP

Rev. 4/17/90
 REV. 4/9/90
 DATE 1/26/90



CAIPA

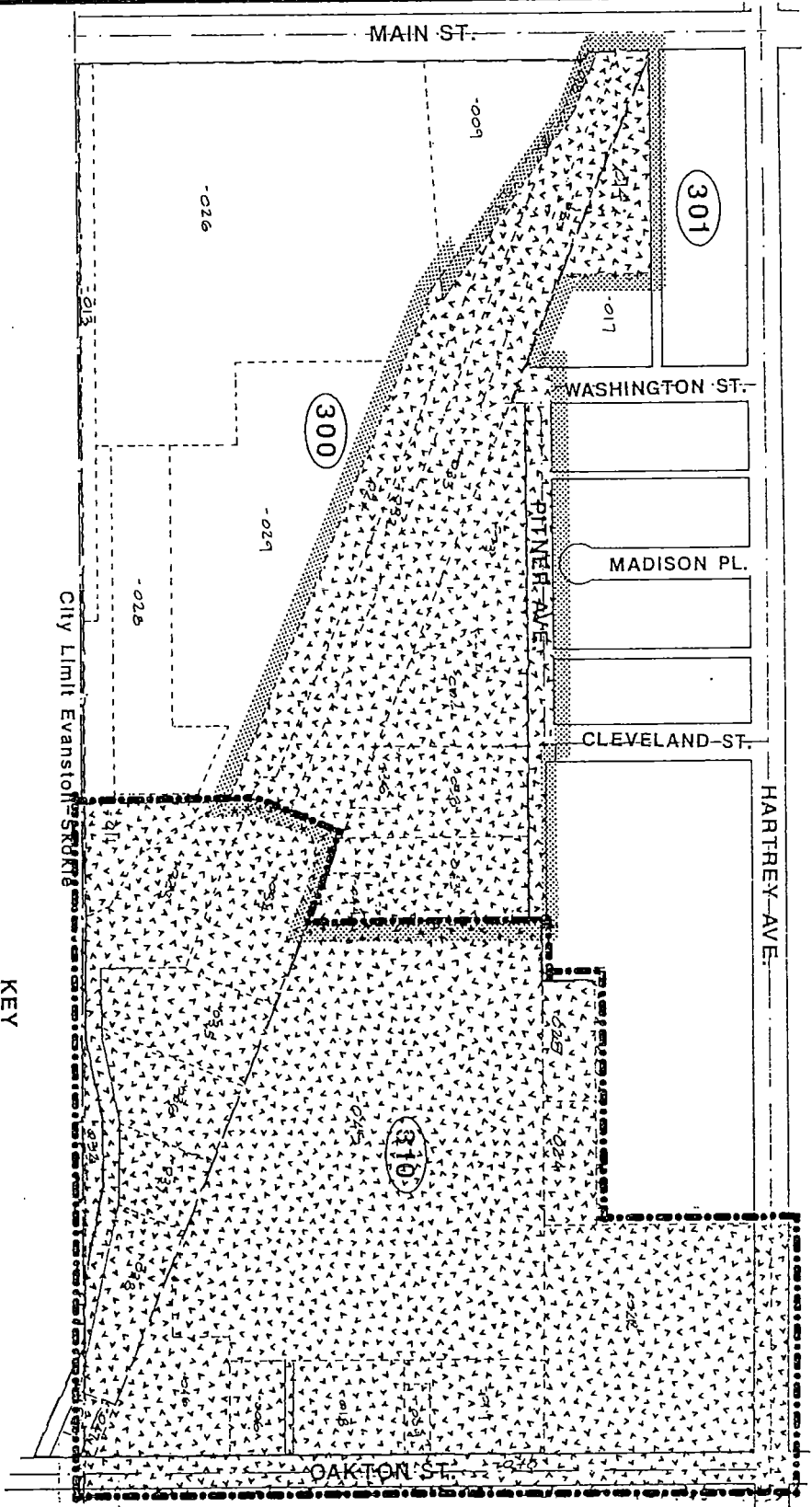
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 Fax: 312/ 275 1858

KANE, MICKENNA,
 AND ASSOCIATES,
 INC.
 110 SOUTH WACKER DRIVE
 CHICAGO, ILLINOIS 60606
 312 544-1111
 312 544-1112

MAP 5

INTENDED LAND USE MAP

ZERA/MAP
 TIF/RPA
 Southeast Evanston



TITLE

**PROPOSED
 LAND USE MAP**

Rev. 4/17/90
 REV. 4/9/90
 DATE 1/26/90

NORTH SCALE 1"=200'
 0
 ~200'



CAMPA
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KANNE AICKENSKA
 INC. ASSOCIATES
 130 KENNEDY AVENUE SUITE 207E
 CHICAGO, ILLINOIS 60644
 PH: 312.447.1111
 FAX: 312.447.1111



KEY
 LIGHT INDUSTRIAL/COMMERCIAL DISTRICT