

Executive Order No. 97-2

I, **RICHARD M. DALEY**, Mayor of the City of Chicago, do hereby order as follows:

1. Definitions

Whenever used in this order the following terms shall have the following meanings:

“City” means the city of Chicago.

“City contract” means a contract by which the city purchases goods, materials or services. “City contract” does not include any contract for the purchase or lease of real property, or any TIF financing.

“Commissioner” means: (a) with regard to a TIF area designated solely for development of residential units, the Commissioner of the city's Department of Housing; (b) with regard to TIF areas designated for other purposes, the Commissioner of the city's Department of Planning and Development. In either case, the term includes an employee of the appropriate department designated by its commissioner.

“Infrastructure improvements” means water lines, sewers, streets, alleys, sidewalks, parkways, boulevard medians, street lighting, traffic controls, and other improvements on or under the public way. The term does not include a building constructed or used by a public entity.

“Joint Review Board” means the Joint Review Board established in relation to City of Chicago TIF redevelopment plans and TIF areas in accordance with the Illinois Tax Increment Allocation Redevelopment Act and the Illinois Industrial Jobs Recovery Law.

“Redevelopment project costs” means redevelopment project costs as defined in the Illinois Tax Increment Allocation Redevelopment Act and the Illinois Industrial Jobs Recovery Law.

“Redevelopment plan” means a redevelopment plan as defined in the Illinois Tax Increment Allocation Redevelopment Act and the Illinois Industrial Jobs Recovery Law.

“TIF area” means an area designated as a redevelopment project area under the Illinois Tax Increment Allocation Redevelopment Act and the Illinois Industrial Jobs Recovery Law.

“TIF debt instrument” means any type of debt instrument issued by the city and secured by tax increment revenues or with debt service paid from tax increment revenues as authorized by the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law.

“TIF financing” means any type of financial assistance whereby the city lends, grants, pledges or promises funds in connection with a TIF project, and the funds are derived directly from tax increment allocation or from the sale of TIF debt instruments.

“TIF project” means a project located in or related to a TIF area and which has received TIF financing during the most recently concluded calendar year.

2. Proposals for new redevelopment plans, new TIF projects and TIF amendments

Any city agency or official receiving a written proposal for a new redevelopment plan; a new TIF project; designation of a new TIF area; new TIF financing; or an amendment of an existing redevelopment plan, TIF project, TIF area or TIF financing shall deliver the proposal to the Commissioner within five business days after receipt.

3. Public hearings

A meeting of the Joint Review Board shall be convened:

(a) at any time required by the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law; and

(b) by the Commissioner of Planning and Development no earlier than July 15 and no later than August 1 of each year, to review the effectiveness and status of existing redevelopment plans, TIF projects, TIF areas and TIF financings up to that date.

Notice and conduct of all meetings under this section shall be in accordance with the Open Meetings Act.

4. Annual Report

No later than July 1 of each year, the Commissioner shall issue a report containing the following information for each TIF area in the city, as of the last day of the prior calendar year:

(a) a general description of the TIF area's boundaries, and a map illustrating its location;

(b) the date of designation and the planned date of termination of the TIF area;

(c) a copy of the TIF redevelopment plan for the area, as amended;

(d) a description of intergovernmental agreements and redevelopment agreements executed in connection with the TIF area, naming parties, dates of authorization by the City Council, dates of execution and dates of recording in the office of Recorder of Deeds (if

applicable);

(e) a description of each TIF project approved by the Chicago Development Commission that is contemplated or under way within the TIF area, including

(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 expenditures during the prior calendar year and total city tax increment expenditures to date;

(5) a description of all TIF financings, including type, date, terms, amount, recipient and purpose;

(f) a description of all TIF debt instruments related to the area, including:

(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;

(5) the amount of interest paid from tax increment during the prior calendar year.

(g) A description of each city contract related to the TIF area and executed or in effect during the prior calendar year, including the date, names of all contracting parties, purpose, amount of compensation, and percentage of compensation paid. This subsection (f) does not apply to any contract or contract expenditure reported under (e)(5) of this Section 4.

(h) A summary of private investment activity, job retention and job creation within the TIF area and for each TIF project within the area, to the extent available to the Commissioner. The summary shall include the ratio of private to public investment in the TIF area and for each TIF project within the area, as well as an estimate of the amount private investment and private/public investment ratio for the following year as well as to the completion of each project.

(i) Descriptions of the following property transactions occurring within the TIF area during the prior calendar year:

(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 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 the lessor, date of transaction, duration of the lease, purpose of rental and the rental amount;

(4) every lease of real property by the city to any other person as part of the redevelopment plan for the area. Information shall include the location, type and size of property, name of the lessee, date of transaction, duration of the lease, purpose and the rental amount;

(j) A financial summary prepared by the City Comptroller describing the following financial aspects of the fund relating to the TIF area:

(1) the balance in the fund for the TIF 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 TIF area during the prior calendar year;

(4) expenditures and transfers from the fund, by statutory category, for the TIF area during the prior calendar year;

(5) the balance in the fund for the TIF area at the conclusion of the prior calendar year.

The financial statement shall be prepared in accordance with generally accepted

accounting principles for every TIF area in which TIF debt is issued or outstanding during the prior calendar year.

(k) A statement of tax receipts and assessment increments prepared by the City Comptroller and relating to the TIF area, as follows:

(1) for a sales tax TIF area, the municipal sales tax increment and state sales tax increment deposited in the fund during the prior calendar year;

(2) for a utility tax TIF area, the municipal utility tax increment and the net state utility tax increment amount during the prior calendar year;

(3) for a property tax TIF area, (A) the total initial equalized assessed value of property within the TIF area as of the date of designation of the area, and (B) the total equalized assessed value of property within the TIF area as of the most recent property tax year;

(4) the dollar amount of property taxes on property within the TIF area attributable to the difference between items (3) (A) and (3)(B) of this subsection (k).

All terms used in this subsection (k) relating to increment amounts and assessed value shall be construed as in section 9 of the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law.

(l) Information regarding 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 increment revenues produced by the same TIF area.

(m) For every special tax allocation fund, a certified audit report reviewing compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate. The audit shall be performed by an independent public accountant, certified and licensed by the State of Illinois, and in accordance with the Standards for Audits of Governmental Organizations, Programs, Activities, and Functions adopted by the Comptroller General of the United States (1981), as amended. The audit report shall contain a statement from the accountant indicating compliance or non-compliance with the Illinois Tax Increment Allocation Redevelopment Act or the Illinois Industrial Jobs Recovery Law, as appropriate.

After the first annual report has been issued for a TIF area, subsequent reports may be done by amendment of the prior year's report.

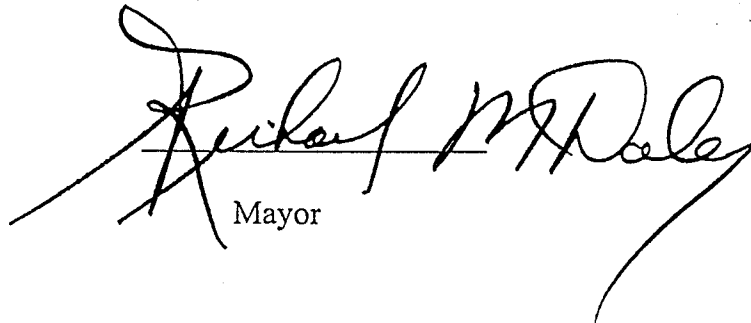
5. Distribution of annual report

The annual report issued under section 4 of this order shall be filed with the City Clerk for transmittal to the City Council, in the Municipal Reference Library, and in the Chicago Public Library. A copy shall be sent by the Commissioner of Planning and Development and the Commissioner of Housing to the the overlapping taxing bodies affected by TIF areas described in the report, and to the Office of the Illinois State Comptroller. Copies shall also be maintained in the office of the Commissioner for public inspection and duplication in accordance with the Illinois Freedom of Information Act.

6. Effective date

This order shall take effect on January 1, 1998.

Done at Chicago this 27th day of October, 1997.


Mayor

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CHICAGO
CLERK OF THE CITY