TRANSFORMING A 100-YEAR-OLD INDUSTRIAL CORRIDOR Through Private Investment In Public Infrastructure Projects

The Cortland/Chicago River TIF

The Big 3 Things You Should Know...

1. The Cortland/Chicago River TIF will only fund public infrastructure: Sterling Bay will front-fund the projects and only be reimbursed after they are completed and delivered to the City.

2. The TIF will not reduce or divert current funding for Chicago Public Schools or the City of Chicago.

3. None of the TIF funds currently exist. These funds will only be generated after development occurs and begin to generate increment.

THE CORTLAND/CHICAGO RIVER TIF DISTRICT

THE CORTLAND/CHICAGO RIVER TIF IS A TOOL TO FINANCE CRITICAL PUBLIC INFRASTRUCTURE IMPROVEMENTS THROUGHOUT THE TIF DISTRICT.

The 168 acres within the district suffer from decades of neglect, lack of infrastructure investment and limited transit access. There is an urgent need to address these infrastructure issues today. Typically, local government pays for infrastructure and public works projects. However, the City does not have the resources to pay for these critical improvements.

The Cortland/Chicago River TIF enables private sector funds to be used to finance and construct public benefits such as streets, bridges, utilities, transit services, river access and other important public investments.

FACTS ON PUBLIC BENEFITS FROM THE CORTLAND/CHICAGO RIVER TIF DISTRICT AND LINCOLN YARDS DEVELOPMENT

- 23,000+ Permanent jobs will be created
- 10,000 Construction jobs will be created during the course of the 2050-year project buildout
- 30% Participation by Minority Business Enterprises (MBEs)
- 10% Participation by Women Business Enterprises (WBEs)
- The TIF funds do not currently exist. They exist only after they are generated from the increase in the taxable value of properties with TIF districts.
- The TIF is dedicated to creating public infrastructure the City would otherwise pay for, with funds drawn from the increment of the TIF District.
- The City of Chicago Public Electric Fund will continue to receive revenue from properties within the TIF district. The total City property tax dollars collected for CPS will only be paid from the taxing base and the increment of the TIF.
- The 168 acres of the TIF District comprises approximately 5% of the taxable base in Chicago.

HOW THIS TIF DISTRICT WORKS

Using private investment to finance public infrastructure improvements

The Cortland/Chicago River TIF district is distinct from other TIF districts in that all proceeds are dedicated exclusively to publicly owned infrastructure. No Cortland/Chicago River TIF funds can be used for private development costs.

In this TIF district, public infrastructure projects will be front-funded by Sterling Bay. The TIF district will reimburse Sterling Bay for its investment only when and if the development generates sufficient increment. These projects will be closely monitored by the City to ensure each public works project is properly authorized, designed and constructed.

Lincoln Yards Planned Development

Sterling Bay bears the risk for development costs. Only when the TIF produces revenue that exceeds the development costs will a reimbursement be approved by the City. This reimbursement will be calculated as a percentage of the Sterling Bay’s development costs.

THE CORTLAND/CHICAGO RIVER TIF DISTRICT

HOW LINCOLN YARDS WILL TRANSFORM A 100-YEAR-OLD INDUSTRIAL CORRIDOR

Lincoln Yards Planned Development

A 4-YEAR PUBLIC DISCUSSION

NORTH BRANCH FRAMEWORK PLAN, LINCOLN YARDS PLANNED DEVELOPMENT AND CORTLAND/CHICAGO RIVER TIF PUBLIC PROCESS AND APPROVAL TIMELINE

2016

Community Process

- January - April
- 12 Public meetings or in-person and online feedback

- Initial public meeting on PD

2017

Community and Legislative Process

- May - July
- Public hearings - TIF District
- June
- Chicago Plan Commission recommends approval of North Branch Framework Plan
- July
- City Council authorization pursuant to a redevelopment agreement

2018

Community Process - Lincoln Yards Development and Cortland/Chicago River TIF Development

- August - September
- Adoption of PD

2019

Community and Legislative Process - Lincoln Yards Development and Cortland/Chicago River TIF Development

- May - July
- Approval by City of Chicago

THE 168 ACRE CORTLAND/CHICAGO RIVER TIF DISTRICT is bounded by Webster Avenue on the North, Cullom on the East, North Avenue on the South and Ashland Avenue on the West. The Lincoln Yards Planned Development comprises approximately 5% of the taxable base within the Cortland/Chicago River TIF District.
Getting Started
The below represent the first slate of projects approved by the City Council in April 2019

A. Armitage Avenue Extension and Bridge $76,475,000
B. Armitage Avenue Viaduct $53,950,000
C. Concord Place Extension and Bridge $24,150,000
D. Cortland Street Improvements $12,075,000
E. Dominick Street Extension and Bridge $107,870,000
F. Dominick Street Final Condition $7,245,000
G. Future Elston Avenue Realignment (CDOT) with New Viaduct Under Up $85,330,000
H. Kingsbury Street Extension/Improvements $21,735,000
I. Sea Wall Improvements East/North Bank (50%) $20,930,000
J. Sea Wall Improvements West/South Bank (50%) $24,955,000
K. Southport Avenue Improvements (Kingsbury to Clybourn) $3,220,000
L. Wabansia Avenue and Willow Street Improvements (Elston to Throop) $15,295,000
M. 606 Extension: Pedestrian Bike Trail $34,615,000

Total Budget Costs $487,830,000