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# **1999 Annual Report**

## **Michigan/Cermak Redevelopment Project Area**



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

***JUNE 30, 2000***

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June 30, 2000

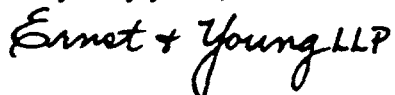
Mr. Christopher R. Hill  
Commissioner  
Department of Planning and Development  
121 N. LaSalle St.  
Chicago, Illinois 60602

Commissioner Hill:

Enclosed is the annual report for the Michigan/Cermak Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.), as amended. The contents are based on information provided to us by the Chicago Departments of Planning and Development, Finance, and Law. We have not audited, verified, or applied agreed upon accounting and testing procedures to the data contained in this report. Therefore, we express no opinion on its accuracy or completeness.

It has been a pleasure to work with representatives from the Department of Planning and Development and other City departments.

Very truly yours,



Ernst & Young LLP

# Michigan/Cermak Redevelopment Project Area 1999 Annual Report

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City of Chicago  
Richard M. Daley, Mayor

Department of Planning  
and Development

Christopher R. Hill  
Commissioner

121 North LaSalle Street  
Chicago, Illinois 60602  
(312) 744-4190  
(312) 744-2271 (FAX)  
<http://www.ci.chi.il.us>

June 30, 2000

Mr. Daniel W. Hynes  
Comptroller  
State of Illinois  
Office of the Comptroller  
201 Capitol  
Springfield, IL 62706

Comptroller Hynes:

We have compiled the attached information for the Michigan/Cermak Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Very Truly Yours,

Christopher R. Hill  
Commissioner  
Department of Planning and Development

NEIGHBORHOODS



**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

The Project Area was designated on September 13, 1989. The Project Area may be terminated no later than September 13, 2012.

**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

Please see attached.

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK  
REDEVELOPMENT PROJECT  
  
FINANCIAL REPORT  
  
DECEMBER 31, 1999 AND 1998

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK REDEVELOPMENT PROJECT

C O N T E N T S

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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 balance sheets of the Michigan-Cermak Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1999 and 1998, and the related statements of revenues, expenditures and changes in fund balance for the years then ended. These financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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 financial statements referred to above present fairly, in all material respects, the financial position of the Michigan-Cermak Redevelopment Project of the City of Chicago, Illinois, as of December 31, 1999 and 1998, and the results of its operations and changes in fund balance for the years then ended in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of expenditures by statutory code on page 7, which is also the responsibility of the City of Chicago's management, is presented for purposes of additional analysis and is not a required part of the financial statements of Michigan-Cermak Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the financial statements taken as a whole.

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

Certified Public Accountants

May 11, 2000

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK REDEVELOPMENT PROJECT

BALANCE SHEETS  
DECEMBER 31, 1999 AND 1998

<u>A S S E T S</u>	<u>1999</u>	<u>1998</u>
Cash and investments	\$639,866	\$ 805,882
Property taxes receivable	<u>248,245</u>	<u>214,000</u>
Total assets	<u>\$888,111</u>	<u>\$1,019,882</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Due to other City funds	\$ 5,291	\$ 7,400
Vouchers payable	8,341	-
Deferred revenue	<u>220,399</u>	<u>214,000</u>
Total liabilities	234,031	221,400
Fund balance		
Designated for future redevelopment project costs	<u>654,080</u>	<u>798,482</u>
Total liabilities and fund balance	<u>\$888,111</u>	<u>\$1,019,882</u>

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

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK REDEVELOPMENT PROJECT  
STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
YEARS ENDED DECEMBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
Revenues		
Property tax	\$ 209,013	\$211,765
Interest	<u>43,580</u>	<u>29,580</u>
Total revenues	252,593	241,345
Expenditures		
Capital projects	<u>30,329</u>	<u>17,092</u>
Revenues over expenditures	222,264	224,253
Other financing uses		
Operating transfer out (Note 2)	<u>(366,666)</u>	<u>-</u>
Revenues over (under) expenditures and other financing uses	(144,402)	224,253
Fund balance, beginning of year	<u>798,482</u>	<u>574,229</u>
Fund balance, end of year	<u>\$ 654,080</u>	<u>\$798,482</u>

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

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Description of Project

The Michigan-Cermak Tax Increment Redevelopment Project Area (Project) was established in September 1989. 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.

Basis of Accounting

The Project is accounted for within the special revenue funds of the City.

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.

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.

CITY OF CHICAGO, ILLINOIS  
MICHIGAN-CERMAK REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS  
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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.

The City values its investments at fair value or amortized cost. U.S. Government securities purchased at a price other than par with a maturity of less than one year are reported at 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.

Note 2 - Operating Transfer Out

During 1999 in accordance with state statutes, the Project distributed \$183,333 to each of the contiguous Near South and Calumet-Cermak Redevelopment Projects for the Mayor's Office of Workforce Development to operate the Cermak-Gateway Transitional Job Center.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

<u>Code Description</u>	<u>1999</u>	<u>1998</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	\$28,822	\$17,092
Costs of the construction of public works or improvements	<u>1,507</u>	<u>-</u>
	<u>\$30,329</u>	<u>\$17,092</u>



**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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**(3) MAYOR'S CERTIFICATION - 65 ILCS 5/11-74.4-5(d)(3)**

STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK        )

CERTIFICATION

TO:

Daniel W. Hynes  
Comptroller  
State of Illinois  
201 Capitol  
Springfield, Illinois 62706

Dolores Javier, Treasurer  
City Colleges of Chicago  
226 West Jackson Boulevard, Rm. 1149  
Chicago, Illinois 60606

Gwendolyn Clemons, Director  
Cook County Department of Planning &  
Development  
69 West Washington Street, Room 2900  
Chicago, Illinois 60602

Dean L. Viverito, Comptroller  
Forest Preserve District of Cook County  
536 North Harlem Avenue  
River Forest, Illinois 60305

Michael Koldyke, Chairman  
Chicago School Finance Authority  
135 S. LaSalle Street, Suite 3800  
Chicago, Illinois 60603

David Doig, General Superintendent & CEO  
Chicago Park District  
425 East McPetridge Drive, 2d Fl. East  
Chicago, Illinois 60605

Paul Vallas, Chief Executive Officer  
Chicago Board of Education  
125 South Clark Street, 5th Floor  
Chicago, Illinois 60603

Andy Justo, Accounting Manager  
Metropolitan Water Reclamation District of  
Greater Chicago  
100 East Erie Street, Room 2429  
Chicago, Illinois 60611

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

I, RICHARD M. DALEY, in connection with the annual report (the "Report") of information required by Section 11-74.4-5(d) of the Tax Increment Allocation Redevelopment Act, 65 ILCS5/11-74.4-1 et seq., (the "Act") with regard to the Michigan/Cermak Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

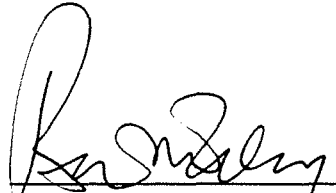
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 1999, the City complied, in all material respects, with the requirements of the Act, as applicable from time to time, regarding the Redevelopment Project Area.

3. In giving this Certification, I have relied on the opinion of the Corporation Counsel of the City furnished in connection with the Report.

4. This Certification may be relied upon only by the addressees hereof.

IN WITNESS WHEREOF, I have hereunto affixed my official signature as of this 30th day of June, 2000.



---

Richard M. Daley, Mayor  
City of Chicago, Illinois

**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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**(4) OPINION BY LEGAL COUNSEL - 65 ILCS 5/11-74.4-5(d)(4)**



City of Chicago  
Richard M. Daley, Mayor

Department of Law

Mara S. Georges  
Corporation Counsel

City Hall, Room 600  
121 North LaSalle Street  
Chicago, Illinois 60602  
(312) 744-6900  
(312) 744-8538 (FAX)  
(312) 744-2963 (TTY)

<http://www.ci.chi.il.us>

June 30, 2000

Daniel W. Hynes  
Comptroller  
State of Illinois  
201 Capitol  
Springfield, Illinois 62706

Dolores Javier, Treasurer  
City Colleges of Chicago  
226 West Jackson Boulevard, Rm. 1149  
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69 West Washington Street, Room 2900  
Chicago, Illinois 60602

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Michael Koldyke, Chairman  
Chicago School Finance Authority  
135 S. LaSalle Street, Suite 3800  
Chicago, Illinois 60603

David Doig, General Superintendent &  
CEO  
Chicago Park District  
425 East McFetridge Drive, 2d Fl. East  
Chicago, Illinois 60605

Paul Vallas, Chief Executive Officer  
Chicago Board of Education  
125 South Clark Street, 5th Floor  
Chicago, Illinois 60603

Andy Justo, Accounting Manager  
Metropolitan Water Reclamation  
District of Greater Chicago  
100 East Erie Street, Room 2429  
Chicago, Illinois 60611

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

Re: Michigan/Cermak  
Redevelopment Project Area (the "Redevelopment Project Area")

Dear Addressees:

I am Corporation Counsel of the City of Chicago, Illinois (the "City"). In such capacity, I am providing the opinion required by Section 11-74.4-5(d)(4) of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the "Act"), in connection with the submission of the report (the "Report") in accordance with, and containing the information required by, Section 11-74.4-5(d) of the Act for the Redevelopment Project Area.

Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings

NEIGHBORHOODS



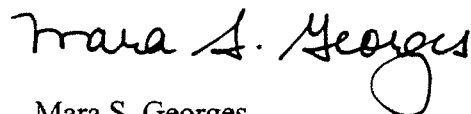
affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following matters: approval of the redevelopment plan and project for the Redevelopment Project Area, designation of the Redevelopment Project Area as a redevelopment project area and adoption of tax increment allocation financing for the Redevelopment Project Area, all in accordance with the then applicable provisions of the Act. Various departments of the City, including, if applicable, the Law Department, Department of Planning and Development, Department of Housing, Department of Finance and Office of Budget and Management, have personnel responsible for and familiar with the activities in the Redevelopment Project Area affecting such Department(s) and with the requirements of the Act in connection therewith. Such personnel are encouraged to seek and obtain, and do seek and obtain, the legal guidance of the Law Department with respect to issues that may arise from time to time regarding the requirements of, and compliance with, the Act.

In my capacity as Corporation Counsel, I have relied on the general knowledge and actions of the appropriately designated and trained staff of the Law Department and other applicable City Departments involved with the activities affecting the Redevelopment Project Area. In addition, I have caused to be examined or reviewed by members of the Law Department of the City the certified audit report, to the extent required to be obtained by Section 11-74.4-5(d)(9) of the Act and submitted as part of the Report, which is required to review compliance with the Act in certain respects, to determine if such audit report contains information that might affect my opinion. I have also caused to be examined or reviewed such other documents and records as were deemed necessary to enable me to render this opinion. Nothing has come to my attention that would result in my need to qualify the opinion hereinafter expressed, subject to the limitations hereinafter set forth, unless and except to the extent set forth in an Exception Schedule attached hereto as Schedule 1.

Based on the foregoing, I am of the opinion that, in all material respects, the City is in compliance with the provisions and requirements of the Act in effect and then applicable at the time actions were taken from time to time with respect to the Redevelopment Project Area.

This opinion is given in an official capacity and not personally and no personal liability shall derive herefrom. Furthermore, the only opinion that is expressed is the opinion specifically set forth herein, and no opinion is implied or should be inferred as to any other matter. Further, this opinion may be relied upon only by the addressees hereof and the Mayor of the City in providing his required certification in connection with the Report, and not by any other party.

Very truly yours,

A handwritten signature in black ink that reads "Mara S. Georges". The signature is written in a cursive style with a large, looped 'G' at the end.

Mara S. Georges  
Corporation Counsel

**SCHEDULE 1**

(Exception Schedule)

No Exceptions

Note the following Exceptions:

# Michigan/Cermak Redevelopment Project Area 1999 Annual Report

## (5) ANALYSIS OF TIF FUND - 65 ILCS 5/11-74.4-5(d)(5)

COMBINED STATEMENTS OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 1999

Revenues	1999
Property tax	\$ 209,013
Sales tax	-
Interest	43,580
<b>Total revenues</b>	<b>252,593</b>
Expenditures	
Costs of studies, admin., and professional services.	28,822
Marketing costs.	-
Property assembly, demolition, site preparation and environmental site improvement costs.	-
Costs of rehabilitation, reconstruction, repair or remodeling and of existing buildings.	-
Costs of construction of public works and improvements.	1,507
Cost of job training and retraining.	-
Financing costs.	-
Approved capital costs of overlapping taxing districts.	-
Cost of reimbursing school district for their increase costs caused by TIF assisted housing projects.	-
Relocation costs.	-
Payments in lieu of taxes.	-
Costs of job training, retraining advanced vocational or career education provided by other taxing bodies.	-
Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects.	-
Costs of construction of new housing units for low income and very low income households.	-
Cost of day care services and operational costs of day care centers.	-
<b>Total expenditures</b>	<b>30,329</b>
Revenues over expenditures	222,264
Other financing sources (uses)	
Proceeds of debt	-
Transfers in	-
Transfers out	(366,666)
Expenditures and other financing sources (uses) over revenues	(144,402)
Fund balance, beginning of year	798,482
Fund balance, end of year	\$ 654,080
Fund Balance	
Reserved for debt service	-
Reserved for encumbrances	-
Designated for future redevelopment project costs	\$ 654,080
Total fund balance	\$ 654,080



**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

During 1999, the City did not purchase any property in the Project Area.

## **Michigan/Cermak Redevelopment Project Area 1999 Annual Report**

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### **(7) STATEMENT OF ACTIVITIES - 65 ILCS 5/11-74.4-5(d)(7)**

- (a)** Projects implemented in the preceding fiscal year. Table 7(a)
- (b)** A description of the redevelopment activities undertaken.
- (c)** Agreements entered into by the City with regard to disposition or redevelopment of any property within a TIF area. Table 7(c)
- (d)** Additional information on the use of all TIF Funds received in a TIF area and steps taken by the City to achieve objectives of the plan.
- (e)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving payments financed by TIF revenues produced by the TIF area. Table 7(e)
- (f)** Joint Review Board Reports submitted to the City.
- (g)** Project-by-project review of public and private investment undertaken to date after the new TIF Act and expected to be undertaken in the following year, and ratio of private investment to public investment to the date of the report and as estimated to the completion of the redevelopment project. Table 7(g)

## **Michigan/Cermak Redevelopment Project Area 1999 Annual Report**

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

During 1999, no projects were implemented.

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

Redevelopment activities undertaken within this Redevelopment Project Area during the preceding fiscal year, if any, have been made pursuant to i) the Redevelopment Plan for the Area, and ii) the one or more Redevelopment Agreements affecting the Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

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

During 1999, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

## **Michigan/Cermak Redevelopment Project Area 1999 Annual Report**

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

The district has received cumulatively \$ 1,004,781 of property tax and sales tax (if applicable) increment. These amounts have been used to pay for project costs within the district and debt service (if applicable). The district's fund balance shown in Table 5 represents financial resources on a modified accrual basis of accounting that has not been expended.

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

During 1999, no contracts were entered into by the City's tax increment advisors or consultants with entities or persons that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.

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

During 1999, no reports were submitted to the City by the Joint Review Board.

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

During 1999, no public investment was undertaken in the Project Area. As of December 31, 1999, no public investment was estimated to be undertaken for 2000.

**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

During 1999, there were no obligations issued for this Project Area.

**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

During 1999, there were no obligations issued for the Project Area.

**Michigan/Cermak Redevelopment Project Area  
1999 Annual Report**

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

Please see attached.

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

**Bansley and Kiener, L.L.P.**  
Certified Public Accountants

*Established 1922*

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

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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 balance sheet of Michigan-Cermak Redevelopment Project of the City of Chicago, Illinois as of December 31, 1999, and the related statement of revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated May 11, 2000.

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 Michigan-Cermak 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 11, 2000

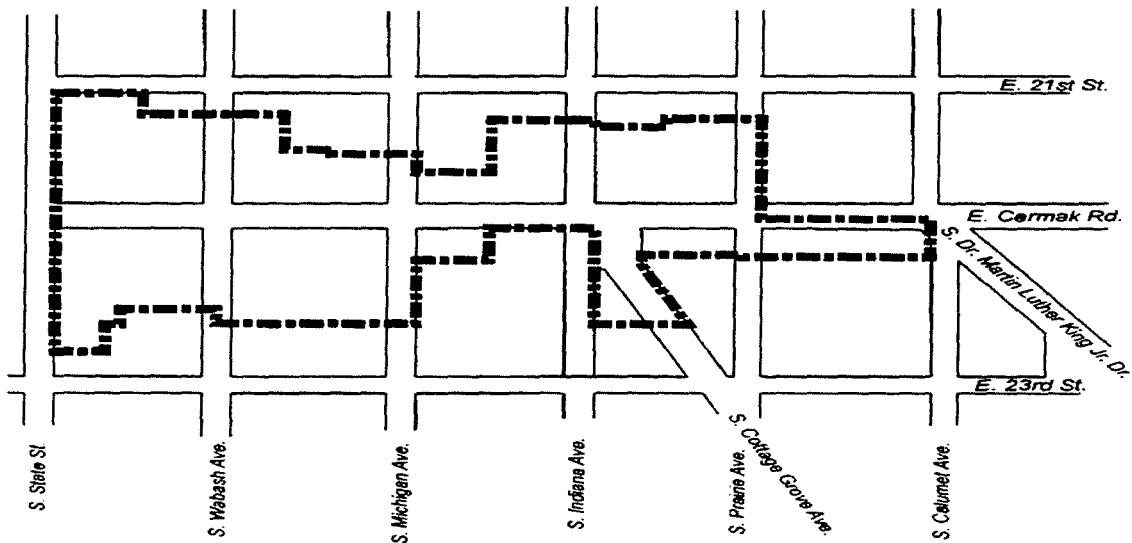


# Michigan/Cermak Redevelopment Project Area 1999 Annual Report

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## (11) GENERAL DESCRIPTION

The Project Area is located in the Near South Area in the City of Chicago. The Project Area is generally bounded along the north and south sides of East Cermak Road extending from the intersection of State Street and Cermak Road to the southeast corner of the intersection of South Calumet Avenue and South Martin Luther King Jr. Drive. The map below illustrates the location and general boundaries of the Project Area. For precise boundaries, please consult the legal description in the Redevelopment Plan.





**1999 AMENDMENT**

**TO THE**

**MICHIGAN/CERMAK**

**REDEVELOPMENT PROJECT AREA**

The following is said ordinance as passed:

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City"), a home rule unit of government under Section 6 (a), Article VII of the Constitution of the State of Illinois, by separate ordinances approved September 13, 1989 and published in the Journal of the Proceedings of the City Council (the "Journal of Proceedings") for such date at pages 4137 -- 4198, has previously (1) approved the Michigan/Cermak Tax Increment Financing Redevelopment Plan and Project (as amended, the "Redevelopment Project and Plan"), (2) designated the Michigan/Cermak area (as amended, the "Redevelopment Project Area") as a redevelopment project area, and (3) adopted tax increment allocation financing for the Redevelopment Project Area, all pursuant to the Tax Increment Allocation Redevelopment Act, presently codified at 65 ILCS 5/11-74.4-1, et seq. (1996 State Bar Edition), as amended (the "Act"); and

WHEREAS, The City Council, by an ordinance approved March 21, 1990 and published in the Journal of Proceedings for such date at pages 12833 -- 12850, amended the Redevelopment Project and Plan to amend the boundaries of the Redevelopment Project Area to exclude certain parcels of real estate unnecessary to the implementation of the Redevelopment Project and Plan and to correct certain scrivener's errors in the legal description of the Redevelopment Project Area; and

WHEREAS, The City has determined that an additional amendment to the Redevelopment Project and Plan is necessary to exclude certain other parcels of real estate unnecessary to the implementation of the Redevelopment Project and Plan and to correct certain other scrivener's errors in the legal description of the Redevelopment Project Area; and

WHEREAS, The City has determined that a further amendment to the Redevelopment Project and Plan is necessary in order to incorporate the "portability" language included in the Act and in the Illinois Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-15(s) (1996 State Bar Edition), in order to permit the City to transfer tax incremental revenues to and from the Redevelopment Project Area and other redevelopment project areas contiguous to or separated only by a public right-of-way from, the Redevelopment Project Area, and vice versa; and

WHEREAS, Pursuant to Sections 5/11-74.4-4 and 5/11-74.4-5 of the Act, the Community Development Commission (the "Commission") of the City, by

authority of the Mayor and the City Council (referred to herein collectively with the Mayor as the "Corporate Authorities") called a public hearing (the "Hearing") concerning approval of Amendment Number 2 pursuant to the Act on March 9, 1999; and

WHEREAS, Amendment Number 2 was made available for public inspection and review pursuant to Section 5/11-74.4-5(a) of the Act beginning January 6, 1999, being a date prior to the adoption by the Commission of Resolution 99-CDC-10 on January 12, 1999, fixing the time and place for the Hearing, at the offices of the City Clerk and the City's Department of Planning and Development; and

WHEREAS, Due notice of the Hearing was given pursuant to Section 5/11-74.4-6 of the Act, said notice being given to all taxing districts having property within the Redevelopment Project Area and to the Department of Commerce and Community Affairs of the State of Illinois by certified mail on January 15, 1999, by publication in the *Chicago Sun-Times* or *Chicago Tribune* on February 8, 1999 and February 26, 1999, and by certified mail to taxpayers within the Redevelopment Project Area on February 16, 1999; and

WHEREAS, Meeting of the joint review board established pursuant to Section 5/11-74.4-5(b) of the Act (the "Board") was convened upon the provision of due notice on January 29, 1999 at 10:00 A.M., concerning the approval of Amendment Number 2; and

WHEREAS, The Commission has forwarded to the City Council a copy of its Resolution 99-CDC-43 attached hereto as Exhibit E, adopted on March 9, 1999, recommending to the City Council approval of Amendment Number 2; and

WHEREAS, The Corporate Authorities have reviewed Amendment Number 2, testimony from the Hearing, if any, the recommendation of the Board, if any, the recommendation of the Commission and such other matters or studies as the Corporate Authorities have deemed necessary or appropriate to make the findings set forth herein, and are generally informed of the conditions existing in the Redevelopment Project Area; now, therefore,

*Be It Ordained by the City Council of the City of Chicago:*

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof.

SECTION 2. Amendment Of Redevelopment Project Area. The existing Redevelopment Project Area, the current legal description of which is set forth in Exhibit A attached hereto and incorporated herein by reference as if fully set forth herein, is hereby amended as a redevelopment project area pursuant to Sections 5-11/74.4-4 and 5/11-74.4-5 of the Act so that the boundaries of the Redevelopment Project Area are as legally described in Exhibit B attached hereto and incorporated herein by reference as if fully set forth herein. Such amendment is necessary to correct certain scrivener's errors in the legal description and to exclude certain parcels unnecessary to the implementation of the Redevelopment Project and Plan. The map attached hereto as Exhibit C and incorporated herein by reference as if fully set forth herein depicts the corrected boundaries of the Redevelopment Project Area. The list of permanent index numbers ("P.I.N.s") attached hereto as Exhibit D sets forth the list of P.I.N.s for the tax parcels located within the corrected boundaries of the Redevelopment Project Area.

SECTION 3. Addition Of Portability Language. The City, pursuant to Section 5/11-74.4-5 of the Act, hereby amends Section 5.E of the Redevelopment Project and Plan, entitled "Sources of Funds to Pay Redevelopment Project Costs", to include the following concluding paragraph:

"If the R.P.A. is contiguous to, or separated only by a public right-of-way from, one (1) or more redevelopment project areas created under the Act, the City may utilize revenues received under the Act from the R.P.A. to pay eligible redevelopment project costs, or obligations incurred to pay such costs, in other contiguous redevelopment project areas or other redevelopment project areas separated only by a public right-of-way, and vice versa. In addition, if the R.P.A. is contiguous to, or separated only by a public right-of-way from, one (1) or more redevelopment project areas created under the Industrial Jobs Recovery Law (an "I.J.R.L. Project Area"), 65 ILCS 5/11-74.6-1, et seq. (1996 State Bar Edition), as amended (the "Law"), the City may utilize revenues received from such I.J.R.L. Project Area(s) to pay eligible redevelopment project costs or obligations issued to pay such costs in the R.P.A., and vice versa. Such revenues may be transferred outright from or loaned by the I.J.R.L. Project Area to the R.P.A., and vice versa. The amount of revenue from the R.P.A. made available to support any contiguous redevelopment project areas, or those redevelopment project areas separated only by a public right-of-way, when added to all amounts used to pay eligible redevelopment project costs within the R.P.A., shall not at any time exceed the total Redevelopment Project Costs described in this Redevelopment Plan. This paragraph is intended to give the City the full benefit of the "portability" provisions set forth in the Act, 65 ILCS 5/11-74.4-4(q) and the Law, 65 ILCS 5/11-74.6-15(s)."

SECTION 4. Reaffirmation Of Existing Plan And Project. Except as amended hereby, the Redevelopment Plan and Project shall remain in full force and effect.

SECTION 5. Invalidity Of Any Section. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. Superseder. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. Effective Date. This ordinance shall be in full force and effect immediately upon its passage.

[Exhibits "C" and "D" referred to in this ordinance printed on pages 729 through 732 of this Journal.]

Exhibits "A", "B" and "E" referred to in this ordinance read as follows:

*Exhibit "A".*

*Existing Legal Description.*

That part of the southwest quarter of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian and part of the northwest quarter of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian bounded and described as follows:

commencing at the intersection of the east line, extended north of South State Street and the centerline of East 21<sup>st</sup> Street; thence south along said east line, extended north of South State Street to the northwest corner of Lot 20 in Block 28 in Gurley's Subdivision of Blocks 24 to 28 in Assessor's Division of the southwest fractional quarter of Section 22, aforesaid (said

northwest corner of Lot 20, being a point in the south line of said East 21<sup>st</sup> Street); thence east along said south line of East 21<sup>st</sup> Street to the northwest corner of Lot 1 in said Block 28 in Gurley's Subdivision aforesaid; thence south along the west line of said Lot 1 and the west line of Lot 2 in said Block 28 in Gurley's Subdivision aforesaid to the northwest corner of the south 25 feet of said Lot 2; thence east along the north line and said north line extended east of the said south 25 feet of Lot 2 to the east line of South Wabash Avenue (said east line of South Wabash Avenue, being the west line of Block 27 in Gurley's Subdivision aforesaid); thence north along said east line of South Wabash Avenue to the north line of the south 30 feet of Lot 19 in said Block 27; thence east along the north line and said north line extended east of said south 30 feet of Lot 19 to the centerline of 12 feet of the north and south public alley, east of and adjoining said Lot 19; thence south along the centerline of said 12 feet of the north and south alley to the centerline, and said centerline extended east of the east and west 25.8 foot alley; thence east along centerline, and said centerline extended east and west of said 25.8 foot alley to the west line of Lot 5 in said Block 27; thence south along said west line of Lot 5 to the northwest corner of Lot 6 in said Block 27; thence east along the north line and said north line extended east of said Lot 6 to the east line of South Michigan Avenue (said east line of South Michigan Avenue being the west line of Block 26 in Gurley's Subdivision aforesaid); thence south along the east line of South Michigan Avenue to the north line of the south 25 feet of Lot 12 in said Block 26; thence east along the north line and said north line extended east of the said south 25 feet of Lot 12 to the centerline of the 18 foot north and south alley; thence north along said centerline of the 18 foot north and south alley to the north line extended west of Lot 3 in said Block 26; thence east along the north line and said north line extended east and west of the said north line of Lot 3 to the east line of South Indiana Avenue (said east line of South Indiana Avenue being the west line of Block 25 in Gurley's Subdivision, aforesaid); thence north along the east line of South Indiana Avenue to the north line of Lot 15 in said Block 25; thence east along the north line and said north line extended east of said Lot 15 to the east line of the north and south 18 foot public alley; thence north along said east line to the north line of the south 21.8 feet of Lot 3 in said Block 25; thence east along said north line and said north line extended east to the east line of South Prairie Avenue (said east line of South Prairie Avenue being the west line of Block 24 in Gurley's Subdivision aforesaid); thence south along the east line of South Prairie Avenue to an intersection with the northwest corner of the centerline of East 22<sup>nd</sup> Street (East Cermak Road); thence east along said centerline of East 22<sup>nd</sup> Street (the north line of the northeast quarter of Section 27) to an intersection with the centerlines of South Calumet Avenue and Silverton Way; thence south along said centerline of South Calumet Avenue to an intersection with the west line of South Calumet Avenue and the north line



of a 15 foot east and west alley, said point being the southeast corner of Lot 1 in Assessor's Division of Blocks 2, 12 and 15 (except the east half of the south 120 feet of Block 15) in said Canal Trustees' Subdivision of the west half of Section 27 aforesaid; thence west along said north line and said north line extended west of said 15 foot east and west alley to the west line of South Prairie Avenue; thence north along the said west line of South Prairie Avenue to the southeast corner of Lot 6 in Hole's Subdivision of Lots 1 and 2 in Block 3 in said Canal Trustees' Subdivision; thence west along the south line and said south line extended west of said Lot 6 to the extension north of the west line of Lot 7 in Gould's Subdivision of Block 3 in said Canal Trustees' Subdivision; thence south along the extension north and the west line of Lot 7 to the northeasterly line of South Cottage Grove Avenue; thence southeasterly along the said northeasterly line of South Cottage Grove Avenue to the extension east of the south line of Lot 10 in the subdivision of Block 17 in said Canal Trustees' Subdivision; thence west along the extension east of the south line and said line extended west of said Lot 10 to the east line of South Indiana Avenue; thence north along the said east line of South Indiana Avenue and the south line of East Cermak Road as widened; thence west along said south line to the east line of a north and south 20 foot public alley east of and adjoining Lots 2, 3, 4 and 5 in Assessor's Division of the north one-third of Block 20 of Fractional Section 15 additional Section 15, Township 39 North, Range 14 East of the Third Principal Meridian and the north 185 feet of Block 40 in Canal Trustees' Subdivision aforesaid and the west part of Block 4 of the west half of Section 27 aforesaid; thence south along said east line to the north line of said Lot 5 extended east; thence west along the extension east and the north line of said Lot 5 to the east line of South Michigan Avenue; thence south along the east line of South Michigan Avenue to the extension east of the north line of Lot 1 in the subdivision of the east half of Block 19 in said Canal Trustees' Subdivision; thence west along the extension east, the north line and said north line extended west of said Lot 1 in Block 19 to the centerline of South Wabash Avenue; thence north along the said centerline of South Wabash Avenue to the extension east of the south line of the north 87 feet of Block 7 in said Canal Trustees' Subdivision; thence west along the extension east and the south line of the said north 87 feet of Block 7 to the west line of the east 197.4 feet of said Block 7; thence south along the said west line of the east 197.4 feet of said Block 7 to the north line of Block 20 in said Canal Trustees' Subdivision; thence west along the said north line of Block 20 to the west line of the C.T.A. elevated railroad; thence south along said west line to a line 100 feet north and parallel with the north line of East 23<sup>rd</sup> Street; thence west along last described parallel line to the east line of South State Street as widened; thence north along said east line of South State Street, as widened, to the place of beginning, all in the City of Chicago, Cook County, Illinois. Also, included within the above described perimeter is a tract of land

consisting of:

Parcel 1:

The south 25 feet of Lot 2 and all of Lots 3 to 22, both inclusive, and including those parts of the east half of South State Street, the west half of South Wabash Avenue, the north half of East 22nd Street and the public alleys adjoining and accruing to the aforesaid lots, all in Block 28 of Gurley's Subdivision of Blocks 24 to 28 of Assessor's Division of the southwest fractional quarter of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

Parcel 2:

Lots 6 to 18, both inclusive, and the south 30 feet of Lot 19, and including those parts of the east half of South Wabash Avenue, the west half of South Michigan Avenue, the north half of East 22nd Street and the public alleys adjoining and accruing to the aforesaid lots, all in Block 27 of Gurley's Subdivision of Blocks 24 to 28 of Assessor's Division of the southwest fractional quarter of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

Parcel 3:

Lots 3 to 11, both inclusive, and the south 25 feet of Lot 12 and including those parts of the east half of South Michigan Avenue, the west half of South Indiana Avenue, the north half of East 22<sup>nd</sup> Street and the north and south 18 foot public alley adjoining and accruing to the aforesaid lots, all in Block 26 of Gurley's Subdivision of Blocks 24 to 28 of Assessor's Division of the southwest fractional quarter of Section 22, Township 39 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

Parcel 4:

Lots 3 to 15, both inclusive, and including those parts of the east half of

South Indiana Avenue, the west half of South Prairie Avenue, the north half of East 22<sup>nd</sup> Street, South Cottage Grove Avenue and the north and south 18 foot public alley and accruing to the aforesaid lots, all in Block 25 of Gurley's Subdivision of Blocks 24 to 28 of Assessor's Division of the southwest fractional quarter of Section 22, Township 39 North, Range 14 East of Third Principal Meridian in Cook County, Illinois.

Parcel 6:

Block 1 (excepting that part thereof lying northeasterly of the southwesterly line of Silverton Way and excepting that part thereof taken and used for street purposes), including the east half of South Calumet Avenue lying west and adjoining, and all of Silverton Way easterly of and adjoining, all in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 8:

Lots 1 to 11, both inclusive, including those parts of the west half of South Calumet Avenue, the east half of South Prairie Avenue and East 22<sup>nd</sup> Street adjoining and accruing to the aforesaid lots, all in the Assessor's Division of Blocks 2, 12 and 15 (except the east half of the south 120 feet of Block 15) in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 9:

Lots 3 to 7, both inclusive (excepting that part of Lots 3 and 7 taken and used for street purposes), including those parts of the west half of South Prairie Avenue and East 22<sup>nd</sup> Street adjoining and accruing to the aforesaid lots, all in Hale's Subdivision of Lots 1 and 2 in Block 3 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

## Parcel 10:

The east 150 feet of that part of Gould's Subdivision of Block 3 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois, lying west of the west line of Hale's Subdivision of Lots 1 and 2 in Block 3 aforesaid, lying north of the north line of the east and west public alley (excepting that part thereof taken and used for street purposes), including those parts of South Cottage Grove Avenue and East 22<sup>nd</sup> Street adjoining and accruing thereto.

## Parcel 11:

Block 10 (excepting those parts thereof taken and used for street purposes), including those parts of South Cottage Grove Avenue, East 22<sup>nd</sup> Street and the east half of South Indiana Avenue, adjoining and accruing to aforesaid Block 10, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

## Parcel 12:

Lots 10 and 11, including those parts of South Cottage Grove Avenue and the east half of South Indiana Avenue, adjoining and accruing to aforesaid lots, in subdivision of Block 17 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

## Parcel 13:

Lots 2, 3 and 4 (excepting that part of said Lot 2 taken and used for street purposes), including those parts of the east half of South Michigan Avenue, East 22<sup>nd</sup> Street, the north and south 20 foot alley adjoining and accruing to aforesaid lots, in Assessor's Division of the west part of Block 4 of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian and the north 185 feet of Block 40 in Canal Trustees' Subdivision of the west half of Section 27 additional Section 27,

Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 14:

That part of East 22<sup>nd</sup> Street lying north of and adjoining to the east part of Block 4 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 15:

Lots 1 to 18, both inclusive (excepting that part thereof taken and used for street purposes), including those parts of the west half of South Michigan Avenue, the east half of South Wabash Avenue, East 22<sup>nd</sup> Street and the public alley adjoining and accruing to the aforesaid lots, in Assessor's Division of the north half of Block 5 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 16:

Lots 1 to 6, both inclusive, including those parts of the west half of South Michigan Avenue, the east half of South Wabash Avenue and the public alley adjoining and accruing to the aforesaid lots, in William L. Butterfield's Subdivision of the west half of the south half and the north 25.25 feet of the south half of the east half of Block 5 in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 17:

The south half of the east half (excepting the north 25.25 feet thereof), of Block 5, including that part of the west half of South Michigan Avenue adjoining and accruing thereto, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third

Principal Meridian, in Cook County, Illinois.

Parcel 18:

Block 8, including those parts of the west half of South Michigan Avenue and the east half of South Wabash Avenue adjoining and accruing thereto, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 19:

Block 6 (excepting those parts taken and used for street purposes), including those parts of the west half of South Wabash Avenue, East 22<sup>nd</sup> Street and South State Street adjoining and accruing thereto, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois

Parcel 20:

Block 7 (except the south 112.83 feet of the east 197.4 feet, also excepting that part taken and used for street purposes), including those parts of the west half of South Wabash Avenue and South State Street adjoining and accruing thereto, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 21:

The west 111.75 feet (except the south 100 feet thereof of that part lying east of the east line of South State Street as widened), of Block 20, including that part of South State Street adjoining and accruing thereto, in Canal Trustees' Subdivision of the west half of Section 27, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

*Exhibit "B".**Amended Legal Description.*

That part of the southwest quarter of Section 22 and the southeast quarter of Section 21, Township 39 North, Range 14, East of the Third Principal Meridian and part of the northwest quarter of Section 27, Township 39 North, Range 14, East of the Third Principal Meridian bounded and described as follows:

beginning at the intersection of the east line of South State Street and the south line of East 21<sup>st</sup> Street, said point also being the northwest corner of Lot 20 in Block 28 in Gurley's Subdivision of Blocks 24 to 28 in Assessor's Division of the southwest fractional quarter of Section 22, aforesaid; thence east along said south line of East 21<sup>st</sup> Street to the northwest corner of Lot 1 in said Block 28 in Gurley's Subdivision aforesaid; thence south along the west line of said Lot 1 and the west line of Lot 2 in said Block 28 in Gurley's Subdivision aforesaid to the northwest corner of the south 25 feet of said Lot 2; thence east along the north line and said north line extended east of the said south 25 feet of Lot 2 to the east line of South Wabash Avenue (said east line of South Wabash Avenue, being the west line of Block 27 in Gurley's Subdivision aforesaid); thence north along said east line of South Wabash Avenue to the north line of the south 30 feet of Lot 19 in said Block 27; thence east along said north line and said north line extended east of said south 30 feet of Lot 19 to the centerline of 12 foot wide north and south public alley, east of and adjoining said Lot 19; thence south along the centerline of said 12 foot wide north and south alley to the centerline of the east and west 25.8 foot alley extended west (north of East 22<sup>nd</sup> Street); thence east along said centerline (extended east) to the west line of Lot 5 in said Block 27; thence south along said west line of Lot 5 to the northwest corner of Lot 6 in said Block 27; thence east along the north line and said north line extended east of said Lot 6 to the east line of South Michigan Avenue (said east line of South Michigan Avenue being the west line of Block 26 in Gurley's Subdivision aforesaid); thence south along the east line of South Michigan Avenue to the north line of the south 25 feet of Lot 12 in said Block 26; thence east along the said north line (extended east) to the centerline of the 18 foot wide north and south alley; thence north along said centerline of the 18 foot north and south alley to the north line extended west of Lot 3 in said Block 26; thence east along north line and said north line extended east and west of the said north line of Lot 3 to the east line of South Indiana Avenue (said east line of South Indiana Avenue being the west line of Block 25 in Gurley's Subdivision aforesaid); thence north along said east line of South Indiana Avenue to the north line of the south 10 feet of Lot 17 in Block 25 in said Gurley's Subdivision; thence east along said north line of the

south 10 feet of Lot 17 and along the eastward extension thereof to the east line of the north and south public alley, 18 feet wide in said Block 25; thence south along said east line to the north line of the south 24.8 feet of Lot 3 in said Block 25; thence east along said north line and said north line extended east to the east line of South Prairie Avenue (said east line of South Prairie Avenue being the west line of Block 24 in Gurley's Subdivision aforesaid); thence south along the east line of South Prairie Avenue to an intersection with the centerline of East 22<sup>nd</sup> Street (East Cermak Road); thence east along said centerline of East 22<sup>nd</sup> Street (the north line of the northwest quarter of Section 27) to an intersection with the centerlines of South Calumet Avenue and Silverton Way; thence south along said centerline of South Calumet Avenue to the north line of a 15 foot east and west alley (extended east) south of East Cermak Road; thence west along said north line and said north line extended west of said 15 foot east and west alley to the west line of South Prairie Avenue; thence north along the said west line of South Prairie Avenue to the southeast corner of Lot 6 in Hale's Subdivision of Lots 1 and 2 in Block 3 in said Canal Trustees' Subdivision; thence west along the south line and said south line extended west of said Lot 6 to the extension north of the west line of Lot 7 in Gould's Subdivision of Block 3 in said Canal Trustees' Subdivision; thence south along the extension north and the west line of Lot 7 to the northeasterly line of South Cottage Grove Avenue; thence southeasterly along the said northeasterly line of South Cottage Grove Avenue to the extension east of the south line of Lot 10 in the subdivision of Block 17 in said Canal Trustees' Subdivision; thence west along the extension east of the south line and said line extended west of said Lot 10 to the east line of South Indiana Avenue; thence north along the said east line of South Indiana Avenue to the south line of East Cermak Road as widened; thence west along said south line to the east line of a north and south 20 foot public alley east and adjoining Lots 2, 3, 4 and 5 in Assessor's Division of the north one-third of Block 20 of fractional Section 15, additional Section 15, Township 39 North, Range 14, East of the Third Principal Meridian and the north 135 feet of Block 40 in Canal Trustees' Subdivision aforesaid, and the west part of Block 4 of the west half of Section 27 aforesaid; thence south along said east line to the north line of said Lot 5 extended east; thence west along the extension east and the north line of said Lot 5 to the east line of South Michigan Avenue; thence south along the east line of South Michigan Avenue to the extension east of the north line of Lot 1 in the subdivision of the east half of Block 19 in said Canal Trustees' Subdivision; thence west along the extension east, the north line and said north line extended west of said Lot 1 in Block 19 to the centerline of South Wabash Avenue; thence north along the said centerline of South Wabash Avenue to the extension east of the south line of the north 87 feet of Block 7 in said Canal Trustees' Subdivision; thence west along the extension east and the south line of the said north 87 feet of Block 7 to the west line of the east 197.4 feet of said



Block 7; thence south along the said west line of the east 197.4 feet of said Block 7 to the north line of Block 20 in said Canal Trustees' Subdivision; thence west along the said north line of Block 20 to the west line of the C.T.A. elevated railroad; thence south along said west line to a line 100 feet north and parallel with the north line of East 23<sup>rd</sup> Street; thence west along the last described parallel line to the east line of property having a Permanent Index Number 17-27-100-016; thence north along said east line to the northeast corner of said property; thence west along the north line of said property (extended west) to the west line of South State Street; thence north along said west line of South State Street in Section 21 aforesaid, to the south line of East 21<sup>st</sup> Street (extended west); thence east along said south line of East 21<sup>st</sup> Street to the point of beginning, all in the City of Chicago, Cook County, Illinois.

*Exhibit E.*

*Community Development Commission*

*Of The*

*City Of Chicago*

*Resolution 99-CDC-43*

*Recommending To The City Council Of*

*The City Of Chicago*

*Amendment Number 2*

*To The Michigan/Cermak Tax Increment Financing*

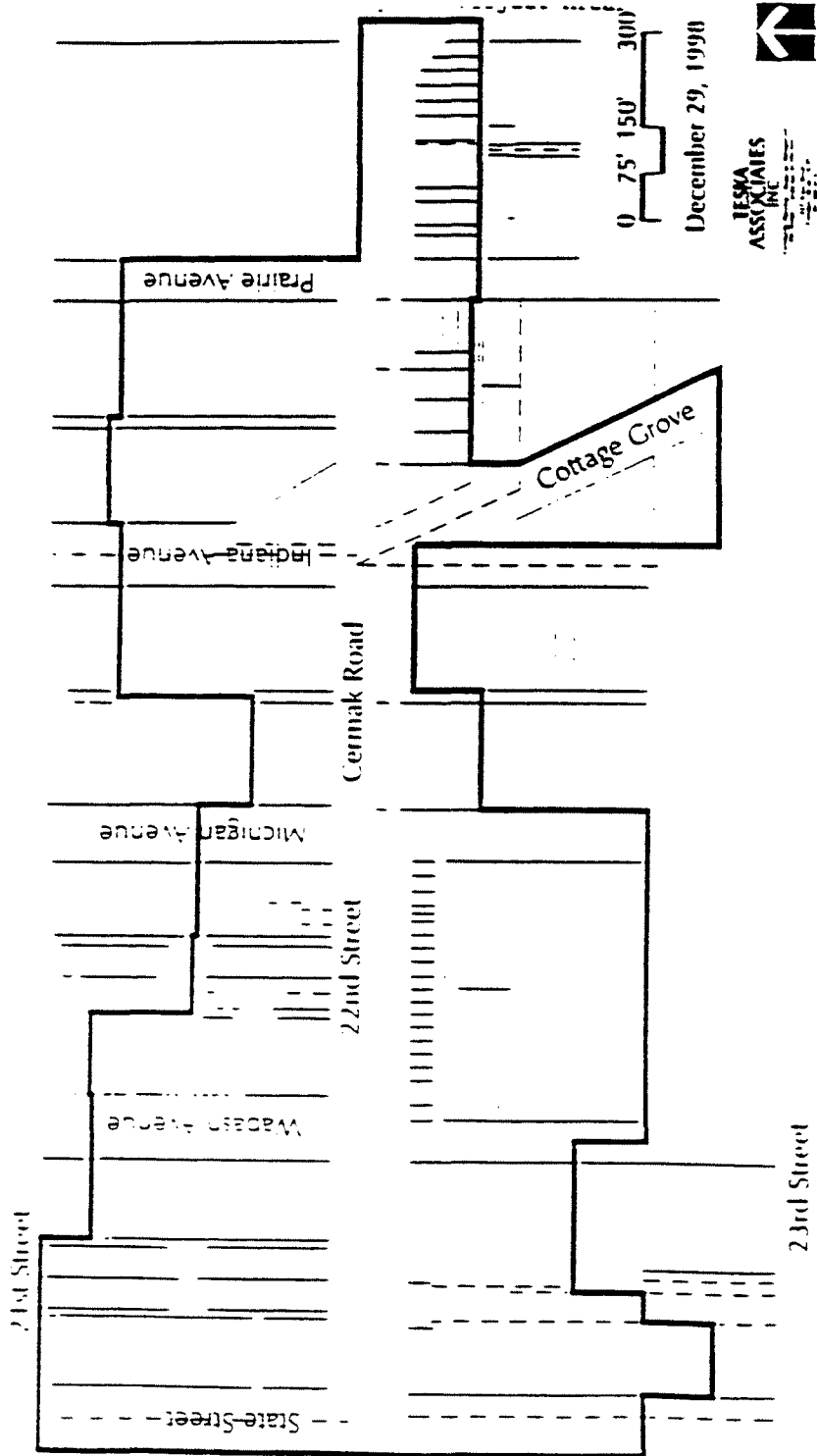
*Redevelopment Project And Plan.*

Whereas, The Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the

(Continued on page 733)

Exhibit "C".

Map Of The Amended Redevelopment Project Area.



Michigan/Cermak Redevelopment Plan and Project

Figure 1: Corrected Original Redevelopment Project Area Boundary Map

*Exhibit "D".*

*Michigan/Cermak Redevelopment Project  
Area Permanent Index Numbers.  
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17	22	320	004
17	22	320	006
17	22	320	010
17	22	320	011

*Exhibit "D".*

*Michigan/Cermak Redevelopment Project  
Area Permanent Index Numbers.  
(Page 2 of 3)*

17	22	320	012
17	22	320	013
17	22	320	018
17	22	320	019
17	22	320	020
17	22	320	021
17	22	320	022
17	22	317	027
17	22	317	028
17	22	317	029
17	22	317	035
17	27	100	001
17	27	100	002
17	27	100	003
17	27	100	004
17	27	100	005
17	27	100	007
17	27	100	008
17	27	100	014
17	27	100	015
17	27	101	001
17	27	101	002
17	27	101	003
17	27	101	004
17	27	101	005
17	27	101	006

17	27	101	007
17	27	101	008
17	27	101	009
17	27	101	010
17	27	101	011
17	27	101	012
17	27	101	013
17	27	101	014
17	27	101	015
17	27	101	016
17	27	101	018
17	27	101	019
17	27	101	020
17	27	101	028
17	27	101	029
17	27	102	001
17	27	102	024
17	27	103	001
17	27	103	002
17	27	104	006
17	27	104	007
17	27	104	008
17	27	104	009
17	27	104	019
17	27	104	020
17	27	104	021



(Continued from page 728)

City with the approval of its City Council ("City Council", referred to herein collectively with the Mayor as the "Corporate Authorities") (as codified in Section 2-124 of the City's Municipal Code) pursuant to Section 5/22-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (1993) (the "Act"); and

Whereas, The Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Act, including the holding of certain public hearings required by the Act; and

Whereas, On September 13, 1989 the City Council adopted ordinances to: 1) approve the Michigan/Cermak T.I.F. Redevelopment Project And Plan (the "Original Project and Plan"); 2) designate the Michigan/Cermak Project Area (the "Original Redevelopment Project Area") as a redevelopment project area; and 3) adopt tax increment allocation financing for the Area, all pursuant to the Act; and

Whereas, On March 21, 1990, the City adopted an ordinance amending the Original Project and Plan to exclude certain parcels that were unnecessary to the implementation of Amendment Number 2, and to correct certain scrivener's errors in the legal description for the Original Project Area; and

Whereas, Staff of the City's Department of Planning and Development ("D.P.D.") desire to exclude certain real property that is unnecessary to the implementation of the Original Project and Plan, and to correct certain scrivener's errors in the legal description of the Original Redevelopment Project Area, so that after the enactment of Amendment Number 2, the redevelopment project area will have the street boundaries described in (Sub)Exhibit A hereto (the "Area"); and

Whereas, D.P.D. desires to add "portability" language to the Original Project and Plan in order to permit the transfer of incremental revenues under the Act and under the Industrial Jobs Recovery Law (65 ILCS 5/11-74.6-1 et seq.) (1996 State Bar Edition) (the "Law") to and from the street boundaries of the Original Redevelopment Project Area and any contiguous redevelopment project areas or those redevelopment project areas separated only by a public right-of-way, in accordance with the Act and the Law; and

Whereas, D.P.D. has previously presented to the Commission for its review Amendment Number 2 to the Michigan/Cermak T.I.F. Redevelopment Project and Plan, attached hereto as (Sub)Exhibit B (which has attached the Original Plan, as amended); and

Whereas, Prior to the adoption by the Corporate Authorities of Amendment Number 2, it is necessary that the Commission hold a public hearing pursuant to Section 5/11-74.4-5(a) of the Act (the "Hearing"), convene a meeting of a joint review board pursuant to Section 5/11-74.4-5(b) of the Act (the "Board"), set the dates of such Hearing and Board meeting and give notice thereof pursuant to Section 5/11-74.4-6 of the Act; and

Whereas, Amendment Number 2 (with the Original Plan attached thereto) were made available for public inspection and review prior to the adoption by the Commission of Resolution 99-CDC-10 on January 12, 1999 fixing the time and place for the Hearing, at City Hall, 121 North LaSalle Street, Chicago, Illinois, in the following offices: City Clerk, Room 107 and Department of Planning and Development, Room 1000; and

Whereas, Notice of the Hearing by publication was given at least twice, the (1<sup>st</sup>) first publication being on February 8, 1999, a date which is not more than thirty (30) nor less than ten (10) days prior to the Hearing, and the second (2<sup>nd</sup>) publication on February 26, 1999, both in the *Chicago Sun-Times*, being a newspaper of general circulation within the taxing districts having property in the Area; and

Whereas, Notice of the Hearing was given by mail to taxpayers by depositing such notice in the United States mail by both certified and regular mail addressed to the persons in whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the Area, on February 16, 1999 being a date not less than ten (10) days prior to the date set for the Hearing; and where taxes for the last preceding year were not paid, notice was also mailed to the persons last listed on the tax roll as the owners of such property within the preceding three (3) years; and

Whereas, Notice of the Hearing was given by mail to the Illinois Department of Commerce and Community Affairs ("D.C.C.A.") and members of the Board (including notice of the convening of the Board), by depositing such notice in the United States mail by certified mail addressed to D.C.C.A. and all Board members, on January 15, 1999, being a date not less than forty-five (45) days prior to the date set for the Hearing.

Whereas, Notice of the Hearing and copies of Amendment Number 2 (with the Original Plan attached thereto) were sent by mail to taxing districts having taxable property in the Area, by depositing such notice and documents in the United States mail by certified mail addressed to all taxing districts having taxable property within the Area, on January 15, 1999, being a date not less than forty-five (45) days prior to the date set for the Hearing; and

Whereas, The Hearing was held on March 9, 1999 at 1:00 P.M. at City Hall, City Council Chambers, 121 North LaSalle Street, Chicago, Illinois, as the official public hearing, and testimony was heard from all interested persons or representatives of any affected taxing district present at the Hearing and wishing to testify, concerning the Commission's recommendation to City Council regarding approval of Amendment Number 2; and

Whereas, The Board meeting was convened on January 26, 1999 at 10:00 A.M. (being a date no more than fourteen (14) days following the mailing of the notice to all taxing districts on January 12, 1999) in Room 1003A, City Hall, 121 North LaSalle Street, Chicago, Illinois, to consider its advisory recommendation regarding the approval of Amendment Number 2; and

Whereas, The Commission has reviewed Amendment Number 2 (with the Original Plan attached thereto), considered testimony from the Hearing, if any, the recommendation of the Board, if any, and such other matters or studies as the Commission deemed necessary or appropriate in making the findings set forth herein and formulating its decision whether to recommend to City Council approval of Amendment Number 2; now, therefore,

Be It Resolved by the Community Development Commission of the City of Chicago:

Section 1. The above recitals are incorporated herein and made a part hereof.

Section 2. The Commission hereby makes the following findings pursuant to Section 5/11-74.4-3(n) of the Act or such other section as is referenced herein:

a. The Amended Plan:

- (i) conforms to the comprehensive plan for the development of the City as a whole; or
- (ii) either (A) conforms to the strategic economic development or redevelopment plan issued by the Chicago Plan Commission or (B) includes land uses that have been approved by the Chicago Plan Commission;

b. The Amended Plan meets all of the requirements of a redevelopment plan as defined in the Act; and the estimated date of completion of the projects described therein and retirement of all obligations issued to finance redevelopment project costs is not more than twenty-three (23) years from the date of the adoption of the ordinance approving the



- original designation of the Area as a redevelopment project area; and, as required pursuant to Section 5/11-74.4-7 of the Act, no such obligation shall have a maturity date greater than twenty (20) years;
- c. The Area includes only those contiguous parcels of real property and improvements thereon that will substantially benefit by the proposed Amendment Plan improvements, as required pursuant to Section 5/11-74.4(a) of the Act; and
  - d. As required pursuant to Section 5/11-74.4-3(p) of the Act:
    - (i) The Area, as amended, is not less, in the aggregate, than one and one-half (1 ½) acres in size; and
    - (ii) Conditions exist in the Area, as amended, that cause it to qualify for designation as a redevelopment project area and blighted area as defined in the Act.

Section 3. The Commission recommends that the City Council approve Amendment Number 2 pursuant to Section 5/11-74.4-4 of the Act.

Section 4. The Commission recommends that the City Council designate the Area, as amended, as a Redevelopment Project Area pursuant to Section 5/11-74.4-4 of the Act.

Section 5. The Commission recommends that the City Council Adopt Tax Increment Allocation Financing within the Area, as amended.

Section 6. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.

Section 7. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be effective as of the date of its adoption.

Section 9. A certified copy of this resolution shall be transmitted to the City Council.

5/12/99

REPORTS OF COMMITTEES

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Adopted: March 9, 1999.