
2001 Annual Report

Irving/Cicero Redevelopment Project Area



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

JUNE 30, 2002

June 30, 2002

Ms. Alicia Mazur Berg
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the Irving/Cicero Redevelopment Project Area, which we compiled at the direction of the Department of Planning and Development pursuant to Section 5(d) of the Illinois 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 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

Irving/Cicero Redevelopment Project Area 2001 Annual Report

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City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Alicia Mazur Berg
Commissioner

121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271 (FAX)

<http://www.cityofchicago.org>

June 30, 2002

The Honorable Daniel Hynes
Comptroller
State of Illinois
Office of the Comptroller
201 Capitol
Springfield, IL 62706

Dear Comptroller Hynes:

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

Sincerely,

Alicia Mazur Berg
Commissioner



Irving/Cicero Redevelopment Project Area 2001 Annual Report

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

The Project Area was designated on June 10, 1996. The Project Area may be terminated no later than June 10, 2019.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

Please see attached.

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2001 AND 2000

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO 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 combined balance sheet of the Irving-Cicero Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2001, and the related combined statements of revenues, expenditures and changes in fund balance - governmental funds for the years ended December 31, 2001 and 2000. These combined financial statements are the responsibility of the City of Chicago's management. Our responsibility is to express an opinion on these combined financial statements based on our audits. We previously audited and reported upon the combined balance sheet as of December 31, 2000, totals of which are included for comparative purposes only.

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

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Irving-Cicero Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2001, and the results of its governmental funds operations and changes in fund balance for the years ended December 31, 2001 and 2000 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the combined 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 combined financial statements of Irving-Cicero Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the combined financial statements taken as a whole.

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

May 22, 2002

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO REDEVELOPMENT PROJECT

COMBINED BALANCE SHEETS
DECEMBER 31, 2001
(With Comparative Totals for 2000)

<u>ASSETS</u>	<u>Governmental Funds</u>	<u>General Long-term Debt Account Group</u>	<u>Total 2001</u>	<u>Total 2000</u>
Cash and investments	\$ 1,083,111	\$ -	\$ 1,083,111	\$ 973,189
Property taxes receivable	508,143	-	508,143	587,794
Accrued interest receivable	4,112	-	4,112	8,832
Amount available for debt service	-	837,415	837,415	649,304
Amount to be provided for retirement of general long-term debt	-	3,462,585	3,462,585	3,765,696
Total assets	<u>\$ 1,595,366</u>	<u>\$ 4,300,000</u>	<u>\$ 5,895,366</u>	<u>\$ 5,984,815</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Vouchers payable	\$ 3,802	\$ -	\$ 3,802	\$ 300
Due to other City funds	8,518	-	8,518	8,193
Accrued interest payable	154,525	-	154,525	156,450
Deferred revenue	366,451	-	366,451	575,830
Bonds payable (Note 2)	115,000	4,300,000	4,415,000	4,470,000
Total liabilities	<u>648,296</u>	<u>4,300,000</u>	<u>4,948,296</u>	<u>5,210,773</u>
Fund balance				
Reserved for debt service	837,415	-	837,415	649,304
Designated for future redevelopment project costs	109,655	-	109,655	124,738
Total fund balance	<u>947,070</u>	<u>-</u>	<u>947,070</u>	<u>774,042</u>
Total liabilities and fund balance	<u>\$ 1,595,366</u>	<u>\$ 4,300,000</u>	<u>\$ 5,895,366</u>	<u>\$ 5,984,815</u>

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

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO REDEVELOPMENT PROJECT

COMBINED STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEARS ENDED DECEMBER 31, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
Revenues		
Property tax	\$ 582,790	\$ 344,337
Interest	32,363	141,093
Total revenues	<u>615,153</u>	<u>485,430</u>
Expenditures		
Capital projects	18,075	17,875
Debt service		
Principal retirement	115,000	55,000
Interest	309,050	312,900
Total expenditures	<u>442,125</u>	<u>385,775</u>
Revenues over expenditures	173,028	99,655
Fund balance, beginning of year	<u>774,042</u>	<u>674,387</u>
Fund balance, end of year	<u>\$ 947,070</u>	<u>\$ 774,042</u>

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

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Description of Project

The Irving-Cicero Tax Increment Redevelopment Project Area (Project) was established in June 1996. The area has been established to finance improvements, leverage private investment and create and retain jobs. Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

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

Basis of Accounting

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

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

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

Management's Use of Estimates

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

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Continued)

Illinois Tax Increment Redevelopment Allocation Act Compliance

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

Cash and Investments

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

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.

CITY OF CHICAGO, ILLINOIS
IRVING-CICERO REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

Note 2 – Bonds Payable

In September 1998, the City issued \$4,470,000 of Irving-Cicero Tax Increment Allocation Bonds payable serially through January 1, 2014, beginning January 1, 2001. The bonds have an interest rate of 7.0 percent. The aggregate maturities of the bonds (principal portion only) are as follows:

2002	\$ -
2003	120,000
2004	130,000
2005	205,000
2006	220,000
Thereafter	<u>3,625,000</u>
	<u>\$4,300,000</u>

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

<u>Code Description</u>	<u>2001</u>	<u>2000</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	\$ 14,573	\$ 14,373
Costs of financing, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto	<u>427,552</u>	<u>371,402</u>
	<u>\$ 442,125</u>	<u>\$ 385,775</u>

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

Please see attached.

STATE OF ILLINOIS)
)
COUNTY OF COOK)

CERTIFICATION

TO:

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Carol Reckamp, Director of Local
Government

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
Attn: Kay Kosmal

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

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

David Doig, General Superintendent & CEO
Chicago Park District
541 N. Fairbanks Court, 7th Floor
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603
Attn: Linda Wrightsell

Mary West, Director of Finance
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
Attn: Dr. K. Lime, Manager

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 Irving/Cicero Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

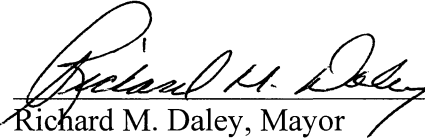
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2001, 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 28th day of June, 2002.


Richard M. Daley, Mayor
City of Chicago, Illinois

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

Please see attached.



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 28, 2002

Daniel W. Hynes
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: Carol Reckamp, Director of Local
Government

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
Attn: Kay Kosmal

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

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

David Doig, General Superintendent &
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541 N. Fairbanks Court, 7th Floor
Chicago, Illinois 60611

Arne Duncan, Chief Executive Officer
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125 South Clark Street, 5th Floor
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Mary West, Director of Finance
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
Attn: Dr. K. Lime, Manager

Re: Irving/Cicero 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.



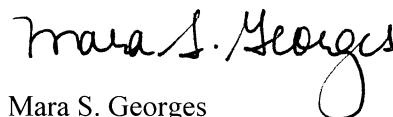
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following 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,



Mara S. Georges
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS YEAR ENDED DECEMBER 31, 2001	
	2001
Revenues	
Property tax	\$ 582,790
Sales tax	-
Interest	32,363
Total revenues	615,153
Expenditures	
Costs of studies, admin., and professional services. (q)(1)	14,573
Marketing costs. (q)(1.6)	-
Property assembly, demolition, site preparation and environmental site improvement costs. (q)(2)	-
Costs of rehabilitation, reconstruction, repair or remodeling and of existing buildings. (q)(3)	-
Costs of construction of public works and improvements. (q)(4)	-
Cost of job training and retraining. (q)(5)	-
Financing costs. (q)(6)	427,552
Approved capital costs of overlapping taxing districts. (q)(7)	-
Cost of reimbursing school district for their increase costs caused by TIF assisted housing projects (q)(7.5)	-
Relocation costs. (q)(8)	-
Payments in lieu of taxes. (q)(9)	-
Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. (q)(10)	-
Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. (q)(11)(A-E)	-
Costs of construction of new housing units for low income and very low income households. (q)(11)(F)	-
Cost of day care services and operational costs of day care centers. (q)(11.5)	-
Total expenditures	442,125
Revenues over expenditures	173,028
Fund balance, beginning of year	774,042
Fund balance, end of year	\$ 947,070
Fund balance	
Reserved for debt service	837,415
Reserved for encumbrances	-
Designated for future redevelopment project costs	\$ 109,655
Total fund balance	<u>\$ 947,070</u>

Irving/Cicero Redevelopment Project Area 2001 Annual Report

**(5) ANALYSIS OF SPECIAL TAX ALLOCATION FUND - 65 ILCS 5/11-74.4-5(d)(5)
cont.**

Below is listed all vendors,
including other municipal
funds, that were paid in excess
of \$5,000 during the current
reporting year.

Name	Service	Amount
Administrative Costs ¹	Administration	\$8,518
LaSalle National Bank	Financing Costs	\$427,552

¹ Costs relate directly to the salaries of Department of Planning employees working solely on tax increment financing districts and their related fringe benefits.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

During 2001, the City did not purchase any property in the Project Area.

Irving/Cicero Redevelopment Project Area 2001 Annual Report

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

- (A)** Projects implemented in the preceding fiscal year.
- (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 the Project Area.
- (D)** Additional information on the use of all Funds received by the Project Area and steps taken by the City to achieve the objectives of the Redevelopment Plan.
- (E)** Information on contracts that the City's consultants have entered into with parties that have received, or are receiving, payments financed by tax increment revenues produced by the Project Area.
- (F)** Joint Review Board reports submitted to the City.
- (G)** Project-by-project review of public and private investment undertaken from 11/1/00 to 12/31/01, and of such investments expected to be undertaken in Year 2002; also, a project-by-project ratio of private investment to public investment from 11/1/00 to 12/31/01, and an estimated ratio of such investments as of the completion of each project and as estimated to the completion of the redevelopment project.

SEE TABLES AND/OR DISCUSSIONS ON THE FOLLOWING PAGES.

Irving/Cicero Redevelopment Project Area 2001 Annual Report

(7)(A) - 65 ILCS 5/11-74.4-5(d)(7)(A)

During 2001, no projects were implemented.

(7)(B) - 65 ILCS 5/11-74.4-5(d)(7)(B)

Redevelopment activities undertaken within this Project Area during the year 2001, if any, have been made pursuant to i) the Redevelopment Plan for the Project Area, and ii) any Redevelopment Agreements affecting the Project Area, and are set forth on Table 5 herein by TIF-eligible expenditure category.

(7)(C) - 65 ILCS 5/11-74.4-5(d)(7)(C)

During 2001, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

(7)(D) - 65 ILCS 5/11-74.4-5(d)(7)(D)

The Project Area has received \$ 1,290,867 of property tax and sales tax (if applicable) increment since the creation of the Project Area. These amounts have been used to pay for project costs within the Project Area and for debt service (if applicable). The Project Area's fund balance as shown on Table 5 represents (on a modified accrual basis) financial resources (including increment) that have not been expended.

(7)(E) - 65 ILCS 5/11-74.4-5(d)(7)(E)

TABLE 7(E)
DESCRIPTION OF CERTAIN EXTERNAL CONTRACTS THAT ARE RELATED TO THE AREA

Name of Entity or Person That has Entered into a Contract with the City's Tax Increment Advisor(s) and is Receiving or has Received Payments Financed by Tax Increment Revenues from the Project Area.	Purpose of Contract	Dates and Duration of Contract	Basis for Compensation Under Contract
Six Corners Development	TIF Assistance	Ongoing	Hourly

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

(7)(F) - 65 ILCS 5/11-74.4-5(d)(7)(F)

During 2001, no reports were submitted to the City by the Joint Review Board.

(7)(G) - 65 ILCS 5/11-74.4-5(d)(7)(G)

During 2001, no public investment was undertaken in the Project Area. As of December 31, 2001, no public investment is estimated to be undertaken for 2002.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

During 2001, there were no obligations issued for this Project Area.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

During 2001, there were no obligations issued for the Project Area.

**Irving/Cicero Redevelopment Project Area
2001 Annual Report**

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

Please see attached.

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

Established 1922

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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 auditing standards generally accepted in the United States of America, the combined balance sheet of Irving-Cicero Redevelopment Project of the City of Chicago, Illinois as of December 31, 2001, and the related combined statement of revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated May 22, 2002.

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 Irving-Cicero 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 22, 2002

Irving/Cicero Redevelopment Project Area 2001 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The Irving/Cicero Redevelopment Project Area is generally bounded by Irving Park Road on the south; the Chicago, Milwaukee and St. Paul Railroad on the east; Belle Plaine Avenue on the north; and Milwaukee Avenue on the west. 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.

