
2004 Annual Report
35th/State
Redevelopment Project Area



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

JUNE 30, 2005

June 30, 2005

Ms. Denise Casalino
Commissioner
Department of Planning and Development
121 North LaSalle Street
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the 35th/State 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

35th/State Redevelopment Project Area 2004 Annual Report

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City of Chicago
Richard M. Daley, Mayor

Department of Planning
and Development

Denise M. Casalino, P.E.
Commissioner

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121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4190
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<http://www.cityofchicago.org>

June 30, 2005

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 35th/State
Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-
74.4-5(d).

Sincerely,

Denise Casalino
Commissioner



35th/State Redevelopment Project Area 2004 Annual Report

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

The Project Area was designated on January 14, 2004. The Project Area may be terminated no later than January 14, 2027.

Note: Incremental tax revenues levied in the 23rd tax year are collected in the 24th tax year. Although the Project Area will expire in Year 23 in accordance with 65 ILCS 5/11-74.4-3(n)(J)(3), the incremental taxes received in the 24th tax year will be deposited into the Special Tax Allocation Fund.

**35th/State Redevelopment Project Area
2004 Annual Report**

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

Please see attached.

CITY OF CHICAGO, ILLINOIS
35TH/STATE
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2004

CITY OF CHICAGO, ILLINOIS
35TH/STATE REDEVELOPMENT PROJECT

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BANSLEY AND KIENER, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

O'HARE PLAZA

8745 WEST HIGGINS ROAD, SUITE 200

CHICAGO, ILLINOIS 60631

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 financial statements of the 35th/State Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2004, as listed in the table of contents. 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 audit.

We conducted our audit 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 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 audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the 35th/State Redevelopment Project and do not purport to, and do not present fairly the financial position of the City of Chicago, Illinois, as of December 31, 2004, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the 35th/State Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2004, and the changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 and 4 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Honorable Richard M. Daley, Mayor
Members of the City Council

- 2 -

Our audit was 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 9, 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 35th/State 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 in relation to the financial statements taken as a whole.

Bandley and Kienast, L.L.P.

Certified Public Accountants

May 6, 2005

CITY OF CHICAGO, ILLINOIS
35TH/STATE REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the 35th/State Tax Increment Redevelopment Project Area (Project), we offer the readers of the Project's financial statements this narrative overview and analysis of the Project's financial performance for the year ended December 31, 2004. Please read it in conjunction with the Project's financial statements, which follow this section.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Project's basic financial statements. The Project's basic financial statements include three components: 1) government-wide financial statements, 2) governmental fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information concerning the Project's expenditures by statutory code.

Basic Financial Statements. The basic financial statements include two kinds of financial statements that present different views of the Project – the *Government-Wide Financial Statements* and the *Governmental Fund Financial Statements*. These financial statements also include the notes to the financial statements that explain some of the information in the financial statements and provide more detail.

Government-Wide Financial Statements provide both long-term and short-term information about the Project's financial status and use accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the project's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Project's net assets and how they have changed. Net assets – the difference between the Project's assets and liabilities – is one way to measure the Project's financial health, or position.

Governmental Fund Financial Statements provide more detailed information about the Project's significant funds – not the Project as a whole. Governmental funds focus on: 1) how cash and other financial assets can readily be converted to cash flows and 2) the year-end balances that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more financial resources that can be spent in the near future to finance the Project. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the statements to explain the relationship (or differences) between them.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and governmental fund financial statements. The notes to the financial statements follow the basic financial statements.

Other Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents a schedule of expenditures by statutory code. This supplementary information follows the notes to the financial statements.

*Condensed Financial Statements*Government-Wide

	<u>2004</u>
Total assets	\$472,315
Total liabilities	<u>4,443</u>
Total net assets	<u>\$467,872</u>
Total revenues	\$472,315
Total expenses	<u>4,443</u>
Change in net assets	<u>467,872</u>
Ending net assets	<u>\$467,872</u>

Analysis of Overall Financial Position and Results of Operations

Condensed comparative financial statements are not provided as this is the first year of financial activity for the Project. Property tax revenue for the Project was \$472,069 for the year. The change in net assets produced an increase in net assets of \$467,872. The Project's net assets increased to \$467,872 making that amount of funding available to be provided for purposes of future redevelopment in the Project's designated area.

CITY OF CHICAGO, ILLINOIS
35TH STATE REDEVELOPMENT PROJECT

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2004

<u>ASSETS</u>	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
Cash and investments	\$ 272,157	\$ -	\$ 272,157
Property taxes receivable	200,000	-	200,000
Accrued interest receivable	158	-	158
Total assets	<u>\$ 472,315</u>	<u>\$ -</u>	<u>\$ 472,315</u>
 <u>LIABILITIES</u> 			
Due to other City funds	\$ 4,443	\$ -	\$ 4,443
Deferred revenue	200,000	(200,000)	-
Total liabilities	204,443	(200,000)	4,443
 <u>FUND BALANCE/NET ASSETS</u> 			
Fund balance:			
Designated for future redevelopment project costs	267,872	(267,872)	-
Total liabilities and fund balance	<u>\$ 472,315</u>		
Net assets:			
Restricted for future redevelopment project costs		467,872	467,872
Total net assets		<u>\$ 467,872</u>	<u>\$ 467,872</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Total fund balance - governmental fund	\$ 267,872
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<u>200,000</u>
Total net assets - governmental activities	<u>\$ 467,872</u>

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

CITY OF CHICAGO, ILLINOIS
35TH STATE REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Property tax	\$ 272,069	\$ 200,000	\$ 472,069
Interest	246	-	246
Total revenues	272,315	200,000	472,315
Expenditures/expenses:			
Capital projects	4,443	-	4,443
Excess of revenues over expenditures	267,872	(267,872)	-
Change in net assets	-	467,872	467,872
Fund balance/net assets:			
Beginning of year	-	-	-
End of year	<u>\$ 267,872</u>	<u>\$ 200,000</u>	<u>\$ 467,872</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balance - governmental fund	\$ 267,872
Property tax revenue is recognized in the period for which levied rather than when "available". A portion of the deferred property tax revenue is not available.	<u>200,000</u>
Change in net assets - governmental activities	<u>\$ 467,872</u>

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

CITY OF CHICAGO, ILLINOIS
35TH/STATE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In January 2004, the City of Chicago (City) established the 35th/State Tax Increment Redevelopment Project Area (Project). The area has been established to finance improvements, leverage private investment and create and retain jobs. The Project is accounted for within the special revenue funds of the City.

(b) *Government-Wide and Fund Financial Statements*

The accompanying financial statements of the Project have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999, the GASB unanimously approved Statement No. 34 (as amended by Statement No. 37), *Basic Financial Statements - Management's Discussion and Analysis - for State and Local Governments* and at a later date, Statement No. 38 *Certain Financial Statements Disclosures*, and include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Project's overall financial position and results of operations.
- Government-wide financial statements prepared using the economic resources measurement focus and the *accrual basis of accounting* for all the Project's activities.
- Fund financial statements, which focus on the Project's governmental funds *current financial resources measurement focus*.

(c) *Measurement Focus, Basis of Accounting, and Financial Statements Presentation*

The government-wide financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental fund financial statements are prepared on the *modified accrual basis of accounting* 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. 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. Expenditures are recorded when the liability is incurred.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The City has elected not to follow subsequent private-sector guidance.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

CITY OF CHICAGO, ILLINOIS
35TH/STATE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Continued)

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Accordingly, actual results could differ from these estimates.

(d) *Assets, Liabilities and Net Assets*

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.

Capital Assets

Capital assets are not capitalized in the governmental fund but, instead, are charged as current expenditures when purchased. The Government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) of the City includes the capital assets and related depreciation, if any, of the Project in which ownership of the capital asset will remain with the City (i.e. infrastructure, or municipal building). All other construction will be expensed in both the government-wide financial statements and the governmental fund as the City nor Project will retain the right of ownership.

(e) *Stewardship, Compliance, and Accountability*

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.

Reimbursements

Reimbursements, if any, are made to the developer for project costs, as public improvements are completed and pass City inspection.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
35TH STATE REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

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

\$ 4,443

**35th/State Redevelopment Project Area
2004 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: June Tallamantez, Director of Local
Government

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

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

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Ave. Suite 2060
Chicago, IL 60602

Martin J. Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
Chicago, Illinois 60603

Tim Mitchell, General Superintendent & CEO
Chicago Park District
541 North 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

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District of
Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611
Attn: Joe Rose

Wallace Young
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. Khian K. Liem

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 35th/State 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, 2004, 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, 2005.

A handwritten signature in black ink, appearing to read "Richard M. Daley", written over a horizontal line.

Richard M. Daley, Mayor
City of Chicago, Illinois

**35th/State Redevelopment Project Area
2004 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
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<http://www.cityofchicago.org>

June 30, 2005

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

Dolores Javier, Treasurer
City Colleges of Chicago
226 West Jackson Boulevard, Room 1125
Chicago, Illinois 60606

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

Dan Donovan, Comptroller
Forest Preserve District of Cook County
69 W. Washington Ave. Suite 2060
Chicago, IL 60602

Martin J. Koldyke, Chairman
Chicago School Finance Authority
135 South LaSalle Street, Suite 3800
Chicago, Illinois 60603

Tim Mitchell, General Superintendent &
CEO
Chicago Park District
541 North 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

Jacqueline Torres, Director of Finance
Metropolitan Water Reclamation District
of Greater Chicago
100 East Erie Street, Room 2429
Chicago, Illinois 60611
Attn: Joe Rose

Wallace Young
South Cook County Mosquito Abatement
District
155th & Dixie Highway
P.O. Box 1030
Harvey, Illinois 60426
Attn: Dr. Khian K. Liem

Re: 35th/State
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.



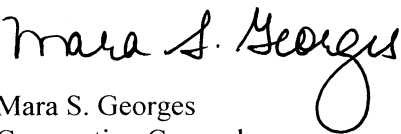
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following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

**35th/State Redevelopment Project Area
2004 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, 2004	
	2004
Revenues	
Property tax	\$ 272,069
Sales tax	-
Interest	246
	<u>272,315</u>
Total revenues	272,315
Expenditures	
Costs of studies, admin., and professional services. (q)(1)	4,443
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)	-
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)	-
	<u>4,443</u>
Total expenditures	4,443
Revenues over expenditures	267,872
Fund balance, beginning of year	<u>-</u>
Fund balance, end of year	\$ <u>267,872</u>
Fund balance	
Reserved for debt service	-
Reserved for encumbrances	-
Designated for future redevelopment project costs	\$ 267,872
	<u>267,872</u>
Total fund balance	\$ <u>267,872</u>

**35th/State Redevelopment Project Area
2004 Annual Report**

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

During 2004, the City did not purchase any property in the Project Area.

35th/State Redevelopment Project Area 2004 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 11/1/99 to 12/31/04, and of such investments expected to be undertaken in year 2005; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/04, 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 FOLLOWING PAGES.

35th/State Redevelopment Project Area 2004 Annual Report

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

During 2004, 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 2004, 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 2004, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

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

The Project Area has received \$272,069 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)

During 2004, 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.

**35th/State Redevelopment Project Area
2004 Annual Report**

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

Joint Review Board Reports were submitted to the City. See attached.

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

**TABLE 7(G)
PROJECT BY PROJECT REVIEW OF PUBLIC AND PRIVATE INVESTMENT
AND RATIO OF PRIVATE TO PUBLIC INVESTMENT ***

Projects Estimated To Be Undertaken During 2005	Private Investment Undertaken	Public Investment Undertaken	Ratio of Private/Public Investment
Project 1: Stateway Gardens/ Park Boulevard- Phase I	\$74,975,249	\$12,039,666	6.2 : 1
Total:	\$74,975,249	\$12,039,666	n/a

* Each actual or estimated Public Investment reported here is, to the extent possible, comprised only of payments financed by tax increment revenues. In contrast, each actual or estimated Private Investment reported here is, to the extent possible, comprised of payments financed by revenues that are not tax increment revenues and, therefore, may include private equity, private lender financing, private grants, other public monies, or other local, state or federal grants or loans.

CITY OF CHICAGO
JOINT REVIEW BOARD

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on July 11, 2003, at 10:12 a.m.
City Hall, Room 1003A, Conference Room,
Chicago, Illinois, and presided over by
Mr. John McCormick.

PRESENT:

MR. JOHN MCCORMICK, CHAIRMAN
MS. SUSAN MAREK
MS. ELIZABETH FORSYTHE
MS. LUIS MARTINEZ

REPORTED BY: Accurate Reporting Service
200 N. La Salle Street
Chicago, Illinois
By: Jack Artstein, C.S.R.

1 MR. MCCORMICK: Let's get started.
2 For the record, my name is John McCormick. I
3 am a representative of the City of Chicago
4 which under Section 11-74.4-5 of the Tax
5 Increment Allocation Redevelopment Act as
6 one of the statutorily designated members of
7 the Joint Review Board. Until election of a
8 chairperson I will moderate the Joint Review
9 Board meeting.

10 For the record, there will be
11 three meetings of the Joint Review Board.
12 One to review the proposed 35th and State Tax
13 Increment Financing District, one to review
14 the proposed Edgewater/Ashland Tax Increment
15 Financing District, and one for the 2003
16 Joint Review Board Annual Meeting.

17 We will begin with the proposed
18 35th and State Tax Increment Financing
19 District meeting. The date of the 35th and
20 State meeting was announced at and set by the
21 Community Development Commission of the City
22 of Chicago at its meeting of June 10, 2003.
23 Notice of the 35th and State meeting of the
24 Joint Review Board was also provided by

1 certified mail to each taxing district
2 represented by the Board which includes the
3 Chicago Board of Education, the Chicago
4 Community Colleges District 508, the Chicago
5 Park District, Cook County, the City of
6 Chicago, and the Public Member.

7 Public notice of this meeting was
8 also posted as of Wednesday, July 9, 2003 in
9 various locations throughout City Hall.
10 When a proposed redevelopment plan would
11 result in displacement of residents from ten
12 or more inhabited residential units or would
13 include 75 or more inhabited residential
14 units the TIF Act requires that the public
15 member of the Joint Review Board must reside
16 in the proposed redevelopment area.

17 In addition, if the
18 municipality's housing impact study
19 determines that the majority of the
20 residential units in the proposed
21 redevelopment project are occupied by very
22 low, low, or moderate income households, as
23 defined in Section III of the Illinois
24 Affordable Housing Act, the public member

1 must be a person who resides in very low,
2 low, or moderate income housing with the
3 proposed redevelopment project area.

4 With us today is Arvil Miles, did
5 I pronounce it correctly?

6 MS. MILES: Yes.

7 MR. MCCORMICK: Okay, are you
8 familiar with the boundaries of the 35th and
9 State Tax Increment Financing and
10 Redevelopment Project Area?

11 MS. MILES: Yes, I am.

12 MR. MCCORMICK: What is the address of
13 your primary residence?

14 MS. MILES: 3616 South State.

15 MR. MCCORMICK: Thank you. Is such
16 address within the boundaries of the
17 proposed 35th and State Tax Increment
18 Financing Redevelopment Area?

19 MS. MILES: Yes.

20 MR. MCCORMICK: Thank you. Have you
21 provided representatives of the City of
22 Chicago Department of Planning and
23 Development with accurate information
24 concerning your income and income of any

1 members of your household residing at such
2 address?

3 MS. MILES: Yes.

4 MR. MCCORMICK: Thank you. Based on
5 the information provided to you by the
6 Department of Planning and Development
7 regarding applicable income level for very
8 low, low, or moderate income, do you qualify
9 as a member of a very low, low, or moderate
10 income household?

11 MS. MILES: Yes.

12 MR. MCCORMICK: Thank you. Ms. Miles,
13 are you willing to serve as the public member
14 for the Joint Review Board for the 35th and
15 State Tax Increment Financing Redevelopment
16 Project Area?

17 MS. MILES: Yes.

18 MR. MCCORMICK: Thank you. I will
19 entertain a motion that Arvil Miles be
20 selected as the public member. Is there a
21 motion?

22 MS. MAREK: So moved.

23 MR. MCCORMICK: Is there a second?

24 MR. MARTINEZ: I second.

1 MR. MCCORMICK: All in favor, please
2 vote by saying aye.

3 (Chorus of ayes.)

4 MR. MCCORMICK: All opposed please
5 vote by saying no.

6 (No response.)

7 MR. MCCORMICK: Let the record
8 reflect that Arvil Miles has been selected as
9 the public member of the 35th and State Tax
10 Increment Financing Redevelopment Project
11 Area.

12 Our next order of business is to
13 select a chairperson for this Joint Review
14 Board. Are there any nominations?

15 MS. MAREK: I nominate John
16 McCormick.

17 MR. MCCORMICK: Is there a second for
18 the nominations?

19 MS. FORSYTHE: Second.

20 MR. MCCORMICK: Are there any other
21 nominations? Let the record reflect that
22 there were no other nominations. All in
23 favor of the nomination please vote by saying
24 aye.

1 (Chorus of ayes.)

2 MR. MCCORMICK: All opposed, please
3 vote by saying no.

4 (No response.)

5 CHAIRMAN MCCORMICK: Let the record
6 reflect that John McCormick has been elected
7 as Chairperson and will now serve as
8 Chairperson for the remainder of the
9 meeting.

10 As I mentioned at this meeting,
11 we will be reviewing the plan for 35th and
12 State TIF District proposed by the City of
13 Chicago. Staff of the City's Planning and
14 Development and Law and other departments
15 have reviewed this plan when it was
16 introduced at the City's Community
17 Development Commission on June 10, 2003.

18 We will listen to the
19 presentation by the consultant on the plan.
20 Following the presentation we can address
21 any questions that the members might have for
22 consultant or city staff. The recent
23 amendment to the TIF Act requires us to base
24 our recommendations to approve or

1 disapprove the 35th and State plan and the
2 designation of the 35th and State TIF area on
3 the basis of the area and the plan satisfying
4 the plan requirements, the eligibility
5 criteria defined in the TIF Act and
6 objectives of the TIF Act.

7 If the Board approves the planned
8 designation of the area the Board will then
9 issue an advisory non-binding recommendation
10 by the vote of the majority of those members
11 present and voting. Such recommendations
12 shall be submitted to the City within 30 days
13 after the board meeting. Failure to submit
14 such recommendation shall be deemed to
15 constitute approval by the Board.

16 If the Board disapproves the plan
17 and designation of the area the Board must
18 issue a written report describing why the
19 plan and area failed to meet one or more of
20 the objectives of the TIF Act, and both the
21 plan requirements and eligibility of the TIF
22 Act.

23 The City will then have 30 days
24 to resubmit a revised plan. The Board and

1 the City must also confer during this time to
2 try to resolve the issues that led to the
3 Board's disapproval. If such issues cannot
4 be resolved or if the revised plan is
5 disapproved the City may proceed with the
6 plan, but the plan can be approved only by
7 three fifths vote of the City Council
8 excluding positions of members that are
9 vacant or those members who are ineligible to
10 vote because of conflicts of interest.

11 Okay, I'd like to start our
12 presentation which will be done by Ernest R.
13 Sawyer Enterprises, Inc. with the assistance
14 of Camiros, Ltd.

15 MS. SAWYER: Good morning everyone.
16 My name is Mishaune Sawyer. I'm with ERS
17 Enterprises. This is Les Pollock, he's with
18 Camiros, and we have James Miller here with
19 State way Associates.

20 First I'd like to direct you to
21 map number one. Now this just basically
22 shows you the boundary areas for the TIF.
23 Can everybody see that? Now basically the
24 TIF is bounded on the west by 33rd and West

1 34th Street on the north, south State Street
2 on the east, West Pershing Road on the south
3 and South Wentworth Avenue and the Dan Ryan
4 Expressway on the west. The project area
5 also includes a railroad which is the Chicago
6 Rock Island and Pacific railroad right-of-
7 way that extended all the way to 33rd Street.
8 You can see that here. And the rest of the
9 boundaries are outlined in red.

10 The project area includes a total
11 of 122 tax parcels, 99 of which are located
12 within the Dan Ryan Expressway. One tax
13 parcel consists of a railroad right-of-way
14 on the western edge of the project area and
15 the remaining 22 tax parcels comprise some
16 improved and vacant portions of the project
17 here. Nine blocks contain improved
18 property. Five tax blocks consist of vacant
19 land and three tax blocks are entirely
20 railroad and Dan Ryan right-of-way.

21 This is currently what exists in
22 the project area. Can you see? It's color
23 coded where we've got for the public
24 initiatives; there's currently a school

1 here. So any institutional property that's
2 here, in here in blue. You've got the
3 transportation which is the railroad and all
4 the other things that we talked about. And
5 in grey here is currently what's vacant land.
6 And what's in orange is what's left of the
7 residential property.

8 Now I'm going to turn things over
9 to Les Pollock and he's going to talk to you
10 about the plan and the budgeting.

11 MR. POLLACK: Thanks Mishaune. By way
12 of background, the area south of 35th Street
13 is the area commonly known as Stateway
14 Gardens. The area north of 35th, the
15 developed area and east of the Metra tracks
16 is the Illinois Institute of Technology
17 property and all of this area is involved in
18 the TIF.

19 The area you see here has a
20 present assessed value; an assessed value in
21 the range of \$3.7 million dollars as of the
22 last accounting. The proposal is to
23 redevelop the site as follows:

24 Again the boundaries, you see

1 35th Street running across. The blue area to
2 the north is IIT. The area to the south is
3 what is generally known as the Stateway
4 Gardens.

5 The area in the proposal for redevelopment is
6 to accommodate some additional development
7 north of 35th Street on the IIT property,
8 approximately 100,000 square feet in the
9 form of both commercial and institutional
10 uses.

11 And then to develop south of 35th
12 predominantly housing; approximately 880
13 units of housing, about 362 total units
14 existing right now, 191 of which are
15 occupied. When we complete this area we'll
16 add 80 units in a mix of 1/3 market; one
17 third affordable, one third public housing
18 according to the, and reflecting the CHA plan
19 for transformation and James is going to be
20 able to go into the details of that in a
21 moment.

22 Also on the site are various
23 public facilities and some commercial
24 facilities. There will be about 27,500

1 square feet of commercial development on the
2 site in addition to the 880 houses. There is
3 an existing park and added school which will
4 remain. There will be additional open space
5 provided as part of the scheme that James can
6 point out.

7 The area, as I said, contains a
8 number of public facilities on it; a park and
9 school, IIT, and on north 35th the Illinois
10 Leadership Center and Connection School.
11 There are a number of other facilities that
12 are in the immediate neighborhood. One of
13 the key facilities, the -- school located a
14 block to the, to the east of the sites.

15 When this redevelopment is
16 completed we'll be looking over time at a
17 growth, the assessed value. Of course, the
18 assessed value is presently 3.7 million, to
19 at the end of the TIF area in the range of
20 \$40-42 million dollars equalized assess
21 value.

22 The budget is to propose \$50,000
23 dollars to carry out a range of improvements
24 that will be needed to help facilitate this

1 development. The budget is allocated and is
2 as follows:

3 Under the eight categories, the
4 eight statutory categories, \$3 million
5 dollars is set aside for analysis,
6 administration, studies, surveys, marketing.
7 \$10 million dollars has been allocated to
8 property assembly which includes
9 acquisition, site prep, demolition.

10 There are currently two
11 buildings on the site to, apartment
12 buildings on the site that will need to be
13 demolished. There are approximately three
14 small vacant parcels in the middle south of
15 the site that need to be acquired. Of these
16 parcels, two are tax delinquent at the
17 present. And we set aside \$10 million
18 dollars for that purpose.

19 Allocation of \$15 million
20 dollars has been set aside for public works,
21 improvements which includes fences,
22 utilities, parks, open space, public
23 facilities. In there is funds that would be
24 available to tax free jurisdictions who have

1 kept the facilities in the area that need
2 improvement, as a result of the impact of
3 this growth.

4 One million dollars has been set
5 aside for relocation costs. Relocation will
6 be carried out by the Uniform Relocation Act
7 by the CHA as part of the plan for
8 transformation. There is \$4 million dollars
9 set aside for job training, new training,
10 loss of work. \$5 million dollars set aside
11 for interest subsidy. And \$2 million dollars
12 set aside for day care services. That gives
13 us a total of \$50 million dollars in budget.

14 We recognize that we meet the
15 requirements for housing impact study. All
16 people, all buildings will be clear,
17 residential buildings will be clear on the
18 site. Of the 191 remaining people, families
19 on the site will be relocated according to
20 the plan for transformation meeting all the
21 requirements of the Uniform Relocation Act.

22 The plan lists, as required by
23 the Act, the range of residences that are
24 available within the immediate area that can

1 serve the needs of residents.

2 The plan has been worked out to a
3 fairly deep level -- the application of the
4 group we thought it might be nice if James
5 spent a few minutes telling us about what the
6 plan consists of.

7 MR. MILLER: Good morning. This board
8 here shows our plan. I'm not sure how well
9 you can see it. We have put together a team,
10 Stateway Associates, LLC that will redevelop
11 the on-site, former site of Stateway Gardens
12 Public Housing into a for-sale develop
13 consisting of one third affordable homes,
14 one third market rate homes and one third CHA
15 replacement units of all different housing
16 types spanning from 35th to 39th, from State
17 to the rail tracks.

18 Our first phase is at 35th Street
19 and consists of mid-rise buildings,
20 townhomes, some six-flats and we have single
21 families around the park area that you see
22 here. We have added, as a feature of the
23 development, a central park. And there will
24 be upgrades to the standard City of Chicago

1 light fixtures and standards as part of our
2 eligible projects. There's also a day care
3 center on site and a field house and new park
4 here.

5 We will have retail at the corner
6 of 35th and State, and wrapping around the
7 corner, coming down State Street. And then
8 as you move down State Street you transition
9 into a more residential field of six-flats
10 and courtyard buildings. That's the
11 description of the project. Thank you for
12 your time.

13 MR. POLLOCK: We believe that this
14 project meets the objectives of the TIF Act.
15 Some of the key redevelopment objectives
16 that come forward in this plan is to incur
17 affordable facilities and housing on the
18 site, to reestablish the conditions of City
19 street grid on the area and get this area
20 back in to the larger community, to establish
21 job readiness and job training programs,
22 strengthen the economic well-being of the
23 project area by returning the vacant
24 unutilized property to the tax -- and

1 providing opportunities for minority owned,
2 women owned, local businesses and local
3 residents to share and be a part of this
4 project area.

5 CHAIRMAN MCCORMICK: Based upon the
6 presentation, do any members --

7 MS. MAREK: Can I ask one question?

8 CHAIRMAN MCCORMICK: Well that's what
9 I'm going to ask, if anybody has any
10 questions. Go for it.

11 MS. MAREK: Did you make any estimate
12 of how many school age children would be
13 coming, if there would be a difference in the
14 number of school age children coming into the
15 community?

16 MR. MILLER: Well, currently or
17 formerly, I should say, there were 1644 units
18 of site. We're replacing those 1600 units
19 with 880 units. So the number of school age
20 children will decrease from the previous
21 amount that were there.

22 CHAIRMAN MCCORMICK: Okay, let me ask
23 a question. In looking at the PIN numbers
24 associated with the development, most are

1 exempt as the CHA, but there is one that
2 takes up about 99 percent of all the -- with
3 3,708,892, you know, which is a large tax
4 paying entity. I just wondered what it was.

5 MS. SAWYER: I think that's, we have
6 it as IIT, but let me --

7 CHAIRMAN MCCORMICK: Okay, I mean it
8 just jumped out at me.

9 MR. POLLOCK: It could be the atrium
10 building.

11 CHAIRMAN MCCORMICK: The what?

12 MR. POLLOCK: It could be the old IIT
13 research building.

14 CHAIRMAN MCCORMICK: Okay. Now does
15 that building, let me just ask this. This is
16 looking down the road a little bit. Is
17 there, is that, is that building in use now
18 or it's going to be demolished? Does anybody
19 know?

20 MR. POLLOCK: That building is, I
21 think, in use.

22 MS. SAWYER: It is in use and it's
23 going to remain in use.

24 CHAIRMAN MCCORMICK: Okay, that's

1 fine.

2 MS. SAWYER: We're not going to
3 demolish anything over on IIT.

4 CHAIRMAN MCCORMICK: Okay, good, I
5 just wanted to make sure that it didn't drop
6 down to zero in the future.

7 MS. SAWYER: I can't find it in here.

8 CHAIRMAN MCCORMICK: That's all
9 right. I mean, but it's IIT property.

10 MS. SAWYER: But memory says that it
11 was a major renovation that took part at IIT
12 and they had to replace an elevator and
13 things like that and that's what caused the
14 property value to shoot up.

15 CHAIRMAN MCCORMICK: And that's fine
16 too. And IIT is a tax paying entity. I mean
17 even what's university property I see. So
18 okay, that's fine. Any other questions.
19 Okay, if there are no further questions I
20 will entertain a motion that this Joint
21 Review Board finds that the proposed
22 redevelopment plan, 35th and State Tax
23 Increment Financing Redevelopment Project
24 Area satisfied the redevelopment plan.

1 as a redevelopment area under the TIF Act.

2 Before we adjourn, I'd like to
3 thank the public member for her assistance
4 and showing up today to be a part of this. I
5 think it will be a very good project for your
6 area. Thank you.

7 I move that we, is there a motion
8 to adjourn?

9 MS. MAREK: So moved.

10 MR. MARTINEZ: Second.

11 CHAIRMAN MCCORMICK: Okay, we're now
12 adjourned. I'd like to thank again, the
13 public members.

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**35th/State Redevelopment Project Area
2004 Annual Report**

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

During 2004, there were no obligations issued for the Project Area.

**35th/State Redevelopment Project Area
2004 Annual Report**

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

During 2004, there were no obligations issued for the Project Area.

**35th/State Redevelopment Project Area
2004 Annual Report**

(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.
PAUL A. MERKEL, C.P.A.
JOHN W. SANNEW 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.
MAUREEN B. SHANAHAN, C.P.A.

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

Established 1922

O'HARE PLAZA 8745 WEST HIGGINS ROAD CHICAGO, ILLINOIS 60631 312/263-2700 FAX 312/263-6935

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 statement of net assets and governmental fund balance sheet of 35th/State Redevelopment Project of the City of Chicago, Illinois as of December 31, 2004, and the related statement of activities and governmental fund revenues, expenditures and changes in fund balance for the year then ended, and have issued our report thereon dated May 6, 2005.

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 35th/State 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 6, 2005

35th/State Redevelopment Project Area 2004 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The 35th/State Redevelopment Project Area is generally bounded by 33rd Street and 34th Street on the north, State Street on the east, Pershing Road on the south, and the Dan Ryan Expressway 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.

