

STATE OF ILLINOIS)  
  )SS  
COUNTY OF COOK )

**CERTIFICATE**

I, Jennifer Rampke, the duly authorized, qualified and Executive Secretary of the **Community Development Commission of the City of Chicago**, and the custodian of the records thereof, do hereby certify that I have compared the attached copy of a Resolution adopted by the **Community Development Commission of the City of Chicago** at a Regular Meeting Held on the 13<sup>th</sup> Day of July 2004 with the original resolution adopted at said meeting and recorded in the minutes of the Commission, and do hereby certify that said copy is a true, correct and complete transcript of said Resolution.

**Dated this 13<sup>th</sup> Day of July 2004**

  
**EXECUTIVE SECRETARY**  
**Jennifer Rampke**

COMMUNITY DEVELOPMENT COMMISSION  
OF THE  
CITY OF CHICAGO

RESOLUTION NO. 04 - CDC - 53

AUTHORITY TO NEGOTIATE A  
REDEVELOPMENT AGREEMENT WITH  
UNITED PARCEL SERVICE, INC.

AND/OR

A RELATED ENTITY TO BE FORMED

WITHIN THE  
ROOSEVELT/CANAL AND JEFFERSON/ROOSEVELT  
TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREAS,

AND

TO RECOMMEND TO  
THE CITY COUNCIL OF THE CITY OF CHICAGO  
THE DESIGNATION OF  
UNITED PARCEL SERVICE, INC.  
AS THE DEVELOPER

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the 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; 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 Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 97-CDC-12 and pursuant to the Act, enacted three ordinances on March 19, 1997 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Roosevelt/Canal Redevelopment Project Area (the "Roosevelt/Canal Area"), designated the Roosevelt/Canal Area as a redevelopment project area and adopted tax increment allocation financing for the Roosevelt/Canal Area; and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 00-CDC-76 and pursuant to the Act, enacted three ordinances on July 19, 2000 pursuant to which the City approved and adopted a certain amended redevelopment plan and project (the "Amended Plan") for the expanded Roosevelt/Canal Redevelopment Project Area (the "Expanded Roosevelt/Canal Area"), designated the Expanded Roosevelt/Canal Area as a redevelopment project area and adopted tax increment allocation financing for the Expanded Roosevelt/Canal Area. The street boundaries of the Expanded Roosevelt/Canal Area are described on Exhibit A hereto; and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 00-CDC-77 and pursuant to the Act, enacted three ordinances on August 30, 2000 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the Jefferson/Roosevelt Redevelopment Project Area (the "Jefferson/Roosevelt Area"), designated the Jefferson/Roosevelt Area as a redevelopment project area and

adopted tax increment allocation financing for the Jefferson/Roosevelt Area. The street boundaries of the Jefferson/Roosevelt Area are described on Exhibit A hereto; and

WHEREAS, United Parcel Service, Inc. (the "Developer"), have presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of assemblage, demolition, remediation, public right-of-way improvements and the construction of 558,141 square foot of commercial improvements that will allow for the consolidation of the Developer's existing distribution facility (the "Project"); and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; 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 recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. 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 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: July 13, 2004

Attachment: Exhibit A, Street Boundary Descriptions

**CITY OF CHICAGO**  
**Community Development Commission**  
**Department of Planning & Development**  
**July 13, 2004**

**SUMMARY SHEET**  
**United Parcel Service, Inc.**  
**The Roosevelt/Canal and Jefferson/Roosevelt**  
**Tax Increment Financing Redevelopment Project Areas**

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**Action**

- Requested:**
- 1) Recommend to the City Council the designation of United Parcel Service, Inc., and/or a related entity to be formed, as the Developer for the redevelopment of the of the property located within the boundaries of the Roosevelt/Canal and Jefferson/Roosevelt Tax Increment Financing ("TIF") Redevelopment Project Areas in the area generally bounded by 12<sup>th</sup> Place on the north, Jefferson and Canal Streets on the east, 16<sup>th</sup> Street on the south and Union Avenue and Ruble street on the west (the "Property" and the "Project"); and,
  - 2) Authorize the Department of Planning and Development to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.

**Project:** United Parcel Service, Inc. ("UPS") currently operates a 23.3 acre distribution facility on scattered sites in the area bounded by 12<sup>th</sup> Place and Liberty Street on the north, Canal Street on the east, 16<sup>th</sup> Street on the south and Halsted and Ruble Streets on the west. Four of these scattered sites are located west of the Dan Ryan Expressway on land bounded by Liberty Street on the north, Union Avenue on the east, vacated 15<sup>th</sup> Place on the south and Halsted Street on the west (the "Union Avenue Parcels").

The University of Illinois Board of Trustees (the "Board") wants to acquire the Union Avenue Parcels as part of its University Village redevelopment project. In order for UPS to sell and vacate the Union Avenue Parcels, UPS requires replacement property east of the Dan Ryan Expressway and in the vicinity of its existing distribution center.

UPS has proposed the assemblage, remediation and redevelopment of three privately owned parcels, one parcel beneath an elevated portion of the Dan Ryan Expressway that is controlled by the State of Illinois and two street vacations. The project will also include the reconfiguration and renovation of existing UPS structures and parking improvements that are located east of the Dan Ryan Expressway.

**Location:** The area generally bounded by 12<sup>th</sup> Place on the north, Jefferson and Canal Streets on the east, 16<sup>th</sup> Street on the south and Union Avenue and Ruble Streets on the west (the "Property" and the "Project").

**Developer:** United Parcel Service, Inc..

**Assistance:** The City intends to negotiate a TIF redevelopment agreement with the Developer for tax increment financing assistance in the maximum amount of \$6,933,800. The assistance will be provided in the form of a taxable TIF note and the total project cost is currently estimated to be \$22,700,000. The City's assistance will be reduced, on a dollar for dollar basis, in the event the final total Project cost is less than the currently estimated amount of \$22,700,000.

**Zoning:** The Chicago Plan Commission approved a Commercial Planned Development on May 13, 2004 and City Council approval of the Commercial Planned Development was acquired on May 26,

2004.

The Chicago Plan Commission approved an amendment to Planned Development #450 on May 13, 2004. City Council approval of this amendment took place on June 23, 2004.

**Ward:** 2<sup>nd</sup> Ward, Alderman Madeline Haithcock.

**Public**

**Benefits:**

Site Redevelopment and Improvements

- The University of Illinois' residential redevelopment of UPS' Union Avenue Parcels will create a clear division between residential and commercial uses in the surrounding area. This project will also create 224 new residential units and increase real estate tax revenue by replacing parking lots with a residential development.
- The relocation of UPS' operations from the Union Avenue Parcels will reduce traffic congestion on Halsted Street and other area roadways.
- The creation of 748 off-street UPS employee parking spaces will significantly reduce, or even eliminate, UPS' need for on-street parking.
- The creation of UPS' campus distribution center east of the Dan Ryan Expressway will secure its presence within the community and increase its operating efficiency.

Landscaping, Demolition and the Removal of Blighting Characteristics

- All components of the project will comply with the Landscape Ordinance.
- The project calls for the removal of a vacant railroad embankment and trestle.
- The project will eliminate blighting characteristics by redeveloping the area generally bounded by 12<sup>th</sup> Place on the north, Canal Street on the east, 16<sup>th</sup> Street on the south and Union Avenue on the west.

**MBE/WBE:** The Developer will comply with the City's MBE/WBE requirements. Attachment C to the Staff Report includes the certified mail receipts as evidence that the Developer has provided the MBE/WBE contractor associations with the required notifications.

**Community**

**Outreach:** A letter of support from Alderman Haithcock is included in your Staff Report as Attachment E.

**Issues:** N/A

**CITY OF CHICAGO**  
**Community Development Commission**  
**Department of Planning & Development**  
**July 13, 2004**

**STAFF REPORT**  
**United Parcel Service, Inc.**  
**The Roosevelt/Canal and Jefferson/Roosevelt**  
**Tax Increment Financing Redevelopment Project Areas**

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**MS. CHAIRMAN AND MEMBERS OF THE COMMISSION:**

The Resolution before you requests that the Community Development Commission recommend to the City Council the designation of United Parcel Service, Inc., and/or a related entity to be formed, as the Developer for the redevelopment of the property located within the boundaries of the Roosevelt/Canal and Jefferson/Roosevelt Tax Increment Financing Redevelopment Project Areas in the area generally bounded by 12<sup>th</sup> Place on the north, Jefferson and Canal Streets on the east, 16<sup>th</sup> Street on the south and Union Avenue and Ruble Street on the west (the "Property" and the "Project"). The Resolution also asks for your authorization to negotiate, execute and deliver a redevelopment agreement on the City's behalf with the Developer for the Project.

**Background**

The Property is located within two tax increment financing districts. The Jefferson/Roosevelt Tax Increment Financing Redevelopment Project Area was established by the City Council on August 30, 2000. This tax increment financing district is centered on the intersection of Jefferson Street and Roosevelt Road and is generally located between the South Branch of the Chicago River on the east, the Dan Ryan Expressway on the west, Harrison Street on the north and 15<sup>th</sup> Street on the south.

The Roosevelt/Canal Tax Increment Financing Redevelopment Project Area was first established by the City Council on March 19, 1997 and then amended and expanded on July 19, 2000. The Roosevelt/Canal Project Area is irregularly shaped and is generally bounded by Roosevelt Road, Maxwell Street and 15<sup>th</sup> Street on the north, Canal Street on the east, 16<sup>th</sup> Street on the south and by Union Avenue on the west.

United Parcel Service, Inc. ("UPS") currently operates a 23.3 acre distribution facility on scattered sites in the area bounded by 12<sup>th</sup> Place and Liberty Street on the north, Canal Street on the east, 16<sup>th</sup> Street on the south and Halsted and Ruble Streets on the west. Four of these scattered sites are located west of the Dan Ryan Expressway on land bounded by Liberty Street on the north, Union Avenue on the east, vacated 15<sup>th</sup> Place on the south and Halsted Street on the west (the "Union Avenue Parcels").

The University of Illinois Board of Trustees (the "Board") wants to acquire the Union Avenue Parcels as part of its University Village redevelopment project. In order for UPS to sell and vacate the Union Avenue Parcels, UPS requires replacement property east of the Dan Ryan Expressway and in the vicinity of its existing distribution center.

This project will create a clearly defined division between residential and commercial uses in the area, create a more efficient campus-style distribution center and secure UPS' presence within the surrounding community. In addition, the improved campus-style distribution center will greatly reduce UPS' need for on-street employee parking and will allow automobile traffic in retail and residential areas to flow more freely.

**Development Project**

**Proposed Developer**

United Parcel Service, Inc., an Ohio corporation.

The Developer is a wholly-owned subsidiary of UPS Worldwide Forwarding, Inc. which is a wholly-owned subsidiary of United Parcel Service of America, Inc.. United Parcel Service of America, Inc. is a wholly-owned subsidiary of United Parcel Service, Inc., which is a publicly traded Delaware corporation and which is the Developer's ultimate parent entity.

UPS was founded in 1907 as a messenger company. Since its inception, UPS has grown into corporation focusing on the goal of enabling commerce around the globe. Today UPS is an international company with one of the most recognized brands in the world. UPS has become the world's largest package delivery company and a leading global provider of specialized transportation and logistics services. UPS manages the flow of goods, funds and information in more than 200 countries and territories worldwide. It is also the eighth largest employer and the fourth largest private sector employer in the greater Chicagoland metropolitan area.

#### Proposed Project

UPS has proposed the assemblage, remediation and redevelopment of three privately owned parcels, one parcel beneath an elevated portion of the Dan Ryan Expressway that is controlled by the State of Illinois and two street vacations. The project will also include the reconfiguration and renovation of existing UPS structures and parking improvements that are located east of the Dan Ryan Expressway. The following chart illustrates the parcels to be assembled or reconfigured and renovated by UPS:

Name	Sq/Ft	Acres	Ownership	General Location
Truck Feeder Lot 1E	62,027	1.4	UPS	South of 15th St. and east of Jefferson St.
Truck Feeder Lot 1W	67,591	1.6	UPS	South of 15 St. and west of Jefferson St.
Truck Feeder Lot 5	62,640	1.4	To be acquired	South of 15 St. and west of Jefferson St.
Employee Lot 6	53,254	1.2	To be acquired	South of 14th Pl. and east of Jefferson St.
Employee Lot 7	122,335	2.8	To be acquired	Northwest corner of Canal St. and 14th Pl.
Employee Lot Dan Ryan	136,855	2.3	To be leased	Dan Ryan Expressway at 14th Pl.
Truck Feeder Lot 14th Place	48,142	1.1	To be vacated	Between Union St. and Jefferson St.
South Truck Feeder Lot	212,676	4.9	UPS	North of 16 <sup>th</sup> St. between Union and Canal
Vacated Jefferson Street	5,297	0.1	To be vacated	Between 15th St. and 15th Pl.
<b>Totals</b>	<b>770,817</b>	<b>16.8</b>		

The project will include the following components:

- 1) Demolition and remediation of a railroad embankment and trestle between Union Avenue and Canal Street at the previously vacated portion of 15<sup>th</sup> Place;
- 2) Vacation, remediation and redevelopment of 14<sup>th</sup> Place between Union Avenue and Jefferson Street and the creation of Truck Feeder Lot 14<sup>th</sup> Place. This lot will include parking for 24 trucks;
- 3) Partial reconfiguration and renovation of Truck Feeder Lot 1E. This lot will include parking for 27 trucks;
- 4) Reconfiguration and renovation of Truck Feeder Lot 1W and the acquisition, remediation and redevelopment of Truck Feeder Lot 5. This lot, to be known as Truck Feeder Lot 1W/5 will include parking for 95 trucks;
- 5) Reconfiguration and renovation of the South Truck Feeder Lot. This lot will include parking for 211 trucks;
- 6) Acquisition, remediation and redevelopment of Employee Lot 6 and partial reconfiguration and renovation of Lot 1E. This lot, to be known as Employee Lot 1E/6, will include parking for 232 employee vehicles;
- 7) Acquisition, remediation and redevelopment of Employee Lot 7. This lot will include parking for 315 employee vehicles;
- 8) Acquisition, remediation and redevelopment of Employee Lot Dan Ryan. This lot will include parking for 201 employee vehicles;
- 9) Vacation, remediation and redevelopment of Jefferson Street south of 15<sup>th</sup> Street. This vacation will improve UPS' access to, and control over, lots 1E, 1W, 5 and the South Truck Feeder Lot;
- 10) Relocation of fiber optic cable located on Lots 1E and 1W;
- 11) Relocation of a cellular tower located on Lot 5;
- 12) Installation of campus gateways and signage at the intersections of 14<sup>th</sup> Place and Union Avenue and 14<sup>th</sup> Place and Canal Street;

- 13) Installation of a traffic signal at the intersection of Canal Street and 14<sup>th</sup> Place;
- 14) Installation of intersection control beacons at i) Jefferson and Maxwell Streets, ii) Jefferson Street and 14<sup>th</sup> Place, iii) Clinton Street and Maxwell Street, and iv) Clinton Street and 14<sup>th</sup> Place;
- 15) Union Avenue, Ruble Street and Jefferson Street will be designated as truck routes and critical access routes for UPS' operations between Roosevelt Road and 16<sup>th</sup> Street; and,
- 16) All features of the project will be in compliance with the City's Landscape Ordinance, the Commercial Planned Development and amended Planned Development #450.

#### Deal Structure

The City intends to negotiate a TIF redevelopment agreement with the Developer for tax increment financing assistance in the maximum amount of \$6,933,800. The assistance will be provided in the form of a taxable TIF note and the total project cost is currently estimated to be \$22,700,000. The City's assistance will be reduced, on a dollar for dollar basis, in the event the final total Project cost is less than the currently estimated amount of \$22,700,000.

#### Sources and Uses of Funds

##### Sources

	<u>Amount</u>	<u>% of Total</u>
UPS	22,033,800	97.07%
City of Chicago (Street Vacation)	666,200	2.93%
<b>Total Sources</b>	<b>22,700,000</b>	<b>100.00%</b>

##### Uses

	<u>Amount</u>	<u>\$/sf of Improv.</u>
Land Acquisition (\$10.64 per sf of land)	7,016,200	9.10
Demolition	4,065,700	5.27
Hard Costs	9,076,699	11.78
Soft Costs		
Design & Management Fees (14.3% of hard/demo costs)	1,891,026	
Title/Recording/Closing Costs	200,000	
Legal (0.88% of total costs)	200,000	
Miscellaneous Fees and Costs (0.79% of total costs)	178,375	
Consultants	60,000	
UPS PD Application Fee	12,000	
<b>Total Soft Costs (11.2% of total costs)</b>	<b>2,541,401</b>	<b>3.30</b>
<b>Total Uses</b>	<b>22,700,000</b>	<b>29.45</b>

#### Conformance with Plan

The proposed redevelopment is in conformance with the land use goals and objectives of the Jefferson/Roosevelt Tax Increment Financing Redevelopment Project Area Plan. For this site the Plan calls for industrial/commercial utility oriented mixed uses.

The proposed redevelopment is in conformance with the land use goals and objectives of the Roosevelt/Canal Tax Increment Financing Redevelopment Project Area Plan. For this site the Plan calls for commercial uses.

The Chicago Plan Commission approved a Commercial Planned Development on May 13, 2004 and City Council approval of the Commercial Planned Development was acquired on May 26, 2004. The Chicago Plan Commission also approved an amendment to Planned Development #450 on May 13, 2004. City Council approval of this amendment took place on June 23, 2004.

#### Community Outreach

A letter of support from Alderman Haithcock is included in your Staff Report as Attachment E.



## **Public Benefits**

### Site Redevelopment and Improvements

- The University of Illinois' residential redevelopment of UPS' Union Avenue Parcels will create a clear division between residential and commercial uses in the surrounding area. This project will also create 224 new residential units and increase real estate tax revenue by replacing parking lots with a residential development.
- The relocation of UPS' operations from the Union Avenue Parcels will reduce traffic congestion on Halsted Street and other area roadways.
- The creation of 748 off-street UPS employee parking spaces will significantly reduce, or even eliminate, UPS' need for on-street parking.
- The creation of UPS' campus-distribution center east of the Dan Ryan Expressway will secure its presence within the community and increase its operating efficiency.

### Landscaping, Demolition and the Removal of Blighting Characteristics

- All components of the project will comply with the Landscape Ordinance.
- The project calls for the removal of an unused railroad embankment and trestle.
- The project will eliminate blighting characteristics by redeveloping the area generally bounded by 14<sup>th</sup> Place on the north, Canal Street on the east, 16<sup>th</sup> Street on the south and Union Avenue on the west.

### Prevailing Wage, MBE/WBE, City Residency

The Developer has agreed to comply with all City ordinances regarding Prevailing Wage, MBE/WBE and City Residency. Attachment C to the Staff Report includes the certified mail receipts as evidence that the Developer has provided the MBE/WBE contractor associations with the required notifications.

## **Recommendation**

DPD requests that the Community Development Commission recommend to the City Council the designation of United Parcel Service, Inc., and/or a related entity to be formed, as the Developer for the redevelopment the property located within the boundaries of the Roosevelt/Canal and Jefferson/Roosevelt Tax Increment Financing Redevelopment Project Areas in the area generally bounded by 12<sup>th</sup> Place on the north, Jefferson and Canal Streets on the east, 16<sup>th</sup> Street on the south and Union Avenue and Ruble street on the west (the "Property" and the "Project"). DPD also requests that the Commission provide DPD with authority to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.

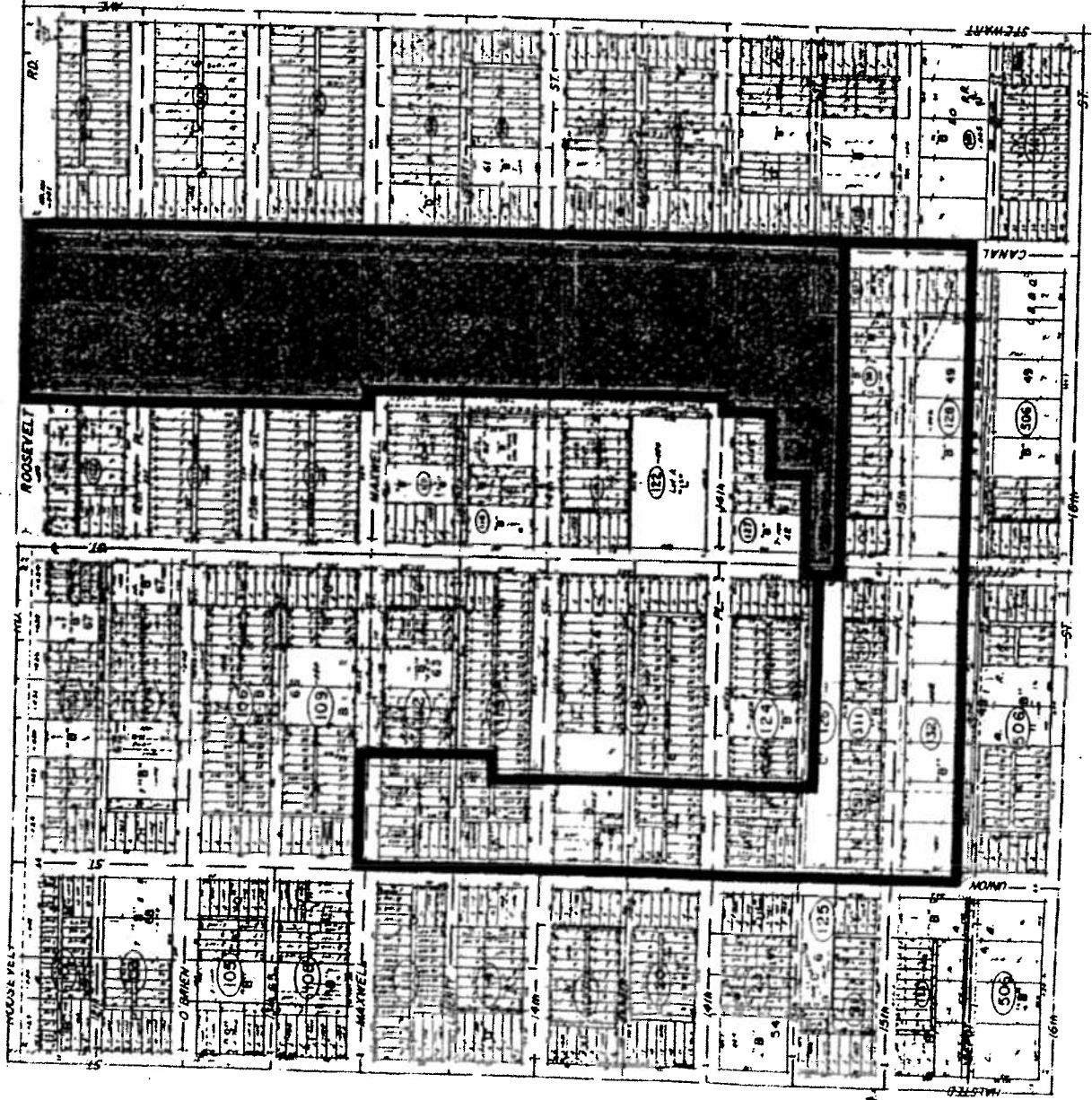
## **Attachments**

- A) TIF Boundary Maps
- B) Site Plan Maps
- C) MBE/WBE Contractor Notifications and Certified Mail Receipts
- D) TIF Term Sheet
- E) Letter of Support

**Attachment A**

**TIF Boundary Maps**

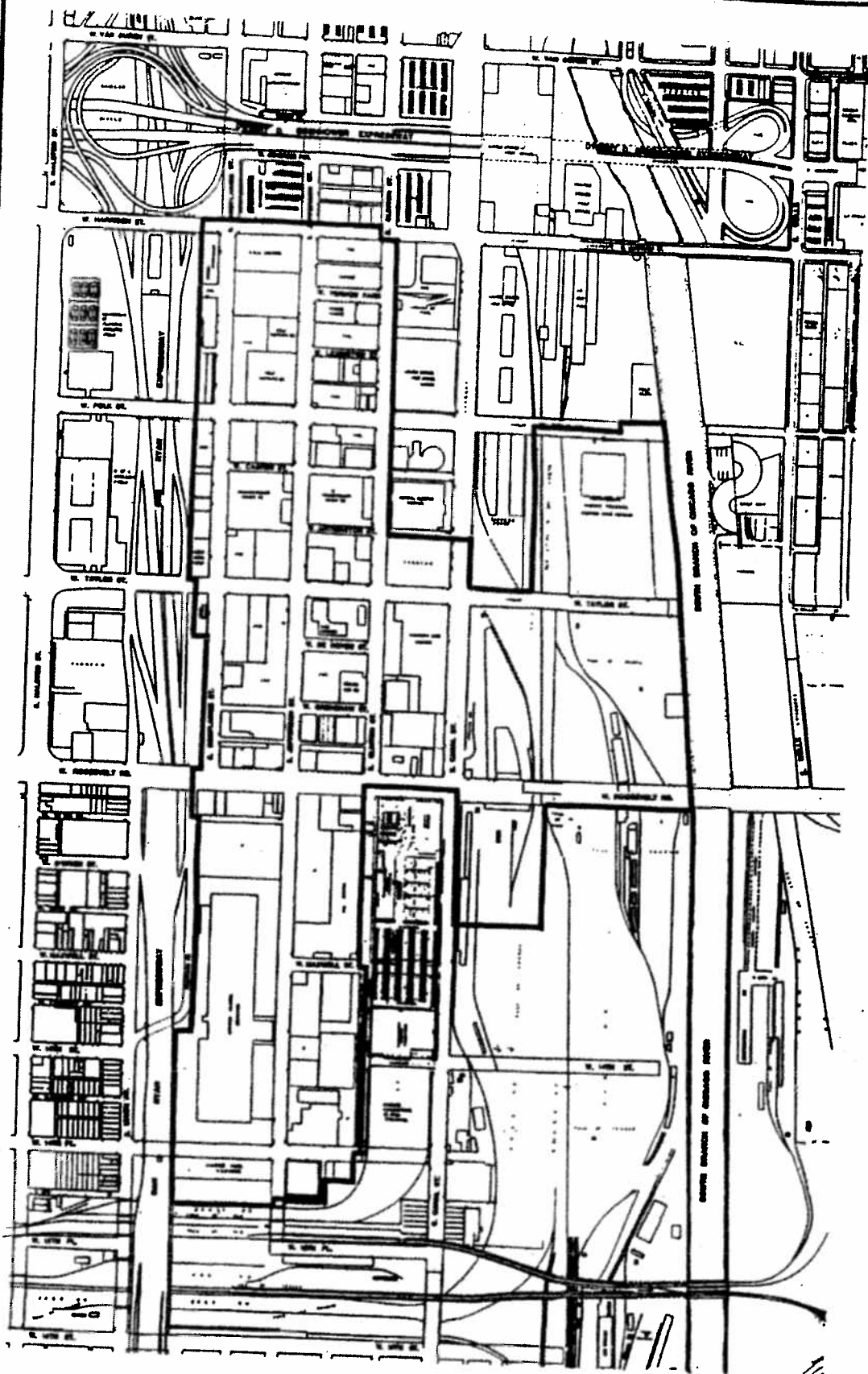
**LEGEND**  
 ORIGINAL REDEVELOPMENT PROJECT AREA  
 ADDED AREA



**FIGURE 1  
 BOUNDARY MAP  
 ROOSEVELT/CANAL REDEVELOPMENT PROJECT AREA AMENDMENT No. 1**

**LEGEND**

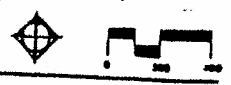
 AREA BOUNDARY



**FIGURE 1  
BOUNDARY MAP**

**JEFFERSON-ROOSEVELT REDEVELOPMENT PROJECT AREA**

APRIL, 2000



**CAMIROS**

**Attachment B**

**Site Plan Maps**

United Parcel Service  
University of Illinois at  
Chicago

South Campus  
Development Team



Wight & Partners  
1000 North Dearborn Street, Suite 1000  
Chicago, IL 60610  
Tel: 312.427.1000  
Fax: 312.427.1001  
www.wight.com

PROJECT NO. 01-04-14  
UPS-Jefferson Street  
Facility  
Parking Lot  
Relocation

MASTER PLAN

PROJECT NUMBER

01-04-14

SCALE

1"=50'

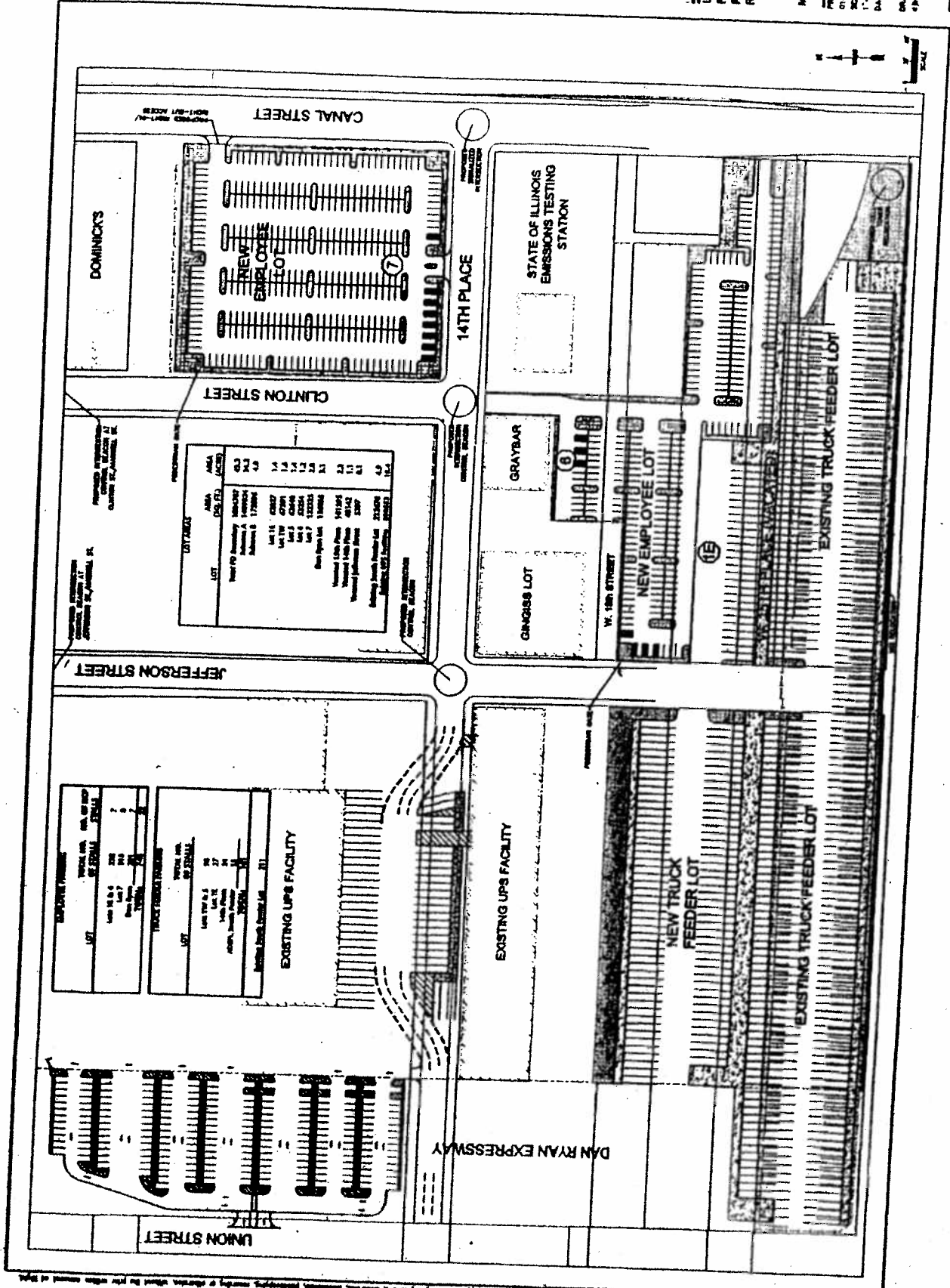
DATE

01-04-14

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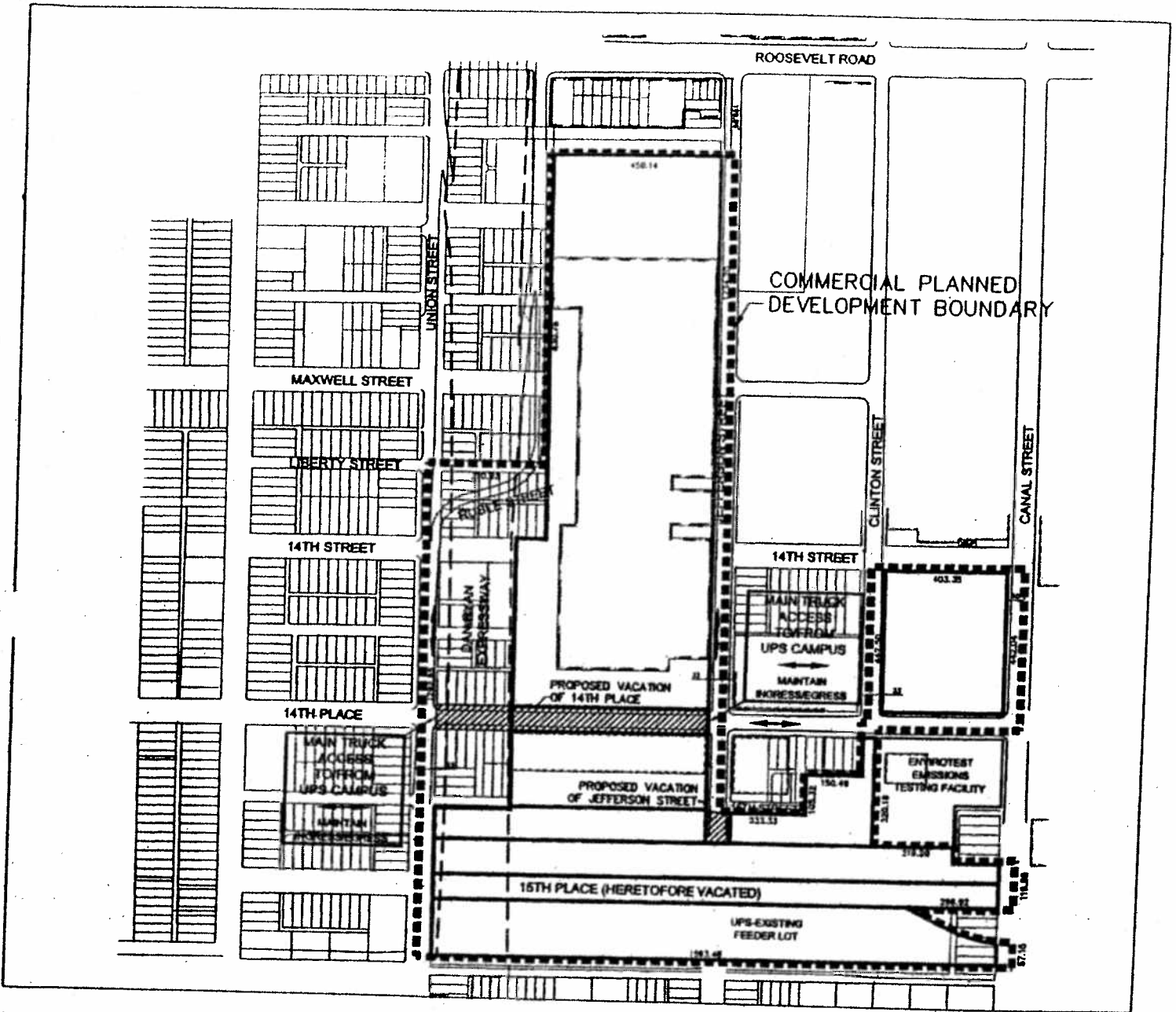
JP

EX.A



# COMMERCIAL PLANNED DEVELOPMENT NO.

# BOUNDARY, PROPERTY LINE, AND RIGHT-OF-WAY MAP



## LEGEND:

- COMMERCIAL PLANNED DEVELOPMENT BOUNDARY
- PROPERTY LINES
- ▨ STREETS TO BE VACATED

SCALE: 1" = 400'



PLICANT: CITY OF CHICAGO DEPARTMENT OF PLANNING & DEVELOPMENT  
UNITED PARCEL SERVICE, Inc.

ADDRESS: 1400 S. JEFFERSON STREET; 1400 S. CANAL STREET;  
1501 S. JEFFERSON STREET; 1502 S. JEFFERSON STREET

Attachment C

MBE/WBE Contractor Notifications and Certified Mail Receipts



0101 6924 0001 1680 0000 7003

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Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$ 2.67	Clerk: KPJPNY	07/06/04

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 Women Bus Dev.  
 Street, Apt. No. or PO Box No. 85 Michigan - 400  
 City, State, ZIP+4 Chicago, IL 60603

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0144 6924 0001 1680 0000 7002

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Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$ 2.67	Clerk: KPJPNY	07/06/04

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 Asim Constact Encl  
 Street, Apt. No. or PO Box No. 333 N Ogden Ave  
 City, State, ZIP+4 Chicago IL 60607

PS Form 3800, June 2002 See Reverse for Instructions

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Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$ 2.67	Clerk: KPJPNY	07/06/04

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 IL Assoc. of Min. Eng  
 Street, Apt. No. or PO Box No. 1643 S 21st Street  
 City, State, ZIP+4 Chicago, IL 60649

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Restricted Delivery Fee (Endorsement Required)			
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 Black Contractors U.  
 Street, Apt. No. or PO Box No. 400 W. 76th  
 City, State, ZIP+4 Chicago IL 60620

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Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
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 MCK Amer Chamber  
 Street, Apt. No. or PO Box No. 122 S. Michigan - 175  
 City, State, ZIP+4 Chicago, IL 60603

PS Form 3800, June 2002 See Reverse for Instructions

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**OFFICIAL USE**

CHICAGO, IL 60606

Postage	\$ 0.37	UNIT ID: 0101	Postmark Here
Certified Fee	2.30		
Return Receipt Fee (Endorsement Required)			
Restricted Delivery Fee (Endorsement Required)			
Total Postage & Fees	\$ 2.67	Clerk: KPJPNY	07/06/04

Sent To  
 Fed of Women Cent  
 Street, Apt. No. or PO Box No. 330 S. Wells - 111  
 City, State, ZIP+4 Chicago IL 60606

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## Attachment D

### Term Sheet

**Project Description:**

UPS has proposed the assemblage, remediation and redevelopment of three privately owned parcels, one parcel beneath an elevated portion of the Dan Ryan Expressway that is controlled by the State of Illinois and two street vacations. The project will also include the reconfiguration and renovation of existing UPS structures and parking improvements that are located east of the Dan Ryan Expressway. The project will include the following components:

- 1) Demolition and remediation of a railroad embankment and trestle between Union Avenue and Canal Street at the previously vacated portion of 15<sup>th</sup> Place;
- 2) Vacation, remediation and redevelopment of 14<sup>th</sup> Place between Union Avenue and Jefferson Street and the creation of Truck Feeder Lot 14<sup>th</sup> Place. This lot will include parking for 24 trucks;
- 3) Partial reconfiguration and renovation of Truck Feeder Lot 1E. This lot will include parking for 27 trucks;
- 4) Reconfiguration and renovation of Truck Feeder Lot 1W and the acquisition, remediation and redevelopment of Truck Feeder Lot 5. This lot, to be known as Truck Feeder Lot 1W/5 will include parking for 95 trucks;
- 5) Reconfiguration and renovation of the South Truck Feeder Lot. This lot will include parking for 211 trucks;
- 6) Acquisition, remediation and redevelopment of Employee Lot 6 and partial reconfiguration and renovation of Lot 1E. This lot, to be known as Employee Lot 1E/6, will include parking for 232 employee vehicles;
- 7) Acquisition, remediation and redevelopment of Employee Lot 7. This lot will include parking for 315 employee vehicles;
- 8) Acquisition, remediation and redevelopment of Employee Lot Dan Ryan. This lot will include parking for 201 employee vehicles;
- 9) Vacation, remediation and redevelopment of Jefferson Street south of 15<sup>th</sup> Street. This vacation will improve UPS' access to, and control over, lots 1E, 1W, 5 and the South Truck Feeder Lot;
- 10) Relocation of fiber optic cable located on Lots 1E and 1W;
- 11) Relocation of a cellular tower located on Lot 5;
- 12) Installation of campus gateways and signage at the intersections of 14<sup>th</sup> Place and Union Avenue and 14<sup>th</sup> Place and Canal Street;
- 13) Installation of a traffic signal at the intersection of Canal Street and 14<sup>th</sup> Place;
- 14) Installation of intersection control beacons at i) Jefferson and Maxwell Streets, ii) Jefferson Street and 14<sup>th</sup> Place, iii) Clinton Street and Maxwell Street, and iv) Clinton Street and 14<sup>th</sup> Place;
- 15) Union Avenue, Ruble Street and Jefferson Street will be designated as truck routes and critical access routes for UPS' operations between Roosevelt Road and 16<sup>th</sup> Street; and,
- 16) All features of the project will be in compliance with the City's Landscape Ordinance, the Commercial Planned Development and amended Planned Development #450.

**City Funding Commitment to United Parcel Service, Inc.:**

The City intends to negotiate a TIF redevelopment agreement with the Developer for tax increment financing assistance in the maximum amount of \$6,933,800. The assistance will be provided in the form of a taxable TIP note and the total project cost is currently estimated to be \$22,700,000. The City's assistance will be reduced, on a dollar for dollar basis, in the event the final total Project cost is less than the currently estimated amount of \$22,700,000.

<u>Sources</u>		
	<u>Amount</u>	<u>% of Total</u>
UPS		
City of Chicago (Street Vacation)	22,033,800	97.07%
<b>Total Sources</b>	<b>22,700,000</b>	<b>100.00%</b>
<u>Uses</u>		
	<u>Amount</u>	<u>\$/sf of Improv.</u>
Land Acquisition (\$10.64 per sf of land)		
Demolition	7,016,200	9.10
Hard Costs	4,065,700	5.27
Soft Costs	9,076,699	11.78
Design & Management Fees (14.3% of hard/demo costs)	1,891,026	
Title/Recording/Closing Costs	200,000	
Legal (0.88% of total costs)	200,000	
Miscellaneous Fees and Costs (0.79% of total costs)	178,375	
Consultants	60,000	
UPS PD Application Fee	12,000	
<b>Total Soft Costs (11.2% of total costs)</b>	<b>2,541,401</b>	<b>3.30</b>
<b>Total Uses</b>	<b>22,700,000</b>	<b>29.45</b>

Attachment E

Letter of Support



**CITY COUNCIL**  
CITY OF CHICAGO

**COUNCIL CHAMBER**  
ROOM 300  
121 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60602  
TELEPHONE 312-744-6836  
FAX 312-744-2022

**MADELINE L. HAITHCOCK**

ALDERMAN, 2ND WARD

WARD OFFICES:

449 EAST 35TH STREET  
CHICAGO, ILLINOIS 60616  
TELEPHONE: (773) 924-0014  
FAX: (773) 924-5950

701 SOUTH WESTERN AVENUE  
CHICAGO, ILLINOIS 60612  
TELEPHONE: (312) 733-8169

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(CHAIRMAN)

EDUCATION  
(VICE CHAIRMAN)

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(VICE CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATIONS

FINANCE

POLICE AND FIRE

RULES AND ETHICS

July 8, 2004

Mary Richardson-Lowry, Chairman  
Community Development Commission  
121 N. La Salle Street, Room 1000  
Chicago, IL 60602

**RE: UPS JEFFERSON STREET FACILITY  
TIF REQUEST**

Dear Chairman Richardson-Lowry:

I am writing this letter to you in support of providing \$6,933,800 million in tax increment financing (TIF) to UPS for their proposed consolidated distribution facility in the southwest loop. This action will allow UPS to create an industrial campus east of the Dan Ryan expressway by consolidating its parking facilities for both employee and truck parking. This project will result in job retention and an overall greening of the area.

I fully support the efforts of the Department of Planning and Development and I would appreciate any assistance you could provide them in obtaining these funds for the purposes specified in this letter.

Thank you in advance.

Sincerely,

Madeline L. Haithcock  
Alderman, 2<sup>nd</sup> Ward

## **EXHIBIT A**

### Street Boundary Description of the Roosevelt/Canal and Jefferson/Roosevelt Tax Increment Financing Redevelopment Project Areas

#### **Expanded Roosevelt/Canal Area**

The Roosevelt/Canal Project Area is irregularly shaped and is generally bounded by Roosevelt Road, Maxwell Street and 15<sup>th</sup> Street on the north, Canal Street on the east, 16th Street on the south and by Union Avenue on the west.

#### **Jefferson/Roosevelt Area**

The Jefferson/Roosevelt Project Area is centered on the intersection of Jefferson Street and Roosevelt Road and is generally located between the South Branch of the Chicago River on the east, the Dan Ryan Expressway on the west, Harrison Street on the north and 15<sup>th</sup> Street on the south.