
2000 Annual Report

**Pulaski Corridor
Redevelopment Project Area**



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

JUNE 30, 2001

June 30, 2001

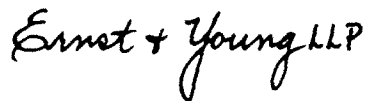
Ms. Alicia Mazur Berg
Commissioner
Department of Planning and Development
121 N. LaSalle St.
Chicago, Illinois 60602

Dear Commissioner:

Enclosed is the annual report for the Pulaski Corridor 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

Pulaski Corridor Redevelopment Project Area 2000 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, 2001

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 Pulaski Corridor Redevelopment Project Area (Report) pursuant to 65 ILCS 5/11-74.4-5(d).

Sincerely,

Alicia Mazur Berg
Commissioner



**Pulaski Corridor Redevelopment Project Area
2000 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 9, 1999. The Project Area may be terminated no later than June 9, 2022.

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

Please see attached.

CITY OF CHICAGO, ILLINOIS
PULASKI CORRIDOR
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2000

CITY OF CHICAGO, ILLINOIS
PULASKI CORRIDOR REDEVELOPMENT PROJECT

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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 Pulaski Corridor Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2000, and the related combined statement of revenues, expenditures and changes in fund balance - governmental funds for the year then ended. 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 audit.

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 audit provides 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 Pulaski Corridor Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2000, and the results of its governmental funds operations and changes in fund balance for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was 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 Pulaski Corridor Redevelopment Project of the City of Chicago, Illinois. Such additional information has been subjected to the auditing procedures applied in the audit 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 16, 2001

CITY OF CHICAGO, ILLINOIS
PULASKI CORRIDOR REDEVELOPMENT PROJECT

COMBINED BALANCE SHEET
DECEMBER 31, 2000

<u>ASSETS</u>	<u>Governmental Funds</u>	<u>General Long-term Debt Account Group</u>	<u>Total 2000</u>
Cash and investments	\$ 1,816,536	\$ -	\$ 1,816,536
Property taxes receivable	500,000	-	500,000
Accrued interest receivable	30,138	-	30,138
Amount available for debt service	-	321,760	321,760
Amount to be provided for retirement of general long-term debt	-	1,363,490	1,363,490
Total assets	<u>\$ 2,346,674</u>	<u>\$ 1,685,250</u>	<u>\$ 4,031,924</u>
 <u>LIABILITIES AND FUND BALANCE</u> 			
Due to other City funds	3,450	-	3,450
Deferred revenue	495,181	-	495,181
Notes payable (Note 2)	-	1,685,250	1,685,250
Total liabilities	<u>498,631</u>	<u>1,685,250</u>	<u>2,183,881</u>
Fund balance			
Reserved for debt service	321,760	-	321,760
Designated for future redevelopment project costs	1,526,283	-	1,526,283
Total fund balance	<u>1,848,043</u>	<u>-</u>	<u>1,848,043</u>
Total liabilities and fund balance	<u>\$ 2,346,674</u>	<u>\$ 1,685,250</u>	<u>\$ 4,031,924</u>

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

CITY OF CHICAGO, ILLINOIS
PULASKI CORRIDOR REDEVELOPMENT PROJECT

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2000

Revenues	
Property tax	\$ 157,370
Interest	<u>30,232</u>
Total revenues	<u>187,602</u>
Expenditures	
Capital projects	3,450
Bond issuance costs	15,000
Debt service	
Interest	<u>6,359</u>
Total expenditures	<u>24,809</u>
Revenues over expenditures	162,793
Other financing sources	
Proceeds of debt	<u>1,685,250</u>
Revenues and other financing sources over expenditures	1,848,043
Fund balance, beginning of year	<u>-</u>
Fund balance, end of year	<u><u>\$ 1,848,043</u></u>

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

CITY OF CHICAGO, ILLINOIS
PULASKI CORRIDOR REDEVELOPMENT PROJECT
NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Description of Project

The Pulaski Corridor Tax Increment Redevelopment Project Area (Project) was established in June 1999. 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 notes will be paid from incremental property taxes generated by the redevelopment district.

Basis of Accounting

The Project is accounted for within the capital project and debt service funds of the City. The Notes 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
PULASKI CORRIDOR 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 note proceeds and incremental taxes associated with the Pulaski Corridor 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 note 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
PULASKI CORRIDOR REDEVELOPMENT PROJECT

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

Note 2 – Notes Payable

In June 2000, the City issued \$1,685,250 of Pulaski Corridor Tax Increment Allocation Notes payable serially through July 1, 2012, beginning July 1, 2003. The notes have an interest rate of 6.175 percent. Net proceeds of \$1,685,250 were used to finance certain project costs in the Pulaski Corridor Redevelopment Project Area (\$1,515,000) and to fund debt service accounts (\$170,250).

The aggregate maturities of the notes (principal portion only) are as follows:

2001	\$ -
2002	-
2003	126,350
2004	133,993
2005	142,650
Thereafter	<u>1,282,257</u>
	<u>\$1,685,250</u>

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES BY STATUTORY CODECode 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	\$ 3,450
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>21,359</u>
	<u>\$ 24,809</u>

**Pulaski Corridor Redevelopment Project Area
2000 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

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

Paul Vallas, 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 Pulaski Corridor Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

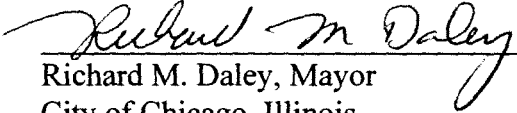
1. I am the duly qualified and acting Mayor of the City of Chicago, Illinois (the "City") and, as such, I am the City's Chief Executive Officer. This Certification is being given by me in such capacity.

2. During the preceding fiscal year of the City, being January 1 through December 31, 2000, 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, 2001.


Richard M. Daley, Mayor
City of Chicago, Illinois

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

Please see attached.



June 30, 2001

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

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

Paul Vallas, 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

Re: Pulaski Corridor
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.

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>



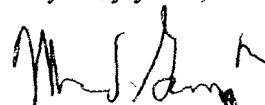
Attorneys, past and present, in the Law Department of the City familiar with the requirements of the Act have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following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

Pulaski Corridor Redevelopment Project Area 2000 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, 2000	
	2000
Revenues	
Property tax	\$ 157,370
Sales tax	-
Interest	30,232
Total revenues	187,602
Expenditures	
Costs of studies, admin., and professional services. (q)(1)	3,450
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)	21,359
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	24,809
Revenues over expenditures	162,793
Other financing sources	
Proceeds of debt	1,685,250
Revenues and other financing sources over expenditures	1,848,043
Fund balance, beginning of year	-
Fund balance, end of year	\$ 1,848,043
Fund balance	
Reserved for debt service	\$ 321,760
Reserved for encumbrances	-
Designated for future redevelopment project costs	\$ 1,526,283
Total fund balance	<u>\$ 1,848,043</u>

**Pulaski Corridor Redevelopment Project Area
2000 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
Hopkins & Sutter	Legal	\$15,000
Banco Popular North America	Financial	\$6,359

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

TABLE 6
DESCRIPTION OF PROPERTY PURCHASED BY THE CITY WITHIN THE TIF AREA

STREET ADDRESS	APPROXIMATE SIZE OR DESCRIPTION OF PROPERTY	PURCHASE PRICE	SELLER OF PROPERTY
1800 N. Spaulding Ave. ¹	n/a	n/a	n/a

¹This property was acquired through the Tax Reactivation Program ("TRP"), under which the City instructs the County of Cook to make a no cash bid on certain tax-delinquent parcels. The City then pursues the acquisition in a court proceeding and receives a tax deed from the County after a court order is issued. The City pays court costs and certain incidental expenses for each parcel, which average between \$2,000 and \$2,500. The size and description of each parcel is not available.

Pulaski Corridor Redevelopment Project Area 2000 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 12/31/00, and of such investments expected to be undertaken in Year 2001; also, a project-by-project ratio of private investment to public investment from 11/1/99 to 12/31/00, 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.

Pulaski Corridor Redevelopment Project Area 2000 Annual Report

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

During 2000, no projects were implemented.

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

Redevelopment activities undertaken within this Project Area during the year 2000, if any, have been made pursuant to i) the Redevelopment Plan for that Project Area, and ii) the one or more Redevelopment Agreements, if any, 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(d)(7)(C)

During 2000, no agreements were entered into with regard to the disposition or redevelopment of any property within the Project Area.

Pulaski Corridor Redevelopment Project Area 2000 Annual Report

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

The Project Area has received \$ 152,551 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(d)(7)(E)

During 2000, 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.

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

During 2000, no reports were submitted to the City by the Joint Review Board.

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

During 2000, no public investment was undertaken in the Project Area. As of December 31, 2000, no public investment was estimated to be undertaken for 2001.

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

This information is contained in the official statements, limited offering memoranda, promissory notes or debt service schedules of such obligations. See attached.

REGISTERED
NO. R-1

AMOUNT
\$1,685,250

SPECIMEN

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULASKI CORRIDOR
REDEVELOPMENT PROJECT), SERIES 2000

Registered Owner: Banco Popular North America

Interest Rate: 6.175%

Maturity Date: July 1, 2012

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above and compound on July 1 of each year until paid. Principal of and interest on this Note are payable in accordance with the Debt Service Schedule attached hereto.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying

agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of \$1,685,250 for the purpose of paying certain eligible redevelopment project costs incurred by the City (the "Project"), in the Pulaski Corridor Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on May 17, 2000 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is

issued and secured. **THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE NOTE FUND, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.**

The principal of this Note is subject to prepayment and redemption without penalty in accordance with the Ordinance.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) days next

preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance provides.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of June 9, 2000.


Mayor
SPECIMEN

(SEAL)
Attest:


City Clerk
SPECIMEN

**CERTIFICATE
OF
AUTHENTICATION**

Registrar and Paying Agent:
City Comptroller of the
City of Chicago,
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is the \$1,685,250 Tax Increment Allocation Revenue Note (Pulaski Corridor Redevelopment Project), Series 2000, of the City of Chicago, Cook County, Illinois.

City Comptroller
Date:


SPECIMEN

DEBT SERVICE SCHEDULE

AMORTIZATION

Principal	Loan Date	Maturity	Loan No	Call	Collateral	Account	Officer	Initials
\$1,685,250.00	06-01-2000	07-01-2012						

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower: City of Chicago
(Pulaski Corridor Tif)

Lender: Banco Popular North America
 4000 W. North Avenue
 Chicago, IL 60639

Disbursement Date: June 9, 2000
 Interest Rate: 6.175

Repayment Schedule: Irregular Payment
 Calculation Method: 365/360 US Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	07-01-2000	6,359.48	6,359.48	0.00	1,685,250.00
2000 TOTALS:		6,359.48	6,359.48	0.00	
2	07-01-2001	105,509.53	105,509.53	0.00	1,685,250.00
2001 TOTALS:		105,509.53	105,509.53	0.00	
3	07-01-2002	105,509.53	105,509.53	0.00	1,685,250.00
2002 TOTALS:		105,509.53	105,509.53	0.00	
4	07-01-2003	231,859.89	105,509.53	126,350.36	1,558,899.64
2003 TOTALS:		231,859.89	105,509.53	126,350.36	
5	07-01-2004	231,859.89	97,866.42	133,993.47	1,424,906.17
2004 TOTALS:		231,859.89	97,866.42	133,993.47	
6	07-01-2005	231,859.89	89,210.01	142,649.88	1,282,256.29
2005 TOTALS:		231,859.89	89,210.01	142,649.88	
7	07-01-2006	231,859.89	80,279.04	151,580.85	1,130,675.44
2006 TOTALS:		231,859.89	80,279.04	151,580.85	
8	07-01-2007	231,859.89	70,788.92	161,070.97	969,604.47
2007 TOTALS:		231,859.89	70,788.92	161,070.97	
9	07-01-2008	231,859.89	60,870.96	170,988.93	798,615.54
2008 TOTALS:		231,859.89	60,870.96	170,988.93	
10	07-01-2009	231,859.89	49,999.43	181,860.46	616,755.08
2009 TOTALS:		231,859.89	49,999.43	181,860.46	
11	07-01-2010	231,859.89	38,613.58	193,246.31	423,508.77
2010 TOTALS:		231,859.89	38,613.58	193,246.31	
12	07-01-2011	231,859.89	26,514.88	205,345.01	218,163.76
2011 TOTALS:		231,859.89	26,514.88	205,345.01	
13	07-01-2012	231,859.89	13,696.13	218,163.76	0.00
2012 TOTALS:		231,859.89	13,696.13	218,163.76	
TOTALS:		2,535,977.44	850,727.44	1,685,250.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to as of:

City of Chicago, Illinois

By:

Title:

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

This information is contained in the official statements, limited offering memoranda, promissory notes or debt service schedules of such obligations. See attached.

**Pulaski Corridor Redevelopment Project Area
2000 Annual Report**

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

Please see attached.

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

125 SOUTH WACKER DRIVE CHICAGO, ILLINOIS 60606-4496 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 combined balance sheet of Pulaski Corridor Redevelopment Project of the City of Chicago, Illinois as of December 31, 2000, 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 16, 2001.

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 Pulaski Corridor 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 16, 2001

Pulaski Corridor Redevelopment Project Area 2000 Annual Report

(11) GENERAL DESCRIPTION AND MAP

The Project Area is generally linear in shape and parallels the former Chicago Minneapolis St. Paul (CMSP&P) Railroad right-of-way between Belmont and North Avenues along its north/south axis. There are also several linear corridors extending from this main spine. The corridors are aligned along the following arterial streets: Fullerton Avenue between Springfield Avenue and Kostner Avenue; North Avenue between Lowell Avenue and Ridgeway Avenue; and Grand Avenue between Hamlin Avenue and Lowell Avenue. 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.

