
2010 Annual Report

Ewing Avenue Redevelopment Project Area



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

JUNE 30, 2011



**ANNUAL TAX INCREMENT FINANCE REPORT
OFFICE OF ILLINOIS COMPTROLLER JUDY BAAR TOPINKA**

Name of Municipality: Chicago
County: Cook
Unit Code: 016/620/30

Reporting Fiscal Year: **2010**
Fiscal Year End: 12/31/2010

TIF Administrator Contact Information

First Name: Andrew J.	Last Name: Mooney
Address: City Hall 121 N. LaSalle	Title: TIF Administrator
Telephone: (312) 744-0025	City: Chicago, IL Zip: 60602
E-Mail: TIFReports@cityofchicago.org	

I attest to the best of my knowledge, this report of the redevelopment project areas in:
City/Village of Chicago **is complete and accurate at the end of this reporting**
Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.]
Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

 _____ 7.2011
Date

Written signature of TIF Administrator

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*

FILL OUT ONE FOR EACH TIF DISTRICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
105th/Vincennes	10/3/2001	12/31/2025
111th Street/Kedzie Avenue Business District	9/29/1999	9/29/2022
119th and Halsted	2/6/2002	12/31/2026
119th/I-57	11/6/2002	12/31/2026
126th and Torrence	12/21/1994	12/21/2017
134th and Avenue K	3/12/2008	12/31/2032
24th/Michigan	7/21/1999	7/21/2022
26th and King Drive	1/11/2006	12/31/2030
35th and Wallace	12/15/1999	12/31/2023
35th/Halsted	1/14/1997	12/31/2021
35th/State	1/14/2004	12/31/2028
40th/State	3/10/2004	12/31/2028
43rd/Cottage Grove	7/8/1998	12/31/2022
45th/Western Industrial Park Conservation Area	3/27/2002	12/31/2026
47th/Ashland	3/27/2002	12/31/2026
47th/Halsted	5/29/2002	12/31/2026
47th/King Drive	3/27/2002	12/31/2026
47th/State	7/21/2004	12/31/2028
49th Street/St. Lawrence Avenue	1/10/1996	12/31/2020
51st/ Archer	5/17/2000	12/31/2024
53rd Street	1/10/2001	12/31/2025
60th and Western	5/9/1996	5/9/2019

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]



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63rd/Ashland	3/29/2006	12/31/2030
63rd/Pulaski	5/17/2000	12/31/2024
67th/Cicero	10/2/2002	12/31/2026
69th/Ashland	11/3/2004	12/31/2028
71st and Stony Island	10/7/1998	10/7/2021
72nd and Cicero	11/17/1993	11/17/2016
73rd and Kedzie	11/17/1993	11/17/2016
73rd/University	9/13/2006	12/31/2030
79th and Cicero	6/8/2005	12/31/2029
79th Street Corridor	7/8/1998	7/8/2021
79th Street/Southwest Highway	10/3/2001	12/31/2025
79th/Vincennes	9/27/2007	12/31/2031
83rd/Stewart	3/31/2004	12/31/2028
87th/Cottage Grove	11/13/2002	12/31/2026
89th and State	4/1/1998	4/1/2021
95th and Western	7/13/1995	7/13/2018
95th Street and Stony Island	5/16/1990	12/31/2014
Addison Corridor North	6/4/1997	6/4/2020
Addison South	5/9/2007	12/31/2031
Archer Courts	5/12/1999	12/31/2023
Archer/ Central	5/17/2000	12/31/2024
Archer/Western	2/11/2009	12/31/2033
Armitage/Pulaski	6/13/2007	12/31/2031
Austin/Commercial	9/27/2007	12/31/2031
Avalon Park/South Shore	7/31/2002	12/31/2026
Avondale	7/29/2009	12/31/2033
Belmont/ Central	1/12/2000	12/31/2024
Belmont/Cicero	1/12/2000	12/31/2024
Bronzeville	11/4/1998	12/31/2022
Bryn Mawr/Broadway	12/11/1996	12/11/2019
Calumet Avenue/Cermak Road	7/29/1998	7/29/2021
Calumet River	3/10/2010	12/31/2034
Canal/Congress	11/12/1998	12/31/2022
Central West	2/16/2000	12/31/2024
Chatham-Ridge	12/18/1986	12/31/2010 (1)
Chicago/ Kingsbury	4/12/2000	12/31/2024
Chicago/Central Park	2/27/2002	12/31/2026
Chicago Lakeside Development – Phase 1 (USX)	5/12/2010	12/31/2034
Chinatown Basin	12/18/1986	12/31/2010
Cicero/Archer	5/17/2000	12/31/2024
Clark Street and Ridge Avenue	9/29/1999	9/29/2022
Clark/Montrose	7/7/1999	7/7/2022
Commercial Avenue	11/13/2002	12/31/2026
Devon/Sheridan	3/31/2004	12/31/2028

(1) This TIF has been terminated; however, the sales tax portion continues to exist for the sole purpose of servicing outstanding obligations which may be retired early at which point the sales tax portion will also terminate.



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Devon/Western	11/3/1999	12/31/2023
Diversey/ Narragansett	2/5/2003	12/31/2027
Division/Homan	6/27/2001	12/31/2025
Division/North Branch	3/15/1991	3/15/2014
Division-Hooker	7/10/1996	7/10/2019
Drexel Boulevard	7/10/2002	12/31/2026
Eastman/North Branch	10/7/1993	10/7/2016
Edgewater/ Ashland	10/1/2003	12/31/2027
Elston/Armstrong Industrial Corridor	7/19/2007	12/31/2031
Englewood Mall	11/29/1989	11/29/2012
Englewood Neighborhood	6/27/2001	12/31/2025
Ewing Avenue	3/10/2010	12/31/2034
Forty-first Street and Dr. Martin Luther King, Jr. Drive	7/13/1994	7/13/2017
Fullerton/ Milwaukee	2/16/2000	12/31/2024
Galewood/Armitage Industrial	7/7/1999	7/7/2022
Goose Island	7/10/1996	7/10/2019
Greater Southwest Industrial Corridor (East)	3/10/1999	12/31/2023
Greater Southwest Industrial Corridor (West)	4/12/2000	12/31/2024
Harlem Industrial Park Conservation Area	3/14/2007	12/31/2031
Harrison/Central	7/26/2006	12/31/2030
Hollywood/Sheridan	11/7/2007	12/31/2031
Homan/Grand Trunk	12/15/1993	12/15/2016
Homan-Arthington	2/5/1998	2/5/2021
Howard-Paulina	10/14/1988	12/31/2012
Humboldt Park Commercial	6/27/2001	12/31/2025
Irving Park/Elston	5/13/2009	12/31/2033
Irving/Cicero	6/10/1996	12/31/2020
Jefferson Park Business District	9/9/1998	9/9/2021
Jefferson/ Roosevelt	8/30/2000	12/31/2024
Kennedy/Kimball	3/12/2008	12/31/2032
Kinzie Industrial Corridor	6/10/1998	6/10/2021
Kostner Avenue	11/5/2008	12/31/2032
Lake Calumet Area Industrial	12/13/2000	12/31/2024
Lakefront	3/27/2002	12/31/2026
Lakeside/Clarendon	7/21/2004	12/31/2028
LaSalle Central	11/15/2006	12/31/2030
Lawrence/ Kedzie	2/16/2000	12/31/2024
Lawrence/Broadway	6/27/2001	12/31/2025
Lawrence/Pulaski	2/27/2002	12/31/2026
Lincoln Avenue	11/3/1999	12/31/2023
Lincoln-Belmont-Ashland	11/2/1994	11/2/2017
Little Village East	4/22/2009	12/31/2033
Little Village Industrial Corridor	6/13/2007	12/31/2031
Madden/Wells	11/6/2002	12/31/2026



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Madison/Austin Corridor	9/29/1999	12/31/2023
Michigan/Cermak	9/13/1989	12/31/2013
Midway Industrial Corridor	2/16/2000	12/31/2024
Midwest	5/17/2000	12/31/2024
Montclare	8/30/2000	12/31/2024
Montrose/Clarendon	6/30/2010	12/31/2034
Near North	7/30/1997	7/30/2020
Near South	11/28/1990	12/31/2014
Near West	3/23/1989	12/31/2013
North Branch (North)	7/2/1997	12/31/2021
North Branch (South)	2/5/1998	2/5/2021
North Pullman	6/30/2009	12/31/2033
North-Cicero	7/30/1997	7/30/2020
Northwest Industrial Corridor	12/2/1998	12/2/2021
Ogden/Pulaski	4/9/2008	12/31/2032
Ohio/Wabash	6/7/2000	12/31/2024
Pershing/King	9/5/2007	12/31/2031
Peterson/ Cicero	2/16/2000	12/31/2024
Peterson/ Pulaski	2/16/2000	12/31/2024
Pilsen Industrial Corridor	6/10/1998	12/31/2022
Portage Park	9/9/1998	9/9/2021
Pratt/Ridge Industrial Park Conservation Area	6/23/2004	12/31/2028
Pulaski Corridor	6/9/1999	6/9/2022
Randolph and Wells	6/9/2010	12/31/2034
Ravenswood Corridor	3/9/2005	12/31/2029
Read-Dunning	1/11/1991	12/31/2015
River South	7/30/1997	7/30/2020
River West	1/10/2001	12/31/2025
Roosevelt/Canal	3/19/1997	12/31/2021
Roosevelt/Cicero	2/5/1998	2/5/2021
Roosevelt/Racine	11/4/1998	12/31/2022
Roosevelt/Union	5/12/1999	5/12/2022
Roosevelt-Homan	12/5/1990	12/31/2014
Roseland/Michigan	1/16/2002	12/31/2026
Sanitary Drainage and Ship Canal	7/24/1991	7/24/2014
South Chicago	4/12/2000	12/31/2024
South Works Industrial	11/3/1999	12/31/2023
Stevenson/Brighton	4/11/2007	12/31/2031
Stockyards Annex	12/11/1996	12/31/2020
Stockyards Industrial Commercial	3/9/1989	12/31/2013
Stockyards Southeast Quadrant Industrial	2/26/1992	2/26/2015
Stony Island Avenue Commercial and Burnside Industrial Corridors	6/10/1998	6/10/2033
Touhy/Western	9/13/2006	12/31/2030
Weed/Fremont	1/8/2008	12/31/2032



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West Grand	6/10/1996	6/10/2019
West Irving Park	1/12/2000	12/31/2024
West Pullman Industrial Park	3/11/1998	3/11/2021
West Ridge-Peterson Avenue	10/27/1986	12/31/2010
West Woodlawn	5/12/2010	12/31/2034
Western Avenue North	1/12/2000	12/31/2024
Western Avenue Rock Island	2/8/2006	12/31/2030
Western Avenue South	1/12/2000	12/31/2024
Western/Ogden	2/5/1998	2/5/2021
Wilson Yard	6/27/2001	12/31/2025
Woodlawn	1/20/1999	1/20/2022

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area: Ewing Avenue Redevelopment Project Area
Primary Use of Redevelopment Project Area*: Combination/Mixed
If "Combination/Mixed" List Component Types: Commercial/Residential
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act <u> X </u> Industrial Jobs Recovery Law _____

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F		X
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M		X

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

Reporting Year	Cumulative *
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Fund Balance at Beginning of Reporting Period \$ -

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment			0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers in from Municipal Sources (Porting in)	1,773,456	1,773,456	100%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period 1,773,456

Cumulative Total Revenues/Cash Receipts \$ 1,773,456 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) 1,126,410

Transfers out to Municipal Sources (Porting out) _____

Distribution of Surplus _____

Total Expenditures/Disbursements 1,126,410

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS 647,046

FUND BALANCE, END OF REPORTING PERIOD \$ 647,046

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

* Except as set forth in the next sentence, each amount reported on the rows below, if any, is cumulative from the inception of the respective Project Area. Cumulative figures for the categories of 'Interest,' 'Land/Building Sale Proceeds' and 'Other' may not be fully available for this report due to either of the following: (i) the disposal of certain older records pursuant to the City's records retention policy, or (ii) the availability of records only from January 1, 1997 forward.

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
 (by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
		\$ -
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs, Subsection (q)(2), (o)(2) and (o)(3)		
		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
	1,126,410	
		\$ 1,126,410
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 1,126,410

Section 3.2 B

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.*

Name	Service	Amount
MY BAPS Construction Corp.	Public Improvement	\$1,126,410

* This table may include payments for Projects that were undertaken prior to 11/1/1999.

**SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
 Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
 (65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))**

FUND BALANCE, END OF REPORTING PERIOD \$ 647,046

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
Reserved for debt service	\$ -	\$ -

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid		
Designated for future redevelopment project costs		\$ 647,046

Total Amount Designated for Project Costs \$ 647,046

TOTAL AMOUNT DESIGNATED \$ 647,046

SURPLUS*/(DEFICIT) \$ -

*NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts.

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	3915 E. 106th Street
Approximate size or description of property:	N/A
Purchase price:	
Seller of property:	N/A

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
Please include a brief description of each project.

 X No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Attachment B

CERTIFICATION

TO:

Judy Baar Topinka
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local
Government

Jean-Claude Brizard
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

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

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

Herman Brewer
Director
Cook County Bureau of Planning & Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

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

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

Michael P. Kelly, Interim General
Superintendent & CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

I, Rahm Emanuel, 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 Ewing Avenue Redevelopment Project Area (the "Redevelopment Project Area"), do hereby certify as follows:

Attachment B


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, 2010, 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, 2011.


Rahm Emanuel, Mayor
City of Chicago, Illinois



DEPARTMENT OF LAW

CITY OF CHICAGO

June 30, 2011

Attachment C

Judy Baar Topinka
Comptroller of the State of Illinois
James R. Thompson Center
100 West Randolph Street, Suite 15-500
Chicago, Illinois 60601
Attention: June Canello, Director of Local
Government

Jean-Claude Brizard
Chief Executive Officer
Chicago Board of Education
125 South Clark Street, 5th Floor
Chicago, Illinois 60603

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

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

Herman Brewer
Director
Cook County Bureau of Planning & Dev.
69 West Washington Street, Suite 2900
Chicago, Illinois 60602

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

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

Michael P. Kelly, Interim General
Superintendent & CEO
Chicago Park District
541 North Fairbanks
Chicago, Illinois 60611

Re: Ewing Avenue
Redevelopment Project Area (the "Redevelopment Project
Area")

Dear Addressees:

I am the Corporation Counsel of the City of Chicago, Illinois (the "City") and, in such capacity, I am the head of the City's Law Department. 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.

June 30, 2011

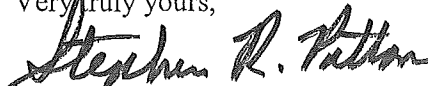
Attorneys, past and present, in the Law Department of the City and familiar with the requirements of the Act, have had general involvement in the proceedings affecting the Redevelopment Project Area, including the preparation of ordinances adopted by the City Council of the City with respect to the following 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 Housing and Economic Development, Department of Finance and Office of Budget and Management (collectively, the "City Departments"), 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,



Stephen R. Patton
Corporation Counsel

SCHEDULE 1

(Exception Schedule)

No Exceptions

Note the following Exceptions:

ATTACHMENTS D, E and F

ATTACHMENT D

Activities Statement

Projects that were implemented during the preceding fiscal year, if any, are set forth below:

None

Redevelopment activities undertaken within this Project Area during the preceding fiscal year, 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 in Section 3 herein by TIF-eligible expenditure category.

ATTACHMENT E

Agreements

Agreements entered into concerning the disposition or redevelopment of property within the Project Area during the preceding fiscal year, if any, are attached hereto.

None

ATTACHMENT F

Additional Information

The amounts shown elsewhere in this report, including those shown in Section 3 herein, have been used to pay for project cost within the Project Area and for debt service (if applicable), all in furtherance of the objectives of the Redevelopment Plan for the Project Area.

ATTACHMENT H

CITY OF CHICAGO
JOINT REVIEW BOARD

ORIGINAL

Report of proceedings of a hearing
before the City of Chicago, Joint Review
Board held on November 6, 2009, at 10:20 a.m.
City Hall, Room 1003, Conference Room,
Chicago, Illinois, and presided over by
Ms. Tanya Anthony.

PRESENT:

MS. TANYA ANTHONY, CHAIRMAN
MS. GLORIA PERALTA
MS. SUSAN MAREK
MR. FRANCIS THURMAN
MR. JOHN SCHNEIDER
MS. MARTHA PENA

REPORTED BY: LeGrand Reporting Services
333 West Irving Park Rd.
Roselle, Illinois
By: Carol Robertson

1 MS. ANTHONY: Okay, for the record
2 my name is Tanya Anthony. I am the
3 representative of the Chicago Park District
4 which under Section 117445 of the Tax
5 Increment Allocation Redevelopment Act is
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, this meeting of the
11 Joint Review Board is to review the proposed
12 Calumet River Tax Increment Financing
13 District. The date of this meeting was
14 announced at and set by the Community
15 Development Commission of the City of
16 Chicago at its meeting of October 13th, 2009.

17 Notice of this meeting of the Joint
18 Review Board was also provided by certified
19 mail to each taxing district representative
20 on the board, which includes the Chicago
21 Board of Education, the Chicago Community
22 Colleges, District 508, the Chicago Park
23 District, Cook County, the City of Chicago,
24 and the public member. Public notice of this

1 meeting was also posted as of Wednesday,
2 November 4th, 2009 in various locations
3 throughout City Hall.

4 Our first order of business is to
5 select a chairperson for this Joint Review
6 Board, are there any nominations?

7 MS. MAREK: I nominate Tanya Anthony.

8 MS. ANTHONY: Is there a second for
9 the nomination?

10 MS. PENA: Martha Pena.

11 MR. SCHNEIDER: John Schneider, Cook
12 County.

13 MR. THURMAN: Francis Thurman, City
14 Colleges of Chicago.

15 MS. ANTHONY: For the record my name
16 is Tanya Anthony. I am the representative of
17 the Chicago Park District, which under
18 Section 117445 of the tax Increment
19 Allocation Redevelopment Act is one of the
20 statutorily designated members of the Joint
21 Review Board. Until election of a
22 chairperson I will moderate the Joint Review
23 Board meetings.

24 For the record there will be two

1 meetings of the Joint Review Board. This
2 first meeting, the first meeting is to review
3 the proposed Ewing Avenue Tax Increment
4 Finance District. The date of this meeting
5 was announced at and set by the Community
6 Development Commission of the City of
7 Chicago at its meeting on October 13th, 2009.

8 Notice of this meeting of the Joint
9 Review Board was also provided by certified
10 mail to each taxing district represented on
11 the board, which includes the Chicago Board
12 of education, the Chicago Community
13 Colleges, District 508, the Chicago Park
14 District, Cook County, and the City of
15 Chicago. Public notice of this meeting was
16 also posted as of Wednesday, November 4th,
17 2009 in various locations throughout City
18 Hall.

19 When a proposed redevelopment plan
20 would result in displacement of residents
21 from 10 or more inhabited residential units,
22 or would include 75 or more inhabited
23 residential units, the TIF Act requires that
24 the public member of the Joint Review Board

1 must reside in the proposed redevelopment
2 project area.

3 In addition, a municipalities
4 housing impact study, in addition, if a
5 municipalities housing impact study
6 determines that the majority of residential
7 units in the proposed redevelopment project
8 area are occupied by very low, low or
9 moderate income households, as defined in
10 Section 3 of the Illinois Affordable Housing
11 Act, the public member must be a person who
12 resides in very low, low, or moderate income
13 housing with the proposed redevelopment
14 project area.

15 With us today is Martha Pena. Are
16 you familiar with the boundaries of the
17 proposed Ewing Avenue Tax Increment
18 Financing Redevelopment Project Area?

19 MS. PENA: Yes.

20 MS. ANTHONY: Okay. What is the
21 address of your primary residence?

22 MS. PENA: 10648 South Ewing.

23 MS. ANTHONY: Is such address within
24 the boundaries of the proposed Ewing Avenue

1 Tax Increment Financing Redevelopment
2 Project Area?

3 MS. PENA: Yes.

4 MS. ANTHONY: Have you provided
5 representatives of the City of Chicago's
6 Department of Community Development with
7 accurate information concerning your income
8 and the income of any other members of the
9 household residing at such address?

10 MS. PENA: Yes.

11 MS. ANTHONY: Ms. Pena, are you
12 willing to serve as the public member for the
13 Joint Review Board for the proposed Ewing
14 Avenue Tax Increment Financing Redevelopment
15 Project Area?

16 MS. PENA: Yes.

17 MS. ANTHONY: I will entertain a
18 motion that Martha Pena be selected as the
19 public member. Is there a motion?

20 MS. MAREK: So moved.

21 MS. ANTHONY: Is there a second?

22 MS. PERALTA: Second.

23 MS. ANTHONY: All in favor please
24 vote by saying aye.

1 (Chorus of ayes.)

2 MS. ANTHONY: All opposed please vote
3 by saying no. Let the record reflect that
4 Martha Pena has been selected as the public
5 member for the proposed Ewing Avenue Tax
6 Increment Financing Redevelopment Project
7 Area.

8 Our next order of business is to
9 select a chairperson for this Joint Review
10 Board. Are there any nominations?

11 MS. MAREK: I'll nominate Tanya
12 Anthony.

13 MS. ANTHONY: Is there a second for
14 the nomination?

15 MR. SCHNEIDER: I'll second.

16 MS. ANTHONY: Are there any other
17 nominations? Let the record reflect that
18 there were no other nominations. All in
19 favor of the nomination please vote by saying
20 aye.

21 (Chorus of ayes.)

22 MS. ANTHONY: All opposed please vote
23 by saying no. Let the record reflect that I,
24 Tanya Anthony, have been selected as

1 chairperson and will now serve as the
2 chairperson for the remainder of the
3 meeting.

4 As I mentioned, at this meeting we
5 will be reviewing a plan for the proposed tax
6 increment financing district proposed by the
7 City of Chicago. Staff of the City's
8 Departments of Community Development and
9 Law, and other departments have reviewed
10 this plan which was introduced to the City's
11 Community Development Commission on October
12 13th, 2009. We will listen to a presentation
13 by the consultant on the plan. Following the
14 presentation we can address any questions
15 that the members might have for the
16 consultant or city staff.

17 An amendment to the TIF requires us
18 to have, to base our recommendations to
19 approve or disapprove the proposed Ewing
20 Avenue Tax Increment Financing District on
21 the basis of the area and the plan satisfying
22 the plan requirements, the eligibility
23 criteria defined in the TIF Act and
24 objectives of the TIF Act.

1 If the board approves the plan, the
2 board will then issue an advisory non-
3 binding recommendation by the vote of the
4 majority of those members present and
5 voting. Such recommendation shall be
6 submitted to the City within 30 days after
7 the board meeting.

8 Failure to submit such
9 recommendation shall be deemed to constitute
10 approval by the board. If the board
11 disapproves the plan the board must issue a
12 written report describing why the plan and
13 area failed to meet one or more of the
14 objectives of the TIF Act, and both the plan
15 requirements and the eligibility criteria of
16 the TIF Act.

17 The City will then have 30 days to
18 resubmit a revised plan. The board and the
19 City must also confer during this time to try
20 to resolve the issues that led to the board's
21 disapproval. If such issues cannot be
22 resolved or if the revised plan is
23 disapproved, the City may proceed with the
24 plan, but the plan can be approved only with

1 a three-fifths vote of the City counsel,
2 excluding positions of members that are
3 vacant and those members that are ineligible
4 to vote because of conflict of interest.

5 At this time we'll have a
6 presentation by the consultant on the Ewing
7 Avenue TIF Redevelopment Project Area.

8 MS. MORONEY: Good morning. My name
9 is Ann Moroney and I'm with the firm of
10 Johnson's Research Group. We were hired by
11 the City to undertake the feasibility study
12 for the Ewing Avenue study area, and joined
13 in that study by the firm of ERS, Ernest
14 Sawyer Enterprises.

15 I'm here today to talk to you about
16 the project area. The Ewing Avenue project
17 area pictured here is located entirely in the
18 Tenth Ward on the far southeast side of
19 Chicago, and it covers the east side and
20 Hegewisch community areas. It's adjacent to
21 two existing TIF's Lake Calumet which is,
22 covers the vast majority of the areas around
23 of and north following it along, and then
24 126th and Torrence TIF which is the southwest

1 end of the TIF area.

2 The proposed study area is 348 acres
3 in size, and it generally runs along the
4 major corridors of the community. It has
5 1,116 tax parcels in it and it's made up of
6 an improved area and a vacant area for
7 purposes of eligibility analysis.

8 On the map here in the lighter blue
9 you see the improved area which makes up the
10 majority of the area, and the vacant area is
11 on the southeast end. The improved area we
12 found qualifies as a conservation area.
13 There are four factors that are present to a
14 meaningful degree and reasonably distributed
15 throughout the improved area, those include
16 deterioration and with utilities, declining
17 EAV and lack of community planning. It also
18 meets the Threshold H criteria that requires
19 50 percent or more of the buildings be 35
20 years of age or older. In this improved
21 portion, 88 percent of the buildings are 35
22 years of age or older.

23 The vacant area, located down here in
24 the blue, is largely industrial zoned

1 property that has never been developed, that
2 includes 44.5 acres, and that area, vacant
3 area has to qualify under one of two sets of
4 criteria, this qualifies under both sets of
5 criteria for vacant area.

6 Some of the supporting evidence of
7 disinvestment in the area is exemplified by
8 the large number of vacant lots throughout
9 the area. There has been minimal new
10 construction in the last five years and there
11 are additional factors that are present,
12 although concentrated in the commercial
13 corridors of the area. And while they have a
14 large, while they have an impact on the area
15 as a whole, we were not able to say that they
16 were reasonably distributed throughout the
17 improved area.

18 Some of the goals and objectives for
19 the project area, the reasons for setting up
20 this TIF district is to, is that the area,
21 one is that the area is large, in need, in
22 significant need of a new school, new school
23 facilities. Gallistel School is one of the,
24 one of the most overcrowded schools in the

1 City, and the hope is that we can provide a
2 new school facility in the area, where also
3 some of the goals include constructing the
4 commercial face of the project area, the
5 commercial corridors of 106th, Indianapolis
6 and Ewing Avenue particularly have suffered
7 from disinvestment and who would benefit
8 from this TIF.

9 Also, as the gateway to Chicago and
10 to the community from Indiana and other
11 southern communities, this would benefit
12 from improvements to its image,
13 functionality, corridors and sustainability
14 of its arterial corridors. And then lastly,
15 to support residential development wherever
16 possible.

17 The current EAV or the 2007 EAB,
18 which was what was available as of the
19 writing of this plan is \$58.6 million. We
20 have projected that after some conservative
21 assumptions about development in the area,
22 that in 2033, the final year of the TIF, EAB
23 could be as much as \$233 million. That leads
24 us to provide a budget for project cost

1 redevelopment activity with this area of \$82
2 million.

3 As part of this project we, we did a
4 housing impact study. There are 75, well
5 there are more than 75 occupied housing
6 units, so a housing impact study was
7 undertaken by Ernest Sawyer Enterprises for
8 us, and it was found that there are 760
9 residential units, 726 of those residential
10 units are occupied. There are no plans to
11 displace any of these occupied residents,
12 however as part of the methodology that was
13 done with the plan, we did identify that
14 there was one dilapidated building, or one
15 unit within a dilapidated building that,
16 that would be a possible displacement.

17 And we also identified in the future
18 land use a change from the existing land use
19 that would cause a second unit to be
20 displaced if ever those, if ever development
21 activity is carried through in that manner.

22 So, that kind of wraps up the, the
23 bulk of the presentation. If there's any
24 questions I'd be happy to answer those.

1 MR. SCHNEIDER: On your budget of \$82
2 million, and I applaud you for what you're
3 looking to do, how is this area, give me some
4 ideas in terms of projects or what you're
5 looking at doing in this area that's going to
6 create \$82 million of expendable dollars.

7 MS. MORONEY: Well there's a larger
8 area for, industrial area for industrial
9 development, prime area for industrial
10 development. It's not hampered by
11 environmental contamination and it has
12 access in proximity to other industrial
13 areas so that we feel that it would work well
14 to serve as a compatible or comparable use in
15 that area, that will bring significant
16 dollars we could achieve that development,
17 residential development, and then there's a
18 number of spots for commercial development
19 in -- or redevelopment of existing areas,
20 particularly along Indianapolis Boulevard
21 where you can take advantage both of the
22 access to and from the skyway and --

23 MR. SCHNEIDER: So, in terms of the
24 industrial area that you're talking about,

1 the water table is about one foot below the
2 surface level. Is there money in here to
3 deal with the lack of water and sewers on
4 that property and also deal with, not the
5 environmental issue, but the high water
6 table?

7 MS. MORONEY: We have not, we've not
8 drawn up estimates as part of this study, so
9 I can't answer that.

10 MR. SCHNEIDER: Okay. Thanks.

11 MS. PERALTA: That industrial area,
12 is it abandoned or --

13 MS. MORONEY: It's never been
14 developed.

15 MS. PERALTA: Then why is it, why is
16 it deemed an industrial area if it's never
17 been an industrial area?

18 MS. MORONEY: Well it's zoned
19 industrial.

20 MS. PERALTA: Oh.

21 MS. MORONEY: This area south of 18th
22 Street is industrial. Over here you have --
23 over here you have, you know, industry, so
24 this is your, this is your residential that

1 ends right here, and from a planning
2 standpoint it makes sense to do this.
3 However, there is a natural area over here, a
4 state park, Wolf Lake, so serious
5 consideration, careful consideration has to
6 be done to what kind of an industry goes in
7 there, especially -- residential and so you
8 have to be careful not to --

9 MS. ANTHONY: That's south of 118th
10 Street, right?

11 MS. MORONEY: Yes. Did I say 17th?

12 MS. ANTHONY: 18th.

13 MS. MORONEY: 18th, oh, add 100
14 blocks --

15 MS. ANTHONY: Okay. Based upon the
16 presentation are there any other questions?
17 Okay, if there are no further questions I
18 will entertain a motion that this joint
19 review board finds the proposed Ewing Avenue
20 Tax Increment Financing Redevelopment
21 Project Area satisfies the redevelopment
22 plan requirements under the TIF Act, the
23 eligibility criteria defined in Section
24 117443 of the TIF Act and objectives of the

1 TIF Act, and that based on such findings
2 approve such proposed plan under the TIF
3 Is there a motion?

4 MS. MAREK: So moved.

5 MS. ANTHONY: Is there a second
6 the motion?

7 MS. MAREK: I'll second.

8 MS. ANTHONY: Is there any further
9 discussion? If not, all in favor please
10 by saying aye.

11 (Chorus of ayes.)

12 MS. ANTHONY: All opposed please
13 by saying no. Let the record reflect the
14 Joint Review Board's approval of the
15 proposed Ewing Avenue Tax Increment
16 Financing Redevelopment Project Area under
17 the TIF Act.

18 At this time I'll adjourn the meeting
19 for the Ewing Avenue Joint Review Board

20 (Whereupon the above matter
21 concluded at 10:20 a.m.)

1 STATE OF ILLINOIS)
2) SS.
3 COUNTY OF C O O K)
4
5

6 I, CAROL ROBERTSON, depose and
7 say that I am a direct record court reporter
8 doing business in the State of Illinois; that
9 I reported verbatim the foregoing
10 proceedings and that the foregoing is a true
11 and correct transcript to the best of my
12 knowledge and ability.

13
14 Carol Robertson

15 CAROL ROBERTSON

16

17

18 SUBSCRIBED AND SWORN TO

19 BEFORE ME THIS 30th DAY OF
20 NOVEMBER, A.D. 2009.

21

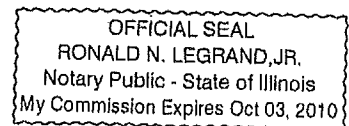
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23

24

[Signature]

NOTARY PUBLIC



CITY OF CHICAGO, ILLINOIS
EWING AVENUE
REDEVELOPMENT PROJECT

FINANCIAL REPORT

DECEMBER 31, 2010

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

C O N T E N T S

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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 Rahm Emanuel, Mayor
Members of the City Council
City of Chicago, Illinois

We have audited the accompanying financial statements of the Ewing Avenue Redevelopment Project of the City of Chicago, Illinois, as of and for the year ended December 31, 2010, 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 Ewing Avenue 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, 2010, 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 Ewing Avenue Redevelopment Project of the City of Chicago, Illinois, as of December 31, 2010, 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 through 5 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 Rahm Emanuel, 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 11, 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 Ewing Avenue 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.

Bansley and Kieny, L.L.P.

Certified Public Accountants

June 9, 2011

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

As management of the Ewing Avenue 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, 2010. 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

The 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

The 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.

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
(Continued)

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

The condensed financial statements are presented on the following page.

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 \$0 for the year. The change in net assets produced an increase in net assets of \$647,046. The Project's net assets increased to \$647,046 making that amount of funding available to be provided for purposes of future redevelopment in the Project's designated area.

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)
 (Concluded)

Government-Wide

	<u>2010</u>
Total assets	\$ 647,046
Total liabilities	<u>-</u>
Total net assets	<u>\$ 647,046</u>
Total revenues	\$ -
Total expenses	<u>1,126,410</u>
Operating transfers in	<u>1,773,456</u>
Changes in net assets	<u>647,046</u>
Ending net assets	<u>\$ 647,046</u>

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

STATEMENT OF NET ASSETS AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2010

<u>A S S E T S</u>	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
Cash and investments	<u>\$ 647,046</u>	<u>\$ -</u>	<u>\$ 647,046</u>
 <u>FUND BALANCE/NET ASSETS</u> 			
Fund balance:			
Designated for future redevelopment project costs	<u>647,046</u>	<u>(647,046)</u>	<u>-</u>
Total fund balance	<u>\$ 647,046</u>		
Net assets:			
Restricted for future redevelopment project costs		<u>647,046</u>	<u>647,046</u>
Total net assets		<u>\$ 647,046</u>	<u>\$ 647,046</u>

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

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Governmental Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues	\$ -	\$ -	\$ -
Expenditures/expenses:			
Economic development projects	<u>1,126,410</u>	<u>-</u>	<u>1,126,410</u>
Excess of expenditures over revenues	(1,126,410)	-	(1,126,410)
Other financing sources:			
Operating transfers in (Note 2)	<u>1,773,456</u>	<u>-</u>	<u>1,773,456</u>
Excess of revenues and other financing sources over expenditures	647,046	(647,046)	-
Change in net assets	-	647,046	647,046
Fund balance/net assets:			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ 647,046</u>	<u>\$ -</u>	<u>\$ 647,046</u>

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

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

(a) *Reporting Entity*

In March 2010, the City of Chicago (City) established the Ewing Avenue 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
EWING AVENUE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 1 – Summary of Significant Accounting Policies (Concluded)

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.

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

NOTES TO FINANCIAL STATEMENTS
(Concluded)

Note 2 – Operating Transfers In

During 2010, in accordance with State statutes, the Project received \$1,773,456 from the contiguous Lake Calumet Area Industrial Redevelopment Project for expenses for street resurfacing of Avenue O between 123rd Street and 126th Street.

SUPPLEMENTARY INFORMATION

CITY OF CHICAGO, ILLINOIS
EWING AVENUE REDEVELOPMENT PROJECT

SCHEDULE OF EXPENDITURES BY STATUTORY CODE

Code Description

Costs of the construction of public works or
improvements

\$1,126,410



BANSLEY AND KIENER, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

ESTABLISHED 1922

O'HARE PLAZA 8745 WEST HIGGINS ROAD SUITE 200 CHICAGO, ILLINOIS 60631 312.263.2700 FAX 312.263.6935 WWW.BK-CPA.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Rahm Emanuel, 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 Ewing Avenue Redevelopment Project of the City of Chicago, Illinois as of December 31, 2010, 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 June 9, 2011.

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 Ewing Avenue 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

June 9, 2011

INTERGOVERNMENTAL AGREEMENTS
FY 2010

A list of all intergovernmental agreements in effect in FY 2010 to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]

Name of Agreement	Description of Agreement	Amount Transferred Out	Amount Received
None			

Ewing Avenue Redevelopment Project Area 2010 Annual Report

