

**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. 05 CDC -95

**AUTHORITY TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH
SCOTTSDALE CENTER, L.L.C.
WITHIN THE
79TH/CICERO T.I.F. REDEVELOPMENT PROJECT AREA,**

AND

**TO RECOMMEND TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
THE DESIGNATION OF
SCOTTSDALE CENTER, L.L.C.
AS THE DEVELOPER**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 05-CDC-30 and pursuant to the Act, enacted three ordinances on June 8, 2005 pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the 79th/Cicero Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, Scottsdale Center, L.L.C. (the "Developer"), has presented to the City's Department of Planning and Development ("DPD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of the renovation and new construction of a new 134,000 square foot building with a 31,229 square foot garden center. The new 134,000 square building will have a 105,648 square foot green roof. Additionally, five (5) out-lot buildings with a combined 134,848 square feet of contemporary retail space will be renovated.; and

WHEREAS, DPD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

**BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE
CITY OF CHICAGO:**

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DPD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: October 11, 2005

Attachment: Exhibit A, Street Boundary Description

CITY OF CHICAGO
Community Development Commission
Department of Planning & Development
October 11, 2005

SUMMARY SHEET
Scottsdale Center, L.L.C.
79th/Cicero Redevelopment Project Area

Action

- Requested:** (1) Authorize the Department of Planning & Development ("DPD") to negotiate a redevelopment agreement with Scottsdale Center, LLC (the "Developer") and/or an entity to be formed, for the use of tax increment financing bond proceeds and/or incremental tax revenues for the redevelopment of the property located at 7905 S. Cicero Avenue, Chicago, IL 60652 (the "Property"), located within the boundaries of the 79th/Cicero Tax Increment Financing Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago (the "City") the designation of Scottsdale Center, LLC as the Developer of the property within the Area.

Project:

The Scottsdale Shopping Center is an approximately 235,493 square foot mall situated on approximately 20 acres located at the southeastern corner of 79th Street and Cicero Avenue in Chicago. Originally designed as a community-shopping hub, the mall has gone through several transformations throughout its history. At one time, the Scottsdale Shopping Center was a thriving shopping center serving the Ashburn community, the Scottsdale neighborhood and surrounding suburbs. Since the departure of Goldbatt's Department Store, the mall's main anchor in 2002, the Scottsdale Shopping Center has had some difficulty attracting and retaining tenants.

Due to current market conditions, facility demands of top retailers and an antiquated layout, the mall has suffered an increasing vacancy rate that is now over 50 percent. The physical condition of the mall is poor and deteriorating, the space has outdated store depths and configurations, and there are useless basements and mezzanines throughout the structure.

Unfortunately, this deterioration and obsolescence has affected much more than the site itself. These current conditions deter quality tenants and attract users that hinder new growth and development throughout the community.

The Developer intends to renovate and redevelop the existing Scottsdale Shopping Center. The project involves partial demolition of the existing structure and revision of the current layout. The redeveloped site will contain an approximately 156,235 square foot Lowe's home improvement store, including an adjacent garden center.

Additionally five (5) out-lot buildings comprised of approximately 135,373 square feet of contemporary retail space are included in the redevelopment plan. The proposed redevelopment will provide 1,000 parking spaces (see attached site map).

The Lowe's store will be located in Subarea A, which has an area of approximately 10.614 acres. The store will have a total floor area of approximately 156,235 square feet and will be served by a 522 off-street parking spaces, 12 of which will be accessible to the disabled.

Subarea B comprises the remainder of the site and has an area of approximately 9.941 acres. As depicted on the site plan, Subarea B will include buildings on the parcels labeled B, C, D, F and G, including a total floor area of approximately 135,373 square feet. Subarea B will include 478 off-street parking spaces, 9 of which will be accessible to the disabled.

The site plan has been meticulously refined to incorporate modern layout and design features demanded by today's retailers. In addition to the anchor tenant (Lowe's), many of the finest retail chains in the country, as well as several established local retailers, have expressed a strong interest in becoming a part of the proposed project. Upon stabilization, the proposed redevelopment is projected to dramatically increase sales from the current outdated facility. While this proposed redevelopment brings a host of benefits to the community through jobs and beautification, the redevelopment will generate taxable dollars that are actively being spent outside of the City limits. The proposed project will also recapture those suburban sales tax dollars by becoming the first such high quality retail development within the immediate area.

- Location:** 7905 S. Cicero, IL 60652, within the 79th/Cicero Redevelopment Project Area. The site is generally bounded by 79th Street on the north; the Scottsdale residential subdivision on the East; 81st Street; and Cicero Avenue on the West. In addition, Cicero Avenue at this location forms the City's municipal boundary. Surrounding land uses include retail and residential uses to the North, residential uses to the East, and commercial uses to the South and West.
- Site Area:** 20.555 Acres
- Developer:** The proposed developer of the project is Scottsdale Center, LLC, an Illinois Limited Liability Company.
- Assistance:** \$ 8,100,000 in tax increment financing assistance.
- Zoning:** A Business Planned Development (BPD #965) for the property was recommended for approval by the Plan Commission on March 17th, 2005 and passed City Council on May 11, 2005.

Ward &

Alderman: 13th Ward/Alderman Frank J. Olivo

Issues: N/A

Public

Benefits: Improvement of a vacant site

The Developer will redevelop a partially vacant shopping center that will stimulate the adjacent existing and future commercial retail development. The new mall will have over 200 new trees, a new approximately 156,235 square foot building including a garden center. The new 156,235 square building will have a 105,648 square foot green roof. Additionally, five (5) out-lot buildings with a combined approximately 135,373 square feet of space will be renovated.

Taxes

The City will have a major retail anchor on the City side of Cicero Avenue increasing the sales' tax base for the City of Chicago.

Jobs

The Project is anticipated to retain its current employment levels, estimated at approximately 80 existing full time equivalent ("FTE") positions, and that the additional development is anticipated to create approximately 200 new ("FTE") positions and 40 part-time positions. Approximately 180 construction jobs will be created. The Mayors Office of Workforce Development ("MOWD") has been informed and will work with the developer to hire from the community. In addition, notification has been provided to 8 M/WBE contractor's association via certified mail.

Prevailing Wage, M/WBE, City Residency

The Developer has agreed to comply with all City ordinances regarding Prevailing Wage, M/WBE and City Residency.

MWBE: The Developer intends to comply with the City's M/WBE requirements. The Developer has previously mailed certified letters to the eight M/WBE contractor associations, notifying them of this project and evidence is included in the CDC package.

Community

Outreach: The community, including Alderman Olivo, the Greater Southwest Development Corporation, the Westlawn Chamber of Commerce and the Scottsdale Homeowner Association have expressed their support for the project.

CITY OF CHICAGO
Community Development Commission
Department of Planning & Development
October 11, 2005

STAFF REPORT
Scottsdale Center, L.L.C.
79th/Cicero Redevelopment Project Area

MS. CHAIRMAN AND MEMBERS OF THE COMMISSION:

The Resolution before you requests that the Community Development Commission authorize the Department of Planning & Development ("DPD") to negotiate a redevelopment agreement with Scottsdale Center, L.L.C. (the "Developer") and/or an entity to be formed, for the use of tax increment financing bond proceeds and/or incremental tax revenues for the redevelopment of the property located at 7905 S. Cicero Avenue (the "Property"). The Resolution also asks you to recommend to the City Council of the City of Chicago the designation of Scottsdale Center, L.L.C. as the Developer.

Purpose of Resolution

To provide Tax Increment Financing assistance for the redevelopment of a deteriorated shopping center located within the 13th Ward.

Background

The property to be developed is located within the 79th/Cicero Tax Increment Financing Redevelopment Project Area (the "Area"), which was established by the City Council on June 8, 2005. The Area is generally bounded by 79th Street on the north; the Scottsdale residential subdivision on the East; 81st Street; and Cicero Avenue on the West. In addition, Cicero Avenue at this location forms the City's municipal boundary. Surrounding land uses include retail and residential uses to the North, residential uses to the East, and commercial uses to the South and West.

The site proposed for redevelopment is located at 7905 S. Cicero and is known as the Scottsdale Shopping Mall. The TIF designation was driven by the developer so, the boundaries encompass the project area.

The Principals ("the Developer") have owned and operated the Scottsdale Mall since 1979. Originally designed as a community-shopping hub, the mall has gone through many transformations throughout its history. At one time, the Scottsdale Mall was a thriving shopping center serving both the Ashburn community and surrounding suburbs. Since the departure of Goldbatt's Department Store, the mall's main anchor in 2002, the Scottsdale Mall has fallen upon hard times.

Due to current market conditions, facility demands of top retailers and an antiquated layout, the mall has suffered an increasing vacancy rate that is now over 50 percent. Conditions of the mall are poor and rapidly deteriorating, the space has outdated store depths, configurations and there are useless

basements and mezzanines throughout the structure.

Unfortunately, this deterioration, neglect and obsolescence has effected much more than the site itself. These current conditions deter quality tenants and attract users that hinder new growth and development throughout the community.

Development Project

Proposed Developer

The proposed developer of the project is Scottsdale Center, LLC., an Illinois Limited Liability Company. The LLC is comprised of Scottsdale Limited Partnership, an Illinois Limited Partnership, sole member owner. The partnership is comprised of Katz Bros. Development, LLC an Illinois Limited Liability Company, General Partner with .01% of total ownership, and Limited Partners, Abraham and Katherine Katz (16.73%), David Katz (17.23%), Ralph Katz (15.97%) and Multiple limited partners with interest less than 7.5% (*ownership structure is attached*). Katz Bros Development, LLC has extensive experience in commercial real estate development and management. Katz Bros Development, LLC has developed, managed and leased shopping centers for over 29 years. Their experience includes: Scottsdale Mall - 220,000 s.f. in Chicago, Illinois; Olympia Plaza Shopping Center- 180,000 s.f. in Chicago Heights, Illinois; Hillcrest Shopping Center-275,000 s.f. in Crest Hill, Illinois; Good Hope Shopping Center- 75,000 s.f. in Milwaukee, Wisconsin; Cermak-Harlem Building- 50,000 s.f. in Cermak, Illinois; Parks Shopping Center- 47,069 s.f. in Chicago, Illinois; Greenwood Shopping Center- 35,160 s.f. in Kenosha, Wisconsin; and Katz Office Plaza- 29,389 s.f. in Northbrook, Illinois.

Proposed Development Team

The law firm of DLA Piper Rudnick Gray Cary, the TIF consultants of Louik/Schneider & Associates, Inc., Ronald Source Architects and Marchris Engineering, LTD complete the development team.

Proposed Project

The Developer intends to renovate and redevelop the existing Scottsdale Shopping Center. The project involves partial demolition of the existing structure and revision of the current layout. The demolition includes the obsolete building structure in the northern portion of the mall which once housed Goldbatt's Department store. This portion of the mall contains useless basements and mezzanines throughout the structure. The redeveloped site will contain an approximately 134,563 square foot Lowe's home improvement store and a 105, 648 s.f. green roof with an adjacent 31,229 square foot garden center. Additionally, five (5) out-lot buildings comprised of approximately 134,848 square feet of contemporary retail space are included in the redevelopment plan. The proposed redevelopment will have over 200 new trees and will provide 1,000 parking spaces (see attached site map).

The Lowe's store will be located in Subarea A, which has an area of approximately 10.614 acres. The store will have a floor area of approximately 134,563 square feet and will be served by a minimum of 478 off-street parking spaces, 12 of which will be accessible to the disabled.

Subarea B comprises the remainder of the site and has an area of approximately 9.941 acres. As depicted on the site Plan, Subarea B will include buildings on the parcels labeled B, C, D, F and G, including a total floor area of approximately 134,848 square feet. Subarea B will include a minimum

of 522 off-street parking spaces, 9 of which will be accessible to the disabled.

The site plan has been meticulously refined to incorporate modern layout and design features demanded by today's retailers. In addition to the anchor tenant (Lowe's), many of the finest retail chains in the country, as well as several established local retailers, have expressed a strong interest in becoming a part of the proposed project. Upon stabilization, the proposed redevelopment is projected to dramatically increase sales from the current outdated facility. While this proposed redevelopment brings a host of benefits to the community through jobs and beautification, the redevelopment will generate taxable dollars that are actively being spent outside of the City limits. The proposed project will also recapture those suburban sales tax dollars by becoming the first such high quality retail development with the immediate area.

A Planned Development for the property was recommended for approval by the Plan Commission on March 17, 2005.

Deal Structure

The Developer has owned and operated the Scottsdale Mall since December 1979. Currently, the mall is over 50 percent vacant. There are 30 lease holders. Fourteen tenants will remain in place in approximately 80,000 square feet of space. Thirteen existing tenants will be relocated to approximately 50,000 square feet of different floor area in the new and renovated shopping center. Approximately 5,000 to 6,000 of square feet of commercial space will be constructed for marketing of new tenants, therefore keeping these viable businesses and the people they employ in the City of Chicago. After completion of the project, the mall will have over 90 percent occupancy. As part of the development with Scottsdale Shopping Center, Lowes' Home Improvement Store will contribute \$3,167,000 towards the project and build their own building. Lowes will secure a ground lease with Scottsdale Center, LLC for 20 years.

The City intends to negotiate a redevelopment agreement with Scottsdale Center, L.L.C. for an amount of TIF assistance equal to the lesser of \$8,100,000 or 21.93% of the total project budget from incremental tax revenues or bond proceeds secured by incremental tax revenues. The City TIF financial assistance is to be repaid exclusively from 90% of the incremental tax revenues generated by the Project Site PINs (the "Site").

Tax Exempt TIF Developer's Note

A Tax Exempt TIF Developer's Note ("Note A") will be issued at Substantial Completion (when Lowes opens for business). Note A will have a 20 year term and maximum principal value of \$5,000,000. Note A will have an interim interest rate which will be equivalent to the AAA 20 year G.O. Bond rate as published by Bloomberg ("index") plus a margin of 275 bps but will capped at 8.00%. The developer will be responsible for paying all legal and issuance costs in relation to Note A, including the costs of Bond Counsel.

Taxable TIF Developer's Note

A taxable TIF Developer's Note ("Note B") will be issued at certificate of completion. Note B will have a maximum principal value of \$3,100,000 and will bear interest at a rate established at the time of issuance which will be equivalent to the 10 year U.S. Treasury constant maturity as published in the daily Federal Reserve Statistical Release + 275 basis points. Actual interest rate on the note will be the observed median of the above calculation for the 15 business days prior to the issuance of the Note. In any case, the interest rate shall not exceed 8.75%. Payments on the Taxable Note will not

commence until a certificate of completion for the Project has been issued by the City. Annual payments on the Note A will be in accordance with the Debt Service Schedule approved by the City, but will not exceed a total of 90% of the incremental taxes generated by the project PINs. The annual payments on Note B will be equal to the difference between 90% of the annual increment and the annual debt service for Note A.

Note payments will commence after issuance of DPD Certificate of Completion. The developer entitled to project increment beginning with collection year in which Certificate of Completion is issued. Notes will be attached as an exhibit to Redevelopment Agreement. No additional accrual of interest where payments are suspended owing to defaults by developer. City would make Note payments no later than either March 1st or 2 months from receipt of complete requisitions for payment for prior calendar year.

If the developer realizes a substantial profit from the sole or any refinancing of this project, the total TIF amount will be reduced in accordance with profit provision. Such a reduction would be reflected in the principal amount of the taxable Developers Note.

The City shall have the right to discontinue the payment of TIF Funds on Note B if the Developer fails to comply with other standard provisions and covenants of the redevelopment agreement.

Project Budget

Sources of Funds

Lowe's Contribution	\$ 3,167,000
Lowe's Building - Financed by Lowe's	\$ 10,500,000
Green	\$ 1,000,000
TIF Note	\$ 8,100,000
Conventional Financing	\$ 14,173,888
Total of Funds	\$ 36,940,888

Sources of Uses

Hard Costs		Soft Costs	
Site Work B, D and F Buildings	\$ 780,786	Architect	\$ 300,000
Site Preparation (grading plus utilities) "A" Bldg.	\$ 848,754	Appraisal	\$ 15,000
Demolition	\$ 797,177	Civil Engineering & Geotech Investigation	\$ 289,300
Assembly Costs		Legal - Lowe's Lease	\$ 50,000
- Tenant Relocation	\$ 3,438,000	Legal - Tenant Reloc/Termin.Agreem.	\$ 50,000
- Lease Termination	\$ 600,000	Legal - Zoning	\$ 75,000
Building Costs	\$ 3,261,395	Legal TIF	\$ 100,000
Rehab of Existing Structures	\$ 510,000	TIF Consultants	\$ 110,000
Paving and Concrete	\$ 392,706	TIF Compliance Consultant	\$ 125,000
Stripping & Underground for Paving	\$ 280,000	Permits (Site & Demolition)	\$ 30,000
Site Lighting	\$ 137,000	Permits (Non-TIF eligible)	\$ 30,000
Lowe's Building plus FFE & Greenroof	\$ 10,500,000	Developer Services	\$ 30,000
Detention	\$ 975,000	Permits (Tenant Relocation)	\$ 50,000
Public Improvements	\$ 224,530	Real Estate Taxes (18 Month)	\$ 810,000
Landscaping on private land,	\$ 50,000	Pre-existing Debt	\$ 7,000,000
Environmental	\$ 500,000	Construction Interest (Relocations, Site, etc.)	\$ 1,026,000
Traffic Signals	\$ 400,000	Construction Interest - Lowe's	\$ 236,000
Subtotal	(64.1% of TPC) \$ 23,695,348	Lender Legal - Points	(.07% of TPC) \$ 250,000
		Development Fee	(2.2% of TPC) \$ 799,620
		Misc. Contingency	(2.2% of TPC) \$ 799,620
		Commissions	(1.9% of TPC) \$ 700,000
		General Conditions and Fees	\$ 370,000
		Subtotal	(35.9% of TPC) \$ 13,245,540

Total Development Budget

\$ 36,940,888

Conformance with Plan

The proposed redevelopment is in conformance with the land use goals and objectives of the 79th/Cicero Redevelopment Project Area Plan. The Plan proposes commercial, and any other uses that are allowed in the Business Planned Development No. 965 in the Zoning Ordinance.

Community Outreach

The community, including Alderman Frank J. Olivo, the Greater Southwest Development Corporation, the West Lawn Chamber of Commerce and the Scottsdale Homeowner's Association have expressed their support for the project.

Public Benefits

Improvement of a vacant site

The Developer will redevelop a partially vacant shopping center that will stimulate the adjacent existing and future commercial retail development. The new mall will have over 200 new trees, a new 134,000 square foot building and renovate an additional five (5) out-lot buildings. The new 134,000 square building will have a 105,648 square foot green roof.

Taxes

The City will have a major retail anchor on the City side of Cicero Avenue increasing the sales' tax base for the City of Chicago.

Jobs

The Project is anticipated to retain its current employment levels, estimated at approximately 80 existing full time equivalent ("FTE") positions, and that the additional development is anticipated to create approximately 200 new ("FTE") positions and 40 part-time positions. Approximately 180 construction jobs will be created. The Mayors Office of Workforce Development ("MOWD") has been informed and will work with the developer to hire from the community.

Prevailing Wage, MWBE, City Residency

The Developer intends to comply with all the City's ordinances regarding Prevailing Wage, MWBE requirements and City Residency. The Developer has previously mailed certified letters to the eight M/WBE contractor associations, notifying them of this project and evidence is included in the CDC package.

Recommendations

The Department of Planning & Development recommends that the Community Development Commission to:

- 1) Authorize the Department of Planning & Development ("DPD") to negotiate a redevelopment agreement with Scottsdale Center, LLC (the "Developer") and/or an entity to be formed, for the use of tax increment financing bond proceeds and/or incremental tax revenues for the redevelopment of the property located at 7905 S. Cicero Avenue, Chicago, IL 60652 (the "Property"), located within the boundaries of the 79th/Cicero Tax Increment Financing Redevelopment Project Area (the "Area") and;
- 2) Recommend to the City Council of the City of Chicago (the "City") the designation of Scottsdale Center, LLC as the Developer of the property within the Area.

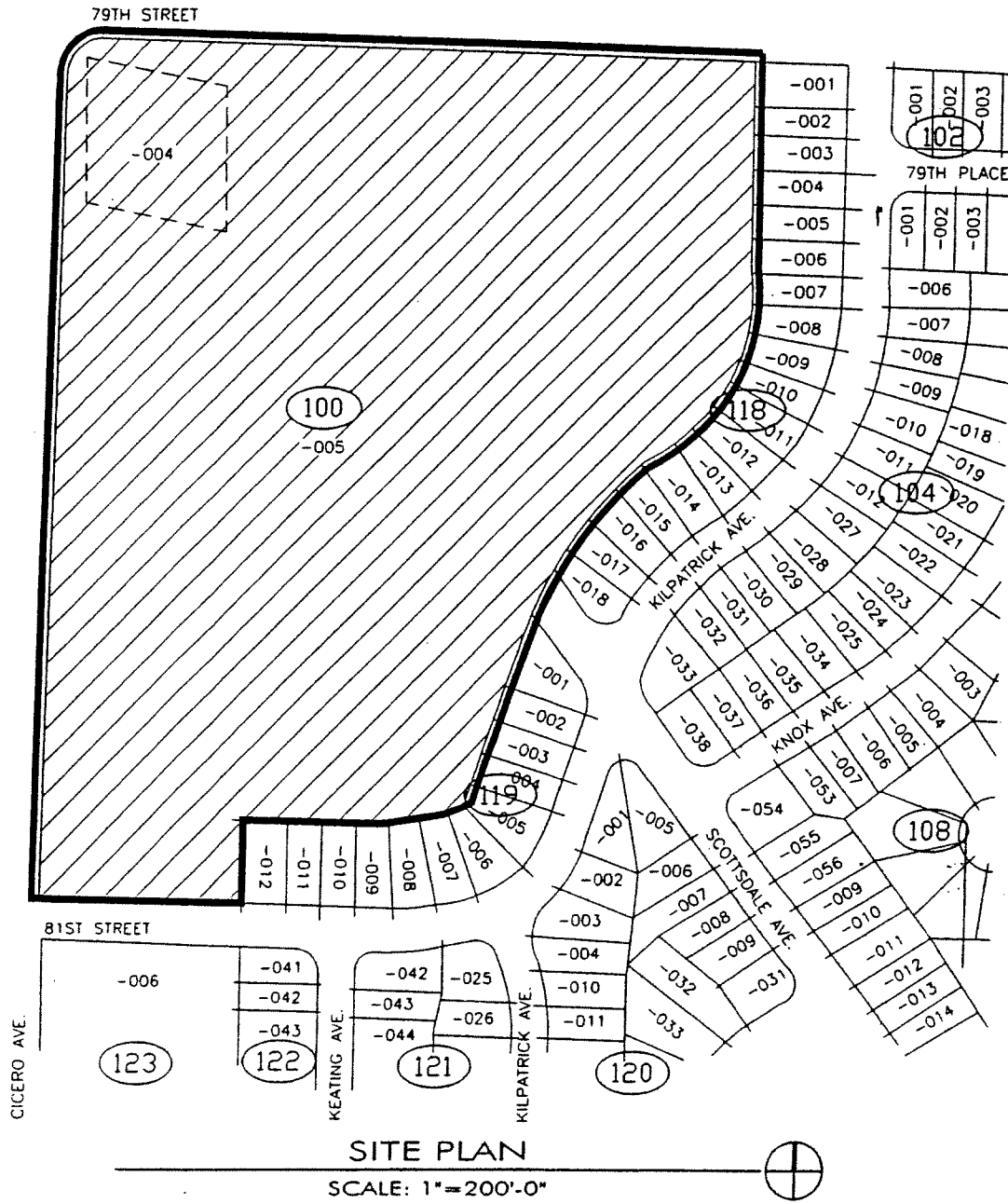
Attachments:

- A) TIF Boundary Map
- B) Neighborhood Map
- C) Site Plan Map
- D) Elevations
- E) Copies of M/WBE letters
- F) Term Sheet
- G) Letter of Support
- H) Ownership Structure

Attachment A

TIF Boundary Map

79th STREET - CICERO MAP 1 - PROJECT BOUNDARY



LEGEND:
BOUNDARY LINE



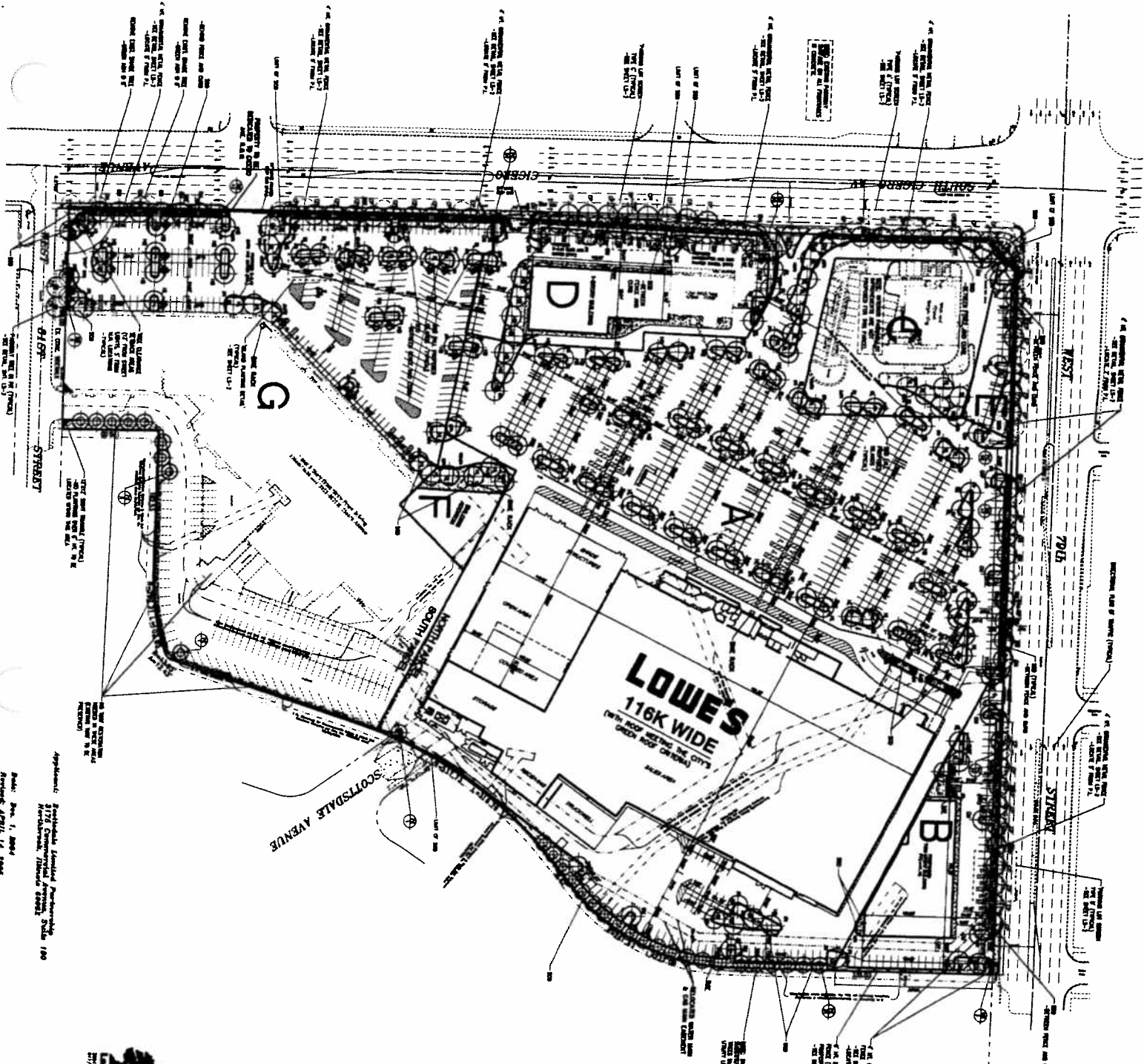
Guajardo REC Architects LLC
RANDALL | ERVIN | COPPER

Attachment B

Neighborhood Map

Attachment C

Site Plan Map



Application: Highlands Limited Partnership
 5175 Commercial Avenue, Suite 100
 Henderson, Nevada 89001
 Date: Dec. 1, 2004
 Revised: April 14, 2004

PLANT SCHEDULE

Symbol	Description	Quantity	Notes
1	1" Caliper	100	
2	2" Caliper	50	
3	3" Caliper	20	
4	4" Caliper	10	
5	5" Caliper	5	
6	6" Caliper	5	
7	7" Caliper	5	
8	8" Caliper	5	
9	9" Caliper	5	
10	10" Caliper	5	
11	11" Caliper	5	
12	12" Caliper	5	
13	13" Caliper	5	
14	14" Caliper	5	
15	15" Caliper	5	
16	16" Caliper	5	
17	17" Caliper	5	
18	18" Caliper	5	
19	19" Caliper	5	
20	20" Caliper	5	

PLAN NOTES

1. SEE GENERAL NOTES.
2. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
3. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
4. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
5. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
6. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
7. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
8. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
9. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
10. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
11. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
12. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
13. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
14. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
15. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
16. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
17. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
18. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
19. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.
20. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE CITY OF HENDERSON PLANTING SPECIFICATIONS.

SWORN STATEMENTS

I, the undersigned, being duly sworn, depose and say that the foregoing is a true and correct copy of the original as the same appears in my files and records.

 Date: _____

Landscaping Areas:

Area	Area (sq-ft)	Planting (sq-ft)	Total (sq-ft)
North (Pavement Area)	68,822	44,825	113,647
South (Pavement Area)	44,825	12,717	57,542
Interior Area	1,719	1,719	3,438
Total Landscaping Area	77,218	59,261	136,479

Vehicle Use Areas:

Area	Area (sq-ft)	Total (sq-ft)
South Pavement	346,429	346,429
Total Vehicle Area	346,429	346,429

Countryside
 2575 S. GARDEN AVENUE, SUITE 100
 HENDERSON, NEVADA 89001
 (702) 279-1111

**PLANNED DEVELOPMENT
 PRELIMINARY LANDSCAPE PLAN**

Attachment D

Elevations



Applicant: Scottsdale Limited Partnership
Date: December 1, 2004
Revised: April 14, 2005

REPRESENTATION ONLY
 NOT FOR CONSTRUCTION
 THIS DRAWING IS A REPRESENTATION OF THE DESIGN AND CONSTRUCTION THAT WILL OCCUR AT THE LOCATION. IT DOES NOT GUARANTEE THE ACCURACY OF THE INFORMATION. THE DESIGNER ASSUMES NO LIABILITY FOR ANY ERRORS OR OMISSIONS. THE USER OF THIS DRAWING SHALL BE RESPONSIBLE FOR VERIFYING ALL INFORMATION AND FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.



ITEM	DESCRIPTION	AMOUNT	AREA
1	LOWE'S	8,778.0	148.57
2	GARDEN CENTER		11.27
3	WOOD LUMBER YARD		12.51
TOTAL SQUARE:			172.35

Chicago, IL



WEST ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH

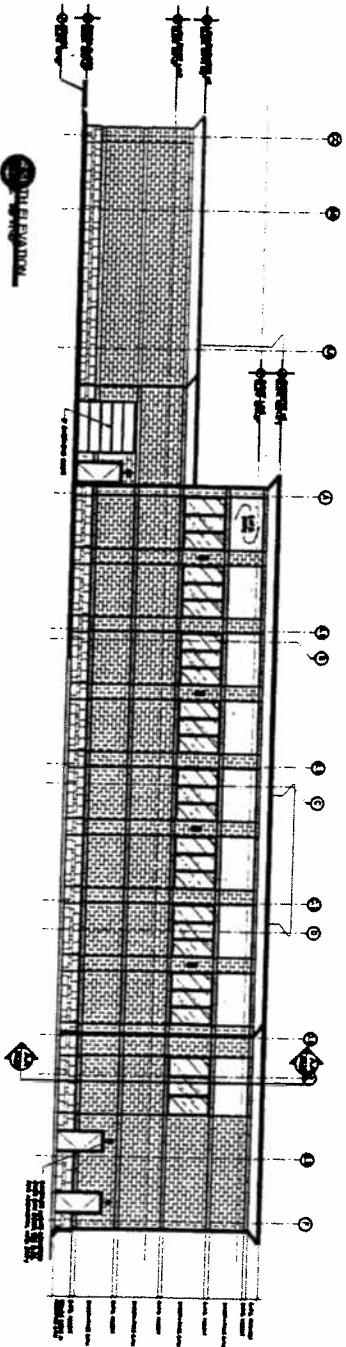
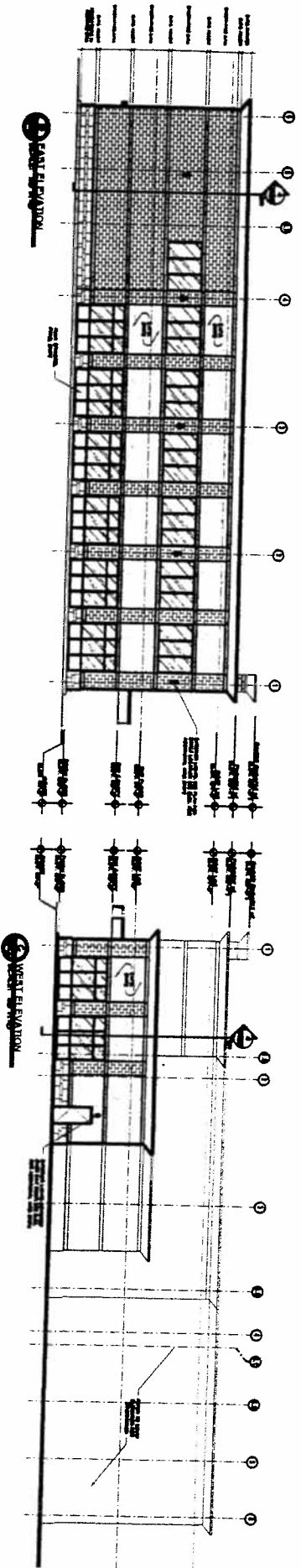
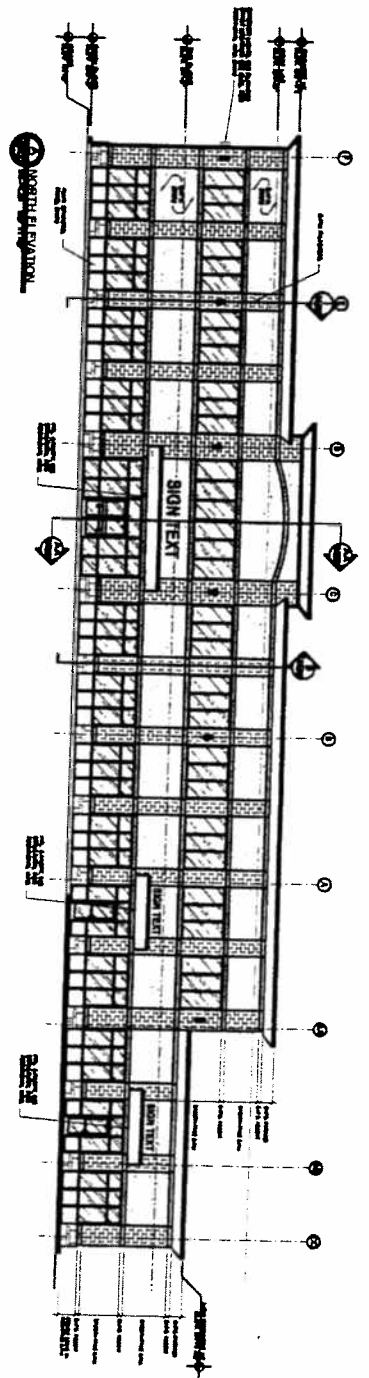
EAST ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH

SOUTH ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH

WEST ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH

EAST ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH

SOUTH ELEVATION
 EXISTING ADJACENT PROPOSED WALL
 17' 0" ONLY SPACE IN BLACK
 WHITE COATED CHALKBOARD FINISH



BUILDING B

SCOTTSDALE UNITED PARTNERSHIP
 3175 COMMERCIAL AVENUE, SUITE 100
 NORTHBROOK, ILLINOIS 60062

DATE: DECEMBER 1, 2004
 REVISED: AP 1, 2005

7005 1160 0002 7805 4806

U.S. Postal Service
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

Sent To
 Juan Ordoz - MEXICAN AMERICAN Cmte of Ill
 Street, Apt. No.
 or PO Box No. 33 N. LA SALLE SUITE 1720
 City, State, ZIP+4
 CHICAGO IL 60602

7005 1160 0002 7805 4783

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To: CESAR SANDY - HISPANIC AMERICAN CONS. INC.
 Street, Apt. No. or PO Box No.: 901 W. JACKSON #205
 City, State, ZIP+4: CHICAGO, IL 60607

PS Form 3800, June 2002

*See Reverse for Instructions

Attachment F

Term Sheet

The City intends to negotiate a redevelopment agreement with Scottsdale Center, L.L.C. for an amount of TIF assistance equal to the lesser of \$8,100,000 or 21.93% of the total project budget from incremental tax revenues or bond proceeds secured by incremental tax revenues. The City TIF financial assistance is to be repaid exclusively from 90% of the incremental tax revenues generated by the Project Site PINs (the "Site").

Tax Exempt TIF Developer's Note

A Tax Exempt TIF Developer's Note ("Note A") will be issued at Substantial Completion (when Lowes opens for business). Note A will have a 20 year term and maximum principal value of \$5,000,000. Note A will have an interim interest rate which will be equivalent to the AAA 20 year G.O. Bond rate as published by Bloomberg ("index") plus a margin of 275 bps but will capped at 8.00%. The developer will be responsible for paying all legal and issuance costs in relation to Note A, including the costs of Bond Counsel.

Taxable TIF Developer's Note

A taxable TIF Developer's Note ("Note B") will be issued at certificate of completion. Note B will have a maximum principal value of \$3,100,000 and will bear interest at a rate established at the time of issuance which will be equivalent to the 10 year U.S. Treasury constant maturity as published in the daily Federal Reserve Statistical Release + 275 basis points. Actual interest rate on the note will be the observed median of the above calculation for the 15 business days prior to the issuance of the Note. In any case, the interest rate shall not exceed 8.75%. Payments on the Taxable Note will not commence until a certificate of completion for the Project has been issued by the City.

Annual payments on the Note A will be in accordance with the Debt Service Schedule approved by the City, but will not exceed a total of 90% of the incremental taxes generated by the project PINs. The annual payments on Note B will be equal to the difference between 90% of the annual increment and the annual debt service for Note A.

Note payments will commence after issuance of DPD Certificate of Completion. The developer entitled to project increment beginning with collection year in which Certificate of Completion is issued. Notes will be attached as an exhibit to Redevelopment Agreement. No additional accrual of interest where payments are suspended owing to defaults by developer. City would make Note payments no later than either March 1st or 2 months from receipt of complete requisitions for payment for prior calendar year.

If the developer realizes a substantial profit from the sole or any refinancing of this project, the total TIF amount will be reduced in accordance with profit provision. Such a reduction would be reflected in the principal amount of the taxable Developers Note.

The City shall have the right to discontinue the payment of TIF Funds on Note B if the Developer fails to comply with other standard provisions and covenants of the redevelopment agreement.

Sources of Funds

Lowes Contribution	\$ 3,167,000
Lowes Building - Financed by Lowes	\$10,500,000
New Additional Cash Equity	\$ 1,000,000
Conventional Financing	\$14,173,888
TIF Assistance	<u>\$ 8,100,000</u>
Total Funds	\$ 36,940,888

Uses of Funds

Land Assembly	\$ 4,038,000
Site Construction (besides Lowes	\$ 6,230,631
Lowes's Construction Costs	\$ 10,500,000
Soft Costs	\$ 13,245,540
Demolition and Site Preparation	\$ 2,426,717
Environmental	<u>\$ 500,000</u>
Total Costs	\$ 36,940,888

For a period of 10-years after issuance of the Certificate of Completion. The commercial space must remain at least 75% occupied throughout the remaining life of the TIF District (as measured by total square footage of Buildings A, B, D, F, and G). Failure to satisfy this requirement will be considered a default. Payments on the Taxable Note will be withheld until such a failure is resolved. The remaining principal of the Taxable Developer's Note will not accrue interest during the months that the project has excessive vacancies. There will be no penalty applicable to the tax-exempt note and the annual payments will remain at 90% of increment collected from the property. The Developer will be permitted two occupancy violations and will have up to a total of 24 months to cure occupancy violations. Months out of compliance will not count toward completion of the 10-year period.

The City shall have the right to discontinue the payment of TIF Funds on Note B if the Developer fails to comply with other standard provisions and covenants of the redevelopment agreement

Any reductions in the final development costs shall result in a reduction in the initial TIF assistance payment. Such reductions will be credited against the principal value of the Taxable Note. Reductions shall be taken on a .5 to 1 basis (\$.50 less TIF for each \$1.00 below the approved project budget contained in the Redevelopment Agreement). The principal amount of the Taxable Note may also be reduced to account for any City Employment penalty assessed.

If the RDA will include an Excess Profit provision that will be triggered upon the sale and all refinancing of the project during the life of the TIF, then the City will reduce the Taxable Note by 50% of any "excess profits" realized from the transfer. If the Taxable Note balance at the time of such event is greater than the City's share of Excess Profits, then the developer will be required to make a cash payment to the City in an amount such that the balance on the taxable note plus the cash payment does not exceed the principal of the note at issuance.

The Developer will cooperate with DPD and the local Alderman to develop the Public Benefits Program which will be the responsibility of the Developer.

Attachment G

Letter of Support



CITY COUNCIL
CITY OF CHICAGO

COUNCIL CHAMBER
SECOND FLOOR, CITY HALL
121 NORTH LASALLE STREET
TELEPHONE: (312) 744-3076

COMMITTEE MEMBERSHIPS

AVIATION - COMMITTEES

RULES AND ETHICS

FINANCE

LICENSE AND CONSUMER PROTECTION

BUDGET

TRAFFIC CONTROL AND SAFETY

ZONING

FRANK OLIVO

ALDERMAN, 13TH WARD

6500 S. PULASKI ROAD - 60629

TELEPHONE: (773) 581-8000

September 22, 2005

Commissioner Denise M. Casalino
Department of Planning and Development
121 North LaSalle, Room 1000
Chicago, IL 60602

Dear Commissioner:

I am writing today to express my support for the proposed redevelopment agreement with Scottsdale Center, LLC for the redevelopment of the Scottsdale Mall located at 7905 S. Cicero in the 79th and Cicero Tax Increment Financing (TIF) District.

As you are aware, this development will help revitalize the Ashburn community and the Scottsdale neighborhood and act as an economic engine for the City of Chicago by increasing business activity, taxable values and job opportunities.

Your attention with this matter will be greatly appreciated. If you have any questions, please do not hesitate to call me at (773) 581-8000.

With kindest personal regards, I remain

Sincerely,

Frank J. Olivo
Alderman, 13th Ward



GREATER SOUTHWEST
DEVELOPMENT CORPORATION

September 29, 2005

Denise M. Casalino, P.E.
Commissioner
Department of Planning and Development
City of Chicago
121 N. LaSalle Street, Room 1000
Chicago, Illinois 60602

Re: Proposed TIF Redevelopment the Scottsdale Mall
located at 7905 S. Cicero

Dear Commissioner Casalino:

I am writing to express my support for the proposed redevelopment of the Scottsdale Mall located at 7905 S. Cicero in the 79th and Cicero Tax Increment Financing (TIF) District. The new Lowe's home improvement store and the renovation of five (5) additional out-lots in the mall will help revitalize the Ashburn community and the Scottsdale neighborhood and act as an economic engine for the City of Chicago by increasing business activity, taxable values, and job opportunities.

Thank you for your attention to this matter.

Sincerely,

Jim Capraro
Executive Director
Greater Southwest Development Corporation

WEST LAWN CHAMBER OF COMMERCE

4021 West 63rd Street, Unit 2B

Chicago, Illinois, 60629

773.735.7690

www.westlawncc.org

September 29, 2005

Denise M. Casalino, P.E.
Commissioner
Department of Planning and Development
City of Chicago
121 N. LaSalle Street, Room 1000
Chicago, Illinois 60602


Re: Proposed TIF Redevelopment the Scottsdale Mall
located at 7905 S. Cicero

Dear Commissioner Casalino:

I am writing to express my support for the proposed redevelopment of the Scottsdale Mall located at 7905 S. Cicero in the 79th and Cicero Tax Increment Financing (TIF) District. The new Lowe's Home Improvement Store and the renovation of five (5) additional out-lots in the mall will help revitalize the Ashburn and West Lawn communities, the Scottsdale and surrounding neighborhoods and act as an economic engine for the City of Chicago by increasing business activity, taxable values, and job opportunities.

Thank you for your attention to this matter.

Sincerely,


Mrs. Edie Cavanaugh
Executive Director



Service to the Community Since 1972

Attachment H

Ownership Structure

SCOTTSDALE SHOPPING CENTER

ENTITY STRUCTURE

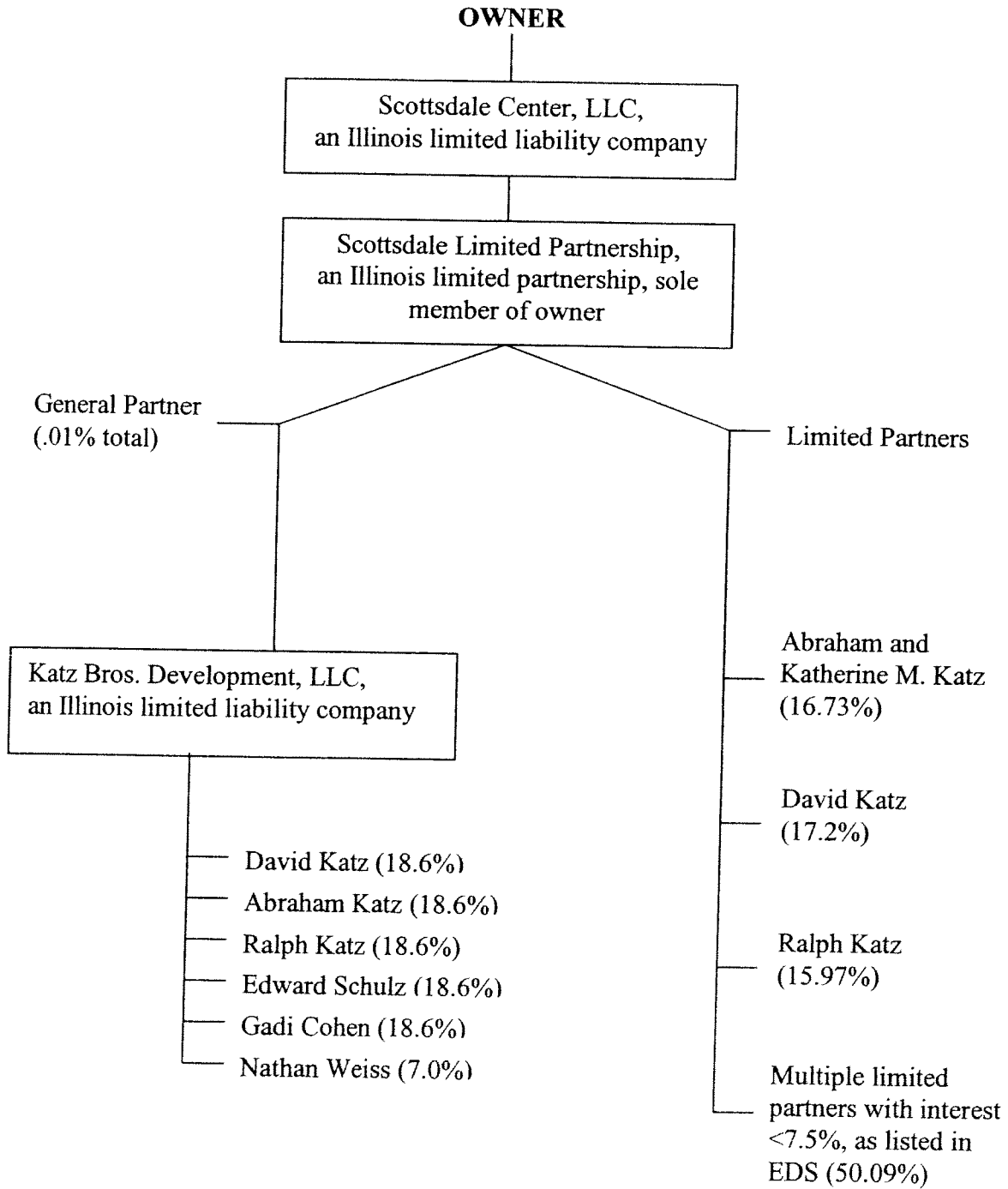


EXHIBIT A

Street Boundary Description of the
79th/Cicero Tax Increment Financing
Redevelopment Project Area

The site is generally bounded by 79th Street on the north; the Scottsdale residential subdivision on the East; 81st Street; and Cicero Avenue on the West. In addition, Cicero Avenue at this location forms the City's municipal boundary.