

EXHIBIT 1

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

FIX WILSON YARD, INC., et al.,)
)
Plaintiffs,)
)
v.)
)
CITY OF CHICAGO, et al.,)
)
Defendants.)

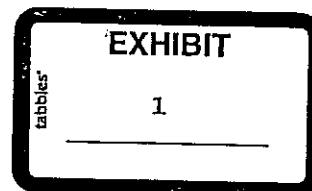
No. 08 CH 45023

Hon. Mary Rochford

DECLARATION OF ALDERMAN HELEN SHILLER

I, Helen Shiller, do solemnly affirm and certify, under the penalties provided under section 1-109 of the Illinois Code of Civil Procedure, that if called as a witness, I would testify that the following facts are true and correct to the best of my knowledge and belief and are based on my personal knowledge:

1. I have been the Alderman of the 46th Ward in Chicago since 1987.
2. The Wilson Yard Tax Increment Financing District ("TIF") is located in the 46th Ward.
3. From approximately 1997-98, I have been closely involved in discussions regarding development in the area of Wilson Yard at the intersection of Broadway and Montrose Avenues in the Uptown area of Chicago which is located in the 46th Ward. Since 2000, I have also been involved in the planning of the TIF and with several of the development projects which have occurred within the TIF since the latter was enacted in 2001 by City Council.
4. My involvement has included participating in numerous neighborhood and community meetings, workshops, and informal discussion groups in order to solicit community input



regarding ideas and desires of the residents and businesses in my Ward as to how the area encompassed by the TIF should be developed. Attached as Ex. A hereto is a copy of the timeline documenting many of the numerous community and neighborhood meetings I have been involved in from 1997-98 to the present.

5. Early in the process, beginning in 1998, I helped form the Wilson Yard Task Force which was composed of various representatives from City departments, such as Department of Planning and Development, the CTA, Truman College, and UPCORP, which was a creation of the Uptown Chamber of Commerce. The purpose of the Task Force was to gather community opinion, identify potential redevelopment uses, and assist in creating a redevelopment concept for the Wilson Yard area. Eventually, the Task Force was expanded to include various community and neighborhood organizations.

6. Since the creation of the TIF, there have been a number of redevelopment projects that have already been completed or are in the process of being developed. These projects have involved such various uses as renovating deteriorating buildings for affordable housing, arranging for the rehabilitation of facilities in area schools, providing small business loans for area businesses to expand, improve and/or create jobs, job training, design of streetscape improvements on Broadway, and providing funding for the development of the Wilson Yard project (the "Holsten Wilson Yard Project"), a large development which has involved assembling several tracts of property, including a deteriorated site used by the CTA, in order to construct a mixed-used project involving residential units, commercial units, and a large retail store (e.g., a Target store).

7. To date, several redevelopment projects have already been completed under the TIF. For example, funding for the rehabilitation of Uptown Preservation Apartments was completed in

2006 which involved an expenditure of \$557,273 of TIF funds along with over \$15 million in private investment according to the 2006 Annual Report. See Ex. B, an excerpt from 2006 Annual Report for Wilson Yard Redevelopment Project Area. The Uptown Preservation Apartments is one of four preservation projects involving the rehabilitation of deteriorating buildings for affordable housing which have been planned or are in the process of being planned for the area. In addition, in 2006, approximately \$1 million of TIF funds was earmarked for small business development. See Ex. B.

8. The other projects which have been completed to date include:

a) Uplift Community High School

- - this project involved the physical renovation of the school for purposes of upgrading school facilities
- - approximately \$1.45 million in TIF funds has been committed to the project.

b) Stewart School Campus Park

- - this project involved the renovation of this elementary school's exterior play areas including the closing of a street, creation of a playing field with an artificial surface, new exterior play equipment, extensive landscaping and waste compacting.
- - approximately \$1.45 million in costs from TIF funds has been committed on this project.

9. In addition, according to the 2007 Annual Report, \$9.5 million in TIF funds has been expended on the development of Holsten Wilson Yard Project, which has involved, among other things, assembling the various tracts of land required for the project and demolishing the existing structures. See excerpt from 2007 Annual Report for Wilson Yard Redevelopment Project Area, Ex. C. Since the 2007 Annual Report, an additional payment of approximately \$826,670 has been made

to the Holsten developers and a further approximately \$9.5 million in construction expenses has been incurred. Thus, to date, with respect to the Holsten Wilson Yard Project, approximately \$20 million in total TIF funds has either already been expended or has been incurred as a liability to be paid.

10. There are also several other projects which are also in the planning stages:

a) Truman College Student Center and Parking Garage

-- this project involves the construction of a new student center and parking garage.

-- construction has already begun.

-- the budget for this project is \$57 million. \$14 million has been received from the State of Illinois and an ordinance for \$10 million in TIF funds is anticipated.

c) Additional Preservation Projects

-- approximately \$3.7 million has already been committed to the Clifton/Magnolia project, as indicated in the 2007 Annual Report. See Ex. C.

d) Streetscape Program

-- during the course of construction of the Holsten Wilson Yard Project, streetscape improvements to include new lighting and lighting fixtures, a permanent traffic signal at Sunnyside and Broadway, new sidewalks, planters, a new street surface and other traffic enhancements on Broadway between Montrose and Wilson will be constructed so that its completion will correspond to the opening of the Target in 2010. This streetscape is expected to cost approximately \$4 million.

11. All of the foregoing projects have been, or will be, extremely beneficial to the surrounding community and the 46th Ward in terms of increasing commercial and residential development and in terms of improving areas of the Ward that had been in a state of deterioration for years. When I first became involved in the planning of the Wilson Yard area and the TIF, I

emphasized that this area needed several things: a stabilized affordable housing base, improved educational facilities, improved parking facilities, and an attractive retail, commercial and residential center that would serve to draw people from outside the area and would foster further development. I believe we have made extensive strides in accomplishing these objectives to date through the use of the TIF funds. These objectives could not have been accomplished without the TIF.

12. If the Court invalidates the TIF ordinances, as Plaintiffs in this case request, this would be extremely detrimental to the residents of the 46th Ward as well as to residents in neighboring areas because this would result in the cancellation of all the projects which are currently in the planning stages and would halt the further development of the Holsten Wilson Yard Project which is in the middle of construction. This would create a huge blight on the community as a 6 acre site on one of the most prominent streets in the community would be vacant, in limbo, and virtually undevelopable. However, with the completion of the Holsten development, this same 6 acre piece of land will be vibrant, active and a significant contributor to the economic well being of the community. Similarly, the loss of \$10 million in anticipated funds for the Truman College project would halt and delay construction creating an undue burden on the community and creating another eye sore rather than an attractive and needed addition to the College.

13. In addition, if the Court should invalidate the TIF and enjoin expenditures of any funds under the TIF, that will place in doubt the planned expenditures on those projects which have been completed but not yet reimbursed for costs, specifically the Uplift Community High School and Stewart School Campus Park projects described above.

14. This declaration is a very brief overview of the TIF and my involvement regarding

which is being presented for the limited purpose of supporting the Defendants' Motion to Dismiss Plaintiff's Complaint in the above-captioned lawsuit. If called upon to testify, I could testify to these and other matters related to the TIF.

Dated: January 15, 2009

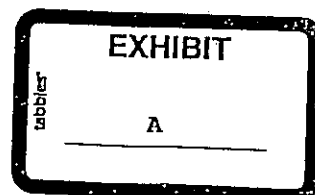


HELEN SHILLER

EXHIBIT A

Timeline of Community Input for Wilson Yard

- Winter 1997/1998** A Task Force was convened to generate strategies for development of the CTA's Wilson Yard. Members included the City of Chicago Department of Planning and Development, Ald. Shiller, the CTA, Truman College and UPCORP. The Task Force commissioned a study through the City of Chicago's Department of Planning to prepare conceptual plans for the Wilson Yard. Specifically, the consultant team was asked to do the following:
- Gather community opinion on redevelopment of Wilson Yard through community surveys and discussion groups
 - Identify potential redevelopment uses
 - Develop conceptual site plans
 - Involve the community as far as possible in each phase of the project
 - Synthesize community input and create a final redevelopment concept
- June 27, 1998** Saturday morning workshop sponsored by LaSalle Bank. 250 community residents attended.
- June – Aug 1998** Surveys in numerous languages (1762 responses), Focus Groups (83 participants) and Individual Interviews (75 interviews) conducted by consultants.
- September 1998** Preliminary compilation of information from June workshop, surveys, focus groups and interviews prepared by consultants.
- October 15, 1998** First workshop. Review of preliminary information and brainstorming potential development scenarios.
- October 17, 1998** Second workshop. Review of preliminary information and brainstorming potential development scenarios.
- February 1999** Referendum on Affordable Housing. This referendum, on the ballot in 11 precincts in Uptown, asked if voters agreed that the City, State and Federal government should use every available means and resource to protect existing affordable housing, as well as use every opportunity and resource to create new low-cost housing in our community. 76.5% of people voting in the eleven precincts voted yes.
- Nov 1998 – Apr 1999** Consultants Finalized Preliminary Report on Community Ideas



Mid-1999 – June 2000 City Review (Dept. of Environment, Dept. of Planning & Development, CTA) review of final preliminary document, preparations for community process and release of Report. Selection of TIF consultants to evaluate the potential to create a TIF district.

May 2000 – June 2007 Following the finalization of the report on the 1998-1999 planning process, the Task Force that planned the 1998 charette, etc. was expanded to include community representatives. Between 2000 and 2007, representatives signed in and/or were considered members from the following groups:

- Uptown Chicago Commission
- Buena Park Neighbors
- Uptown United (formerly UPCORP)
- COURAJ
- Uptown Chamber of Commerce
- Jane Addams Senior Caucus
- Chinese Mutual Aid Association
- Organization of the NorthEast
- Broadway Merchants Association
- Beacon Neighbors
- Clarendon Park Neighbors
- Graceland Wilson Block Club
- Truman College
- Department of Planning and Development
- Holsten Development Group
- State Representative Larry McKeon
- State Representative Greg Harris
- Bridgeview Bank
- CTA

These Task Force meeting were used for planning charrettes and public hearings, getting input or providing information. The group representatives were responsible for bringing the information back to their respective groups. All of these planning meetings are referred to here as Wilson Yard Task Force meetings.

May 8, 2000 Planning meeting for Wilson Yard Charrette. (Wilson Yard Task Force)

June 24, 2000	Wilson Yard Charette – 200 people attended. Topics and questions were developed through input by all participants in monthly planning meetings.
July 17, 2000	Planning meeting (Wilson Yard Task Force)
August 14, 2000	Planning meeting (Wilson Yard Task Force)
August 26, 2000	Informational Community Meeting on first draft of TIF proposal (consultant's report and boundaries of TIF district)
September 8, 2000	End of comment period on first draft of TIF proposal
September 11, 2000	Planning meeting (Wilson Yard Task Force)
September 25, 2000	Community meeting on Final TIF draft. Over 500 residents attended this meeting at Truman College. (First public meeting required by law on TIF)
October 4, 2000	Deadline for comments on Final TIF draft.
October 10, 2000	Introduction of TIF Redevelopment Plan to Community Development Commission
October 27, 2000	Meeting of the Joint Review Board
December 12, 2000	Community Development Commission Public Hearing
January 2001	Introduction of TIF Redevelopment Plan to City Council
February 5, 2001	City Council Finance Committee consideration of TIF Redevelopment Plan including public testimony
February 2001	City Council consideration of TIF Redevelopment Plan
February 22, 2002	Wilson Yard Task Force meeting, progress update and input on RFQ.
March 20, 2002	Wilson Yard Task Force meeting, progress update and input on RFQ.
April 15, 2002	City issues the Request for Qualifications for the Purchase and Redevelopment of the Wilson Yard Site.

May 9, 2002	Pre-Submittal Conference for Potential Developers
June 14, 2002	RFQ Response due to CITY OF Chicago
July 2002	DPD conducts interviews with three developers
August 2002	DPD announces chosen development team. Final approval required by Community Development Commission and City Council.
October 11, 2002	Peter Holsten and project team introduction (Wilson Yard Task Force)
October 2002	Survey prepared by Uptown Chicago Commission presented to Developer. (Results included in 2/19/2004 public presentation)
November 2002	Memorandum of Intent is finalized. The City and the Master Developer negotiate the Term Sheet.
February 2003	Referendum on ballot in 2 precincts including Wilson Yard about Wilson Yard. 63.8% of voters supported Wilson Yard.
May 29, 2003	Uptown Community Development Corporation held last of 6 facilitated sessions in their Corridor of Vision for Wilson Avenue. 1 st session was held in early 2000.
June 2003	Community Update, status of WY development plan at Truman College
August – Sept 2003	Public hearings before CDC and City Council Housing Committee on acquisition of 4400 N Broadway by City.
February 19, 2004	Community status report, meeting at Truman College. Review of what was being planned.
February 20, 2004	Uptown Neighborhood Council proposal for Wilson Yard sent to Ald. Shiller, shared with developer who includes elements in plan.
September 8, 2004	Community hearing at Truman College. CDC public hearing for approval of designation of Wilson Yard Dev. I LLC as project master developer

December 2004	Chicago Plan Commission hearing. Review and approval of proposed planned development for Wilson Yard.
January 2005	City Council Zoning Committee hearing and approval of proposed planned development. Public testimony heard.
May 2005	Finance Committee hearing and approval of redevelopment agreement. Public testimony heard.
August - Sept 2005	Public hearings before Chicago Plan Commission, City Council Zoning Committee and Finance Committee regarding amendments to Wilson Yard Planned Development and Wilson Yard Redevelopment Agreement.
September 2005	Community Status Report meeting at Truman College. An estimated 600 people attended.
February 2006	Movie Theaters replaced with additional retail. Infrastructure work begins.
February 3, 2006	Wilson Yard Task Force meeting
May 25, 2006	Wilson Yard Task Force meeting
September 12, 2006	CDC meeting regarding \$500K+ of TIF dollars to preserve 927 W Wilson, 900 W Windsor and 4431 N Clifton. Public testimony heard.
September 28, 2006	Wilson Yard Task Force meeting
January 25, 2007	Wilson Yard Task Force meeting
June 6, 2007	Wilson Yard Task Force meeting
October 6, 2008	Finance Committee consideration of 3 rd amendment to Redevelopment Agreement
October 8, 2008	City Council passage of 3 rd amendment to Redevelopment Agreement.
November 2008	Referendum on ballot regarding use of TIF funds for affordable housing. 65.79% voted in favor. (not sponsored by any of the plaintiffs or the alderman)

Between January 2005 and September 2006, monthly meetings held with OEMC, CDOT and the development team to address traffic issues in the Wilson Yard area – existing and projected.

Occasionally, follow-up meetings were scheduled with individual organizations with the Development team and/or the Alderman. Usually one of the participating groups or a group that fell under the umbrella of the participating group would make the invitation to participate in a community meeting or organizational meeting that they were holding. Ald. Shiller specifically recalls going to at least four of these. In addition, Wilson Yard was the subject at more than 100 campaign appearances during the 1999, 2003 and 2007 aldermanic re-election campaigns, and the subject of at least eight debates. These meetings are not included here.

In addition, there have been at least two large community meetings regarding the job training component and at least 5 or 6 planning meetings by a group of people that has become known as JUMP UP, and is a working group that came out of the Wilson Yard Task Force.

There were also 2 community meetings regarding the Broadway Streetscape with several smaller meetings with a working group comprised of members of the business community, through Uptown United and the SSA. This is also a working group that came out of the Wilson Yard Task Force.

EXHIBIT B

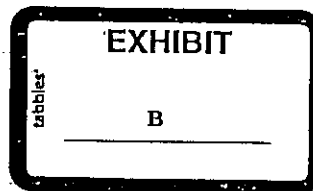
2006 Annual Report

Wilson Yard Redevelopment Project Area



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

JUNE 30, 2007



Wilson Yard Redevelopment Project Area
2006 Annual Report

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

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

Projects Undertaken in This Redevelopment Project Area	Private Investment Undertaken		Public Investment Undertaken		Ratio Of Private/Public Investment	
	11/1/1999 to End of Reporting FY	Amount Estimated to Complete the Project	11/1/1999 to End of Reporting FY	Amount Estimated to Complete the Project	11/1/1999 to End of Reporting FY	Ratio Estimated as of Project Completion
Project 1: Wilson Yard	***	\$99,707,724	\$5,000,000	\$30,565,313	***	3.3 : 1
Project 2: Small Business Improvement Fund (SBIF) **	Program is Ongoing	\$2,000,000	\$0	\$1,000,000	Program is Ongoing	2.0 : 1
Projects Estimated To Be Undertaken During 2007	Private Investment Undertaken	Public Investment Undertaken	Public Investment Undertaken	Ratio of Private/Public Investment		
Project 1: Uptown Preservation Apartments	\$15,886,104	\$557,273		28.5 : 1		

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

Each amount reported here under Public Investment Undertaken, Amount Estimated to Complete the Project, is the maximum amount of payments financed by tax increment revenues that could be made pursuant to the corresponding Project's operating documents, but not including interest that may later be payable on developer notes, and may not necessarily reflect actual expenditures, if any, as reported in Sections 2 or 5 herein. The total public investment amount ultimately made under each Project will depend upon the future occurrence of various conditions including interest that may be payable on developer notes set forth in the Project's operating documents.

EXHIBIT C

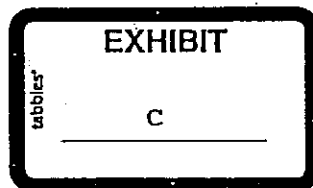
2007 Annual Report

Wilson Yard Redevelopment Project Area



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

JUNE 30, 2008



Wilson Yard Redevelopment Project Area
2007 Annual Report

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	11/1/1999 to End of Reporting FY	Amount Estimated to Complete the Project	11/1/1999 to End of Reporting FY	Amount Estimated to Complete the Project	11/1/1999 to End of Reporting FY	Ratio Estimated as of Project Completion
Project 1: Wilson Yard (Amendment #1)	***	\$108,524,319	\$9,500,000	\$41,565,313	***	2.6 : 1
Project 2: Small Business Improvement Fund (SBIF) **	Program is Ongoing	\$2,000,000	\$0	\$1,000,000	Program is Ongoing	2.0 : 1
Project 3: Uptown Preservation Apartments	***	\$16,427,524	\$557,273	\$557,273	***	29.5 : 1

Projects Estimated To Be Undertaken During 2008	Private Investment Undertaken	Public Investment Undertaken	Ratio of Private/Public Investment
Project 1: Clifton/Magnolia (CHPX, LLP)	\$11,029,702	\$3,765,491	2.9 : 1

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