GROUNDWORK & GRIDLOCK – THE FRANCHISE LEDGER

EVALUATING ALL RELOCATION OPTIONS FROM A BEARS FINANCIAL PERSPECTIVE

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EXECUTIVE SUMMARY: THE BOARDROOM CHESS MATCH

ARLINGTON HEIGHTS

The Land Anchor vs. Tax Gridlock

$197.2M

SUNK LAND COST

HAMMOND WOLF LAKE

The Public Stack vs. Environmental Mud

$1B

PUBLIC INFRASTRUCTURE FRAMEWORK

PUBLIC STADIUM AUTHORITY

The Legislative Property Tax Shield

100%

PROPERTY TAX EXEMPTION

SOUTH WORKS

The Developer-Led Megaproject

200–440

ACRE LAKEFRONT PITCH

CORE FINANCIAL DIRECTIVE: Maximize Return on Capital while Minimizing Long-Term Property Tax Exposure and Subsurface Liability.

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ARLINGTON HEIGHTS: THE CLAY SHIELD VS. THE TAX RIFT

$197.2M SUNK LAND COST (326 ACRES)

Native upland glacial clay provides ideal structural stability. Requires standard, low-cost shallow spread footings.

$0 GEOTECHNICAL FOUNDATION PREMIUM

THE ASSESSOR'S SPIKE

Cook County Assessor spiked the former racetrack valuation from $33M to $124.7M, instantly generating an $8.9M annual property tax bill and stalling the $5B master-planned campus.

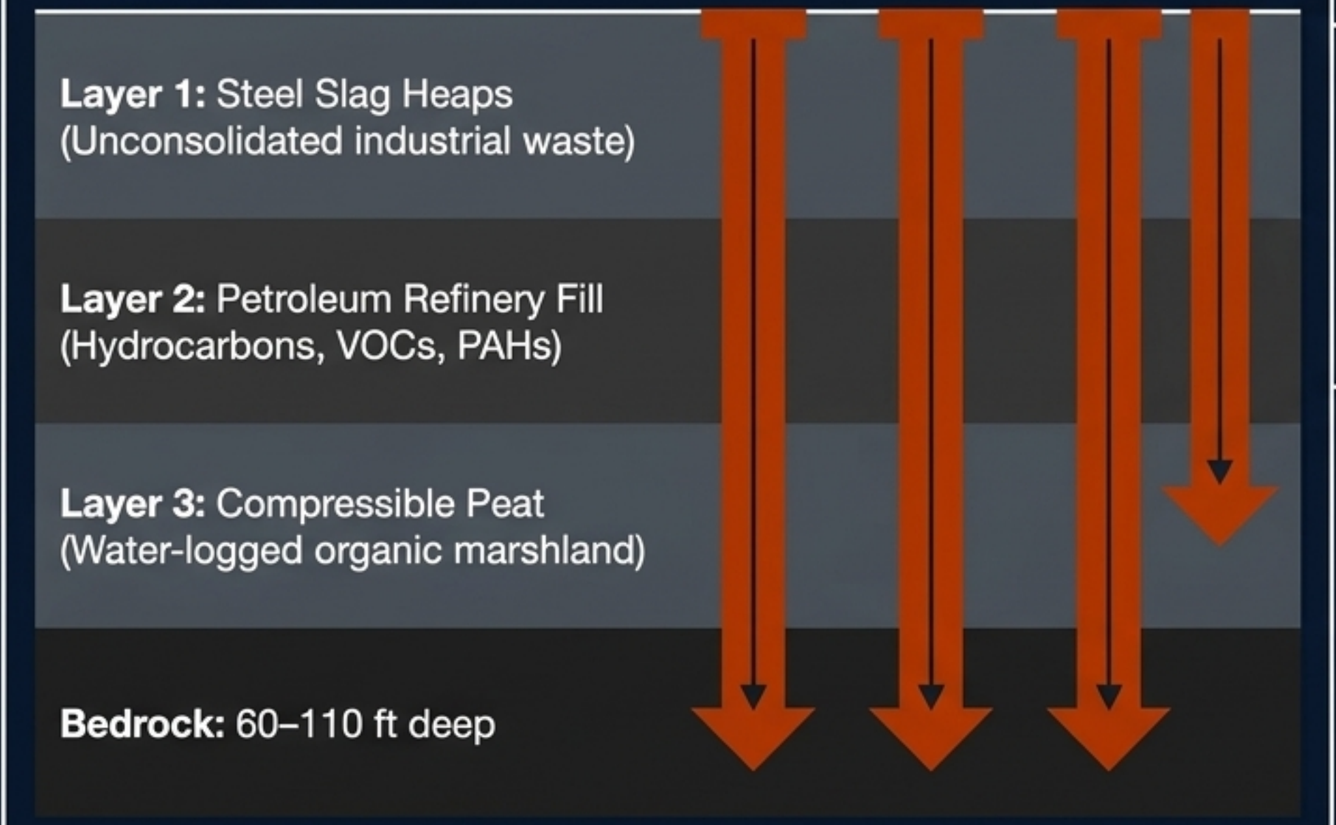
BEARS' $60M VALUATION APPEAL vs. SCHOOL DISTRICTS' $160M DEMAND

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HAMMOND WOLF LAKE: THE $1B SUBSIDY VS. THE $100M+ MUD TAX

$1B PUBLIC INFRASTRUCTURE FRAMEWORK VIA SENATE ENROLLED ACT 27 (SEA 27).

LAYER CAKE



THE BEDROCK MANDATE

Standard shallow foundations are strictly prohibited. Heavy steel piles and deep concrete caissons required to anchor a 70,000-seat superstructure.

$100M+ CAPEX PREMIUM

Federal Tripwire: Clean Water Act Section 404 LEDPA rule threatens wetland permit denial due to cross-border groundwater upwelling (EPA Region 5 risk).

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PUBLIC STADIUM AUTHORITY: THE PROPERTY TAX SHIELD



OUTCOME: YIELDS A 100% PROPERTY TAX EXEMPTION

Resolves the $124.7M Cook County tax gridlock while keeping core infrastructure privately funded.

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SOUTH WORKS: THE DEVELOPER-LED WILDCARD

THE LAKEFRONT MEGAPROJECT

200–440 acre former U.S. Steel South Works site pitched by Related Midwest.

Strategic Advantage: Capable of utilizing the “Site-Agnostic” Public Authority tax shield for property tax exemption while maintaining a Chicago address.

THIRD-PARTY MARGIN EROSION

- Lack of direct land ownership introduces long-term lease and rent margin risks.
- Shared equity with developers heavily dilutes long-term franchise revenues compared to sole-ownership models.
- Unquantified environmental CAPEX (e.g., decades of slurry wall and bio-barrier groundwater monitoring).

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MASTER FINANCIAL AUDIT MATRIX

PARAMETER	ARLINGTON HEIGHTS	HAMMOND WOLF LAKE	PUBLIC AUTHORITY (IL)	SOUTH WORKS (CHICAGO)
Land / Site Acquisition Cost	$197.2M Sunk (326 Acres)	$0 (Lease / PSDA)	$0 (Bears Land Used)	Developer Controlled
Public Assistance Framework	$855M Requested	$1B Public Bond Stack (SEA 27)	Public Infrastructure Prep	Public-Private Partnership
Annual Property Tax Exposure	HIGH ($124.7M Assessment)	LOW (PSDA TIF)	$0 (100% Exemption)	$0 (Under Authority)
Subsurface CAPEX Volatility	$0 Premium (Native Clay)	$100M+ CAISSON PREMIUM	$0 Premium (Assuming AH Site)	Unquantified Slurry Wall CAPEX
Primary Net Risk Factor	Cook County Gridlock	EPA 404 VETO & $25K/DAY FINES	Leaseback Operating Terms	Shared Equity Dilution

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