

DRAFT DATED JULY 19, 2023

**CITY OF AURORA
TAX INCREMENT REDEVELOPMENT PLAN AND
REDEVELOPMENT PROJECT FOR THE WEST FARNSWORTH
TIF DISTRICT NO. 7 REDEVELOPMENT AREA– 1ST
AMENDMENT**

Prepared for: City of Aurora, Illinois

Prepared Jointly by: Ryan LLC

and

The City of Aurora

July 2023

Original TIF Plan and Project: December 22, 2011

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I. INTRODUCTION

On November 22, 2011, the City of Aurora (the “City”) adopted Ordinance 011-059 Approving A Tax Increment Plan and Redevelopment Project for the West Farnsworth TIF District No. 7 Redevelopment Project Area (alternatively, the “Original TIF Plan and Project Area”). The Original TIF Plan and Project is included herein as Exhibit A.

The City has determined that it is in the best interest of the Aurora community to enact an amendment to the Original TIF Plan and Project Area (the “First Amendment”). This First Amendment is intended as an addendum to, but not a replacement for, the Original TIF Plan and Project Area. After amendment, the Original TIF Plan and Project Area are known as the “Amended TIF District No. 7.”

The sole purpose of the First Amendment herein is to update and amend the Original TIF Plan and Project Area in order to remove eight (8) tax parcels (the “Removed Parcels”) for the purpose of the creation of a new Tax Increment Finance (“TIF”) District to be designated as the Farnsworth-Bilter Redevelopment Project Area (together, these nine parcels constitute a portion of the “Proposed Farnsworth-Bilter TIF District” or the “New TIF District”). It must be noted that the New TIF District will include additional parcels that are not currently part of the Original TIF Plan and Project Area. Additionally, other than the exclusion of the Removed Parcels, no other substantive elements or components of the Original TIF Plan and Project Area are intended other than those affected through the separation of the Removed Parcels.

The City is pursuing the First Amendment as part of its strategy to advance the revitalization of certain strategic properties, including the Removed Parcels, through the adoption of the Proposed Farnsworth-Bilter TIF District. Ryan LLC (“Ryan”) has been retained by the City of Aurora to assist the City in drafting this First Amendment to the Original TIF Plan and Project Area.

Objectives. The City’s general economic development objectives are to enhance mixed-use commercial, recreational, and retail land uses within the City, including the Proposed Farnsworth-Bilter TIF District. The proposed adoption of the First Amendment is intended to assist the City in meeting those objectives.

The City has decided that it is highly desirable to promote the continued redevelopment of the West Farnsworth Avenue commercial corridor through the planned adoption of the Farnsworth-Bilter TIF District. To date, the Removed Parcels have not successfully redeveloped as intended under the Original TIF Plan and Project. Yet, the revitalization of the Removed Parcels remains critical to the City in order to mitigate adverse conditions, which are depressing private sector

investment that would help to reverse blighting factors that are a negative influence on the overall West Farnsworth Avenue area

Because of the adverse conditions that persist within the Proposed Farnsworth-Bilter TIF District, and the required coordination for future land uses for the both the New TIF District and the Amended TIF District No. 7 , the City is favorably disposed to move forward with this First Amendment. The City has determined that redevelopment should take place through the benefit and guidance of comprehensive economic planning by the City. Through this coordinated effort, for the implementation of redevelopment project activities for both the New TIF District and the Amended TIF District No. 7, the expectation is that the result will be to mitigate or eliminate certain blighting factors found adjacent to the West Farnsworth Avenue commercial corridor; thereby helping to also mitigate barriers to private sector investments within both the New TIF District and the Amended TIF District No. 7.

Pursuant Illinois Tax Increment Allocation Act (65 ILCS 5/11-74.4-1 et. seq., as amended, (the “Act”), the City affirms the following findings:

- The Removed Parcels, have not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without continued City redevelopment efforts thorough the adoption of this First Amendment and creation of the New TIF District;
- Redevelopment currently planned for the New TIF District, as amended, is feasible only with public financial assistance; and
- Both the New TIF District and the Amended TIF District No. 7 conform to the comprehensive plan for the development of the City as reflected in the City’s most recent Comprehensive Plan (1984).

By adoption of this First Amendment the amendment the anticipated implementation of the New TIF District Plan and Project, and the continued implementation of the Plan and Project for the Amended TIF District No. 7, the City intends to continue efforts to provide the assistance required to eliminate conditions detrimental to successful redevelopment within a critical section of the City.

The continued use of TIF resources for the Removed Parcels relies upon induced private sector redevelopment in the New TIF District as a means to create higher real estate values that would otherwise continue to decline without such investment. By so doing, this induced private sector investment would result in increased property taxes compared to the previous land use (or lack of use) within the New TIF District.

II. REDEVELOPMENT PROJECT AREA DESCRIPTION, AS AMENDED

The purpose of the First Amendment herein is to update and amend the Original TIF Plan and Project in order to exclude the Removed Parcels. That action will result in an amended redevelopment project area for the Amended TIF District No. 7, as identified within Appendix 1.

The proposed Amendment Area removes the following parcels out of the Original TIF Plan and Project Area:

<u>Tax Year 2022 Parcel Numbers</u>	<u>Tax Year 2023 Changes</u>
15-02-200-014	15-02-200-050
15-02-200-022	No Change
15-02-200-027	No Change
15-02-200-039	No Change
15-02-200-044	15-02-200-049
15-02-426-015	15-02-426-032
15-02-426-030	No Change
15-02-427-002	No Change

The Removed Parcels consist of eight (8) vacant and improved parcels, containing four (4) existing structures.

Appendix 2 provides an amended Original TIF Plan and Project boundary map that reflects separation from the Removed Parcels. Appendix 3 provides an amended legal description that serves the same purpose.

III. ADDITIONAL AMENDMENT TO THE REDEVELOPMENT PLAN AND PROJECT

The following additional footnote is inserted to the footnote section following the table labeled as “RPA Estimated Redevelopment Project Costs” on page 18 under the subsection entitled “Projected Redevelopment Project Costs” as further included under section “VI. REDEVELOPMENT PROJECT”:

(4) Pursuant to the Act, the City may utilize net incremental property tax revenues **transferred to** other contiguous RPAs to pay eligible redevelopment project costs or obligations issued to pay such costs in contiguous project areas. Conversely, the City may utilize net incremental property tax revenues transferred from other contiguous RPAs to pay eligible costs or obligations issued to pay such costs within the RPA. **Such transactions** would include contiguous TIFs that the **City** may establish in the future.

Appendix 1
Map Showing Parcels to be Removed from TIF District No. 7

Appendix 2
Amended Boundary Map for TIF District No. 7

Appendix 3
Amended Legal Description for TIF District No. 7

Exhibit A
Original TIF District No. 7 Plan and Project