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**CITY OF AURORA, ILLINOIS  
AVALON HEIGHTS TIF DISTRICT  
REDEVELOPMENT PLAN**

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**Prepared By:**

**City of Aurora, Illinois  
&  
Kane, McKenna and Associates, Inc.**

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## **I. Introduction**

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The City of Aurora, Illinois (the “City”) is a community located in DuPage, Kane, Kendall and Will Counties, approximately 40 miles west of the City of Chicago’s “Loop”. The City is generally bounded by the municipalities of Sugar Grove on the west, Batavia and North Aurora on the north, Naperville to the east, and Montgomery to the south. The City is situated near major access points and regional land uses (e.g. the Fox River, State Highway 31, Interstate I-88).

The Bardwell neighborhood is located adjacent to the City’s central business district and developed predominantly as a residential area early in the City’s history. The eclectic mix of Victorian-era residential architectural styles led to the designation of parts of the northern portion of the neighborhood as the Near Eastside local historic district in 1981. Today, the neighborhood is still characterized predominantly by older one or two family residential uses.

Institutional uses (e.g. schools, churches, parks, etc.), many also historic in nature, are dispersed across the Bardwell neighborhood. The “Old Copley Hospital” site, in conjunction with the adjacent Bardwell Elementary School, act as the core of the Bardwell neighborhood due to their central location in the community.

As may be intimated by its central location in the historic Bardwell neighborhood, the Old Copley Hospital site has played an important role in the City of Aurora’s history. The City was originally incorporated in the early 1800s and experienced significant growth in the middle and late portion of that century. As the City grew, the need for medical services and a dedicated hospital increased. The Aurora Hospital Association was incorporated in 1886 to provide for such a hospital. The organization successfully constructed the City of Aurora’s first purpose-built hospital in 1888 within the Study Area.

The City of Aurora Hospital grew in tandem with the City itself. Major expansions to the original 1888 hospital occurred in 1916, 1932, 1947, 1957, 1970 and 1980. The 1930s expansion was financed by Col. Ira C. Copley, a local resident and namesake of the site. Many of the expansions were designed by the historically significant architectural firm Schmidt, Garden and Erikson. The firm’s involvement with the site helped lead to its recent designation as a historic place on the United State Department of the Interior’s National Register of Historic Places.

Copley Hospital continued to operate until 1995 when it relocated from its original site to another location in the City. Following the vacation of the property, structures and surface improvements began to fall into disrepair due to neglect and lack of maintenance. Despite being secured, trespassers frequently visited the site and were exposed to unsafe conditions including the presence of environmentally hazardous material. Recognizing the need to redevelop the central and historically-significant complex, the Study Area has featured heavily in prior City planning efforts -most notably in the Bardwell Neighborhood Action Plan (2003). Despite these efforts, the site has remained vacant to the time of the drafting of this report.

In the late 2010s, Fox Valley Developers, LLC, a local real estate development firm, began pursuing redevelopment of the site in partnership of the City of Aurora. Redevelopment was proposed to include a variety of uses including medical offices, senior living facilities and

administrative offices for a local school district. At the time of drafting of this plan, Phase 1 of redevelopment, consisting principally of the remediation of hazardous materials from the site, has been completed. This plan is prepared principally to facilitate additional phases of redevelopment.

Given the existing conditions of the site and its prolonged vacancy, the City has determined that the area as a whole would not be redeveloped in a coordinate manner without the adoption of a Tax Increment Financing Redevelopment Plan. The City, with the assistance of Kane, McKenna and Associates, Inc. (KMA), has commissioned this Redevelopment Plan to use tax increment financing in order to alleviate those conditions which deter private investment in the area and meet redevelopment goals and objectives.[ End copy here]

### **A. Overview of Tax Increment Financing (TIF)**

Tax Increment Financing (TIF) is an economic development tool which uses future tax revenues to finance redevelopment activity. In the State of Illinois an area can be designated as a TIF district if it faces certain impediments to redevelopment. At the time of designation the equalized assessed value of tax parcels within the boundaries of the district are “frozen” for the term of the TIF district. Taxing jurisdictions that overlap that district continue to receive property taxes, but those revenues are limited to those based on the “frozen” equalized assessed values. Any property tax revenue generated from increases in equalized assessed value relative to the frozen values are deposited in a special tax allocation fund. This revenue is then used to finance redevelopment activities within the district to accomplish various community and economic development goals.

### **B. The Redevelopment Plan**

The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et. seq., as amended (the “TIF Act” or “Act”) enables Illinois municipalities to establish TIF districts, either to eliminate the presence of blight or to prevent its onset. The Act finds that municipal TIF authority serves a public interest in order to: “promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas” (65 ILCS 5/11-74.4-2(b)).

To establish a TIF district (“Redevelopment Project Area” or “RPA), Illinois municipalities must adopt several documents including a Redevelopment Plan and an Eligibility Report. A Redevelopment Plan is any comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions which qualify the redevelopment project area as a "blighted area," "conservation area" (or combination thereof), or "industrial park conservation area", and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area as set forth in the TIF Act.

The City has authorized KMA to study the RPA in relation to its qualification as a TIF district under the TIF Act, to prepare a TIF District Eligibility Report for the RPA and to prepare a Redevelopment Plan for the RPA.

**C. Findings Pursuant to the TIF Act**

It is found and declared by the City through legislative actions as required by the Act that:

1. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this redevelopment plan;
2. The Redevelopment Plan and Project conform to the City of Aurora's Comprehensive Plan (1984) which guides development of the City as a whole.

## **II. Redevelopment Project Area**

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### **A. Redevelopment Project Area (RPA) Summary**

The RPA is located in the central southeastern Bardwell neighborhood of the City of Aurora, Illinois. Land uses in the neighborhood are predominantly residential and institutional.

The RPA is comprised of tax parcels collectively known as the “Old Copley Hospital” site. The RPA is roughly bound by South Avenue and Weston Avenue to the north, South 4<sup>th</sup> Street to the east, Seminary Avenue to the south and South Lincoln Avenue to the west.

The Study Area contains 35 tax parcels and is approximately 12 acres in size.

Please see Appendix A of Exhibit 3 for a list of the tax parcels included in the RPA and Exhibit 1 for a visual depiction of the RPA.

### **B. Legal Description of Redevelopment Project Area**

The Redevelopment Project Area legal description is attached as Exhibit 2.

### III. Redevelopment Goals & Objectives

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#### A. City Goals

The City has established a number of economic development goals, objectives, and strategies which would determine the kinds of activities to be undertaken within the RPA.

An important underlying planning document is the City of Aurora’s Comprehensive Plan (1984) (the “Comprehensive Plan”) which, as an element of the planning process, describes the overall vision for the City and is the foundation for City initiatives. This planning document influences all other City planning processes including those related to TIF. The below Table 1 summarises goals in the Comprehensive Plan that are applicable to the RPA.

**Table 1.** Comprehensive Plan Goals Applicable to Redevelopment Project Area

<b>Element</b>	<b>Goal/Policy (or Policies)</b>
Urban Form and Function	- Provide for orderly, balanced and efficient growth and redevelopment; Protect and enhance those assets and values that establish the desirable quality and general livability of the City; Promote the City’s position as a regional center
Land Use Interrelationships	-Plan and provide for the integration of land use patterns and functions that promote complementary interactions -Encourage residential development in close proximity to places of work, shopping and recreation -To protect residential development from the negative effects of high volume traffic corridors and incompatible land uses
Enhancement of the Urban Environment	-Foster future growth in the City that does not contribute to deterioration in either existing developments or a reduction in the City’s ability to provide adequate services -Promote the preservation and revitalization of older residential neighborhoods and commercial areas within the City -Protect, preserve and restore the historical and architectural heritage of the City -Encourage quality site design throughout the City -Provide for visual enhancement through attractive landscaping, quality signage and diverse building design and arrangement
Housing & Neighborhood	-Promote access to housing opportunities for all economic, racial, religious, ethnic and age groups -Recognize the unique characteristics of individual neighborhoods and promote their positive attributes -Encourage the adaptive reuse of commercial structures to housing where such conversions are economically feasible, supportive of revitalization efforts and consistent with the land use plan
Economic Development	-Coordinate and actively support sound business and industrial development and expansion within the City through public and private programs -Promote the location and expansion of commercial activities within the City consistent with the Comprehensive Plan

Source: City of Aurora Comprehensive Plan (1984).

Implementation of the Redevelopment Project will facilitate the accomplishment of these and other goals described in the Comprehensive Plan. It is further expected that the Redevelopment Project

will return the RPA to economically productive use; thus accomplishing the City's general goals regarding enhancing and strengthening the City's tax base.

## **B. Redevelopment Project Area Goals & Objectives**

Prior planning efforts in relation to the RPA, in addition to the Comprehensive Plan, include the Bardwell Area Neighborhood Action Plan (2003) (the "Subarea Plan"). The focus of this Subarea Plan is on the Bardwell neighborhood as a whole and emphasizes the RPA due to its central location within the neighborhood (See Figure 1).

The sizable positive impact the Redevelopment Project will have on the surrounding neighborhood is highlighted by the first component of the Subarea Plan's vision statement; that is, "a redeveloped Copley Hospital site". Indeed, the RPA was identified as a threat to the community in its existing state, but as a strength due to its redevelopment potential. The size and centrality of the RPA offers an opportunity to advantage multiplier effects from redevelopment which may alleviate other adverse conditions within the neighborhood. The Subarea Plan recognizes this potential in noting,

*"The redevelopment of the Copley Hospital site is one of the highest priorities of the neighborhood. As one member of the Leadership Team described the site, 'If Copley were redeveloped, all of these problems would take care of themselves.' The existence of a potentially re-activated Copley site and Bardwell Elementary immediately adjacent to one another in the center of a neighborhood creates a core area that becomes the 'heart' of the neighborhood."*

Given the potential community benefits that may be gained from redevelopment of the RPA, efforts should be made to obtain the following goals for the RPA:

1. Reduce or eliminate those adverse impacts described in the TIF Eligibility Report which deter private investment in the RPA
2. Return underutilized property located within the RPA to productive use and strengthen and enhance the City's tax base
3. Provide for high-quality development within the RPA that facilitates community and economic development goals
4. Accomplish redevelopment of the RPA over a reasonable time period

These goals may be accomplished by pursuing the following objectives for the RPA:

1. Promotion of the redevelopment of underutilized property located within the RPA
2. Provision for the assembly or coordination of private and public property for viable redevelopment projects

3. Improvement of existing rights-of-way and infrastructure including, but not limited to roadways, streetscape, traffic signalization and parking improvements
4. Provision of necessary site preparation including, but not limited to, grading, demolition and environmental remediation
5. Provision of public investment that improves the physical condition and visual aesthetic of the area including those in the public realm (e.g. streetscaping) and the private realm (e.g. facades and signage)

These objectives may be pursued independently by the City or in private partnership by entering into redevelopment agreements in order to redevelop existing property or induce new development to locate within the RPA.

## **IV. Evidence of Lack of Development and Growth**

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### **Eligibility Report**

The RPA's qualification under the TIF Act was evaluated by representatives of KMA from August 2019 to the date of this draft report. Analysis was aided by certain reports obtained from the City and other sources. Only information which would directly aid in the determination of eligibility for a TIF district was utilized.

The reported results of this evaluation are attached as Exhibit 3 of this Redevelopment Plan and Project.

### **Findings**

As found in Exhibit 3 of this Redevelopment Plan and Project, the RPA has suffered from certain impediments to redevelopment. The area has been burdened with a lack of significant private investment and/or development. As a result, the RPA is not likely to experience significant development and growth without the use of City resources.

Those factors which evidence lack of development and growth in the RPA are; (i) the presence of a deleterious land use or layout; (ii) a lack of community planning; (iii) the presence of excessive vacancies; (iv) the presence of deterioration; (v) the presence of obsolescence; and, (vi) the incurment of environmental clean-up costs. Please see Exhibit 3 for details regarding these qualifying factors.

## **V. Assessment of Fiscal Impact on Affected Taxing Districts**

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It is anticipated that the implementation of this Redevelopment Plan and Project will have a positive financial impact on the affected taxing districts. Any actions to be taken by the City to enhance its tax base through the implementation of this Redevelopment Plan and Project are expected to also have a positive impact on the other affected taxing districts.

Outside of the City itself, it is anticipated that the RPA will require no increased services from any affected taxing districts. Strategies will be encouraged to promote growth via private investment within the area, while specific objectives will be geared toward stabilizing the RPA's existing strengths and revitalizing the RPA's redevelopment potential.

Should the City achieve success in attracting private investment which does result in the need for documented increased services from any taxing districts, the City will consider the declaration of sufficient surplus funds (which funds are neither expended nor obligated) as provided by the TIF Act, to assist affected taxing districts in paying the costs for the increased services.

Any surplus funds that may exist will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts including the City. Prior to any surplus disbursement, all TIF eligible costs either expended or incurred as an obligation by the City will be duly accounted for through the administration of the Special Tax Allocation Fund to be established by the City as provided by the TIF Act.

Any impacts to school district are expected to be addressed through the utilization of payments provided by the TIF Act in connection with residential projects receiving TIF funding. Please see Section VI (D) of this report for more information regarding these payments.

## **VI. Housing Impact Study**

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The RPA was studied in order to determine if a housing impact study would need to be conducted pursuant to the TIF Act.

A housing impact study is not required to be completed because the City will certify that it will not displace ten or more residential units and that the RPA contains less than 75 inhabited residential units.

If later the City does decide that it is necessary to dislocate ten or more residential units or add 75 or more inhabited residential units, then the City must complete a housing impact study and amend this Redevelopment Plan and Project herein.

## **VII. Redevelopment Project**

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### **A. Redevelopment Activities**

The City will implement a coordinated program of actions, including, but not limited to, the following actions:

Land Assembly: Property within the RPA may be acquired, assembled and reconfigured into appropriate redevelopment sites.

Site Preparation, Clearance, and Demolition: Property within the RPA may be improved by site clearance, excavation, regrading, environmental remediation or demolition.

Professional Services: The City may fund necessary planning, legal, engineering, administrative and financing costs during project implementation. The City may reimburse itself from annual tax increment revenue if available.

Public Improvements: Public improvements within the RPA may be provided or repaired to support the Redevelopment Plan and Project. Examples of such public improvements may include, but are not limited to: (i) public utilities and infrastructure including roadways, water mains, sanitary sewer systems and storm sewer systems; (ii) public parking facilities; (iii) stormwater management and detention facilities; (iv) landscaping, lighting, traffic signalization; signage; and other improvements to the streetscape.

Rehabilitation: Rehabilitation of certain structures within the RPA in order to provide for the redevelopment of the area and conformance to City code provisions. Improvements may include commercial signage upgrades, exterior and facade related work as well as interior related work.

Interest Rate Write-Down: Entering into agreements with property owners/developers whereby a portion of the interest cost of a construction, renovation or rehabilitation project is paid for on annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

School Tuition & Library Costs: Funding school tuition and library costs as provided for by the TIF Act.

Job Training: Assisting facilities and enterprises located within the RPA in providing job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to; federal programs, state programs, applicable local vocational educational programs including community college sponsored programs and other federal, state, county or non-profit operated programs that are available or will be developed and initiated over time.

## **B. General Land Use Plan**

Existing land uses consist of residential and institutional uses. Existing land uses are shown in Exhibit 4, attached hereto and made a part of this Redevelopment Plan.

Intended land uses in the RPA consist of residential, commercial and institutional uses. Intended land uses will conform to the City's Comprehensive Land Use and Circulation Plan (1984). Exhibit 5, attached hereto and made a part of this Plan designates the intended general land uses in the Redevelopment Project Area.

## **C. Additional Design and Control Standards**

The appropriate design controls, including for any Planned Developments, as set forth in the City's Zoning Ordinance, as amended, shall apply to the RPA.

## **D. Eligible Redevelopment Project Costs**

Redevelopment project costs mean and include the sum of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the Act, and any such costs incidental to this Redevelopment Plan and Project. Private investments, which supplement municipal Redevelopment Project Costs, are expected to substantially exceed such Redevelopment Project Costs.

Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan and Project include:

1. *Professional Services* - Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, or other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected; except that after November 1, 1999, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three (3) years. In addition, "redevelopment project costs" shall not include lobbying expenses;
  - 1.1 After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment area or approved a redevelopment plan;
2. *Marketing* - The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

3. *Property assembly costs* - Including, but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
4. *Rehab costs* - Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
5. *Public works and improvements* - Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999 redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91<sup>st</sup> General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provided that basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;
6. *Job training* - Costs of job training and retraining projects including the costs of “welfare to work” programs implemented by businesses located within the redevelopment project area;
7. *Financing incentives* - Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. *Capital costs* - To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district’s capital (and additional student tuition) costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;

9. *School-related costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999 an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:
- a) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
    - (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
    - (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
    - (iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

- b) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
  - (i) for unit school district, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
  - (ii) for elementary school district, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
  - (iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under the Act.
- c) Any school district in a municipality with a population of 1,000,000, additional restrictions apply. Any school district seeking payment shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by the Act. By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

10. *Library costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after January 1, 2005, a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph applies only if (i) the library is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Allocation Fund.

A library district is not eligible for any payment under this paragraph unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph. By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

11. *Relocation costs* - to the extent that the City determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
12. *Payment in lieu of taxes*;
13. *Job training* - Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the City, are set forth in a written agreement by or among the City and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Section 10-22.20a and 10-23.3a of the School Code;
14. *Interest costs* – for incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
  - a) such costs are to be paid directly from the Special Tax Allocation Fund established pursuant to the Act;
  - b) such payments in any one-year may not exceed 30% of the annual interest costs incurred by the developer pertaining to the redevelopment project during that year;
  - c) if there are not sufficient funds available in the Special Tax Allocation Fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the Special Tax Allocation Fund;
  - d) the total of such interest payments paid pursuant to the Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;
  - e) the cost limits set forth in subparagraphs (b) and (d) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act and the percentage of 75% shall be substituted for 30% in subparagraphs (b) and (d);

- f) Instead of the eligible costs provided by subparagraphs (b) and (d), as modified by this subparagraph, and notwithstanding any other provisions of the Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under the Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing. The eligible costs provided under this subparagraph (f) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (f).

The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (f) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants.

The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later;

15. *Day care* - If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families working in businesses located in the redevelopment project area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the

annual income and municipal, county or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

The TIF Act prohibits certain costs, including the following:

*Construction of privately-owned buildings* - Unless explicitly stated herein the costs of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

*Retail displacement* - After November 1, 1999, none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment projects if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, has become economically obsolete, or was no longer a viable location for the retailer or serviceman;

*Historic building demolition* - No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008, unless no prudent and feasible alternative exists. "Historic Resource" means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This restriction does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a special service area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax incremental revenues derived from the tax imposed pursuant to Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by the TIF Act.

Estimated costs are shown in the below Table 2. Adjustments to these cost items may be made without amendment to the Redevelopment Plan and Project.

**Table 2. Redevelopment Project Cost Estimates**

<b>Program Actions/Improvements</b>	<b>Estimated Costs</b>
Land Acquisition and Assembly Costs (including Relocation Costs)	
Site Preparation and Demolition, including Environmental Remediation	
Public Improvements including, but not limited to, water, storm, sanitary sewer, traffic management, and roadway and streetscape improvements	
Rehabilitation of Existing Structures	
Interest Costs Pursuant to the Act	
Professional Service Costs (Including Planning, Legal, Engineering, Administrative, Annual Reporting and Marketing)	
School Tuition Costs as provided by the Act	
Job Training	
<b>TOTAL ESTIMATED TIF BUDGET</b>	<b>\$</b>

Notes:

- (1) All project cost estimates are in 2019 dollars. Costs may be adjusted for inflation per the TIF Act.
- (2) In addition to the costs identified in the exhibit above, any bonds issued to finance a phase of the Project may include an amount sufficient to pay (a) customary and reasonable charges associated with the issuance of such obligations, (b) interest on such bonds, and (c) capitalized interest and reasonably required reserves.
- (3) Adjustments to the estimated line-item costs above are expected. Adjustments may be made in line-items within the total, either increasing or decreasing line-items costs for redevelopment. Each individual project cost will be reevaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of the line-items set forth above are not intended to place a total limit on the described expenditures, as the specific items listed above are not intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the RPA – provided the total amount of payment for eligible redevelopment project costs shall not exceed the overall budget amount outlined above and all as provided for in the Act.

### **E. Sources of Funds to Pay Redevelopment Project Costs**

Funds necessary to pay for public improvements and other project costs eligible under the TIF Act are to be derived principally from property tax increment revenues, and proceeds from municipal obligations, if any. Any such obligations would be retired primarily with tax increment revenues and interest earned on surplus revenue available, but not immediately needed, for the Redevelopment Plan and Project. The City may utilize incremental revenues from contiguous TIF districts to pay for redevelopment costs within the RPA, and conversely, transfer incremental revenues from the RPA to contiguous TIFs, as provided for in the TIF Act.

Any publicly funded TIF Redevelopment Project Costs are subject to (a) approval by the City, (b) having specific cost categories as set forth in the TIF Act and (c) pursuant to the City's TIF incentive policy.

The tax revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs, shall be derived from the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 2018 tax year for the RPA.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: certain local sales or utility taxes, special service area taxes, the proceeds of property sales, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the City may from time to time deem appropriate.

### **F. Nature and Term of Obligations**

The City may issue obligations secured by the tax increment Special Tax Allocation Fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the City by virtue of its powers pursuant to the Illinois State Constitution.

Any and/or all obligations issued by the City pursuant to this Redevelopment Plan and Project and the Act shall be retired not more than twenty-three years from the date of adoption of the ordinance approving the Redevelopment Project Area. The actual date for such retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer, pursuant to the Act, is to be made with respect to ad valorem taxes levied in the 23<sup>rd</sup> calendar year, occurring after adoption of the ordinance which establishes the RPA.

The final maturity date of any obligations issued pursuant to the Act may not be later than twenty years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan and Project. The total principal and interest payable in any year on all obligations shall not exceed the amount available in that year or projected to be available in that year, may be payable from tax increment revenues and from bond

sinking funds, capitalized interest, debt service reserve funds, and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan and Project, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions, and on such other terms, all as the City may determine.

#### **G. Most Recent and Anticipated Equalized Assessed Value (EAV)**

The most recent estimate of equalized assessed valuation (EAV) for tax year 2018 of the property within the RPA is approximately \$275,283.

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty-three year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will range from approximately [Insert lower Anticipated EAV here] to [Insert higher Anticipated EAV here].

## **VIII. Scheduling of Redevelopment Project**

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### **A. Redevelopment Project Schedule**

An implementation strategy will be employed with full consideration given to the availability of both public and private funding.

Redevelopment projects will begin as soon as the specific private entities have obtained financing approvals for appropriate projects and such uses are conformant with City zoning and planning requirements.

Depending upon the scope of the development as well as the actual uses, those redevelopment activities described in Section VI may be included in each phase.

### **B. Commitment to Fair Employment Practices and Affirmative Action**

As part of any redevelopment agreement entered into by the City and any private developers, both parties will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the City. The program will conform to the most recent City policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will discriminate against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical disabilities. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The City and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, all entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

**C. Completion of Redevelopment Project**

This Redevelopment Plan and Project will be completed within 23 years after the year of adoption of an ordinance designating the Redevelopment Project Area. The actual date for such completion shall not be later than December 31<sup>st</sup> of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year that the ordinance approving the RPA is adopted.

## **IX. Provisions for Amending the Redevelopment Plan and Project**

This Redevelopment Plan and Project may be amended pursuant to the provisions of the TIF Act.

**Exhibit 1    Boundary Map**

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# Exhibit 1 - Boundary Map



## **Exhibit 2   Legal Description**

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## EXHIBIT 2 - Legal Description

### LEGAL DESCRIPTION OF LEASED PREMISES

#### Parcel 1:

Lots 1, 2, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, and 32, and that part of the vacated alley lying westerly of the easterly line extended northerly of said lot 32, all in Block 5 of Clark Seminary Addition to Aurora (excepting therefrom the easterly 44.0 feet of said Lot 32, and also excepting therefrom the southerly half of the vacated alley lying northerly of and adjoining the easterly 44.0 feet of said lot 32) and the northeasterly and northerly 7.0 feet of that part of Seminary Avenue in the City of Aurora (measured at right angles to the northeasterly and northerly line, respectively, of said Seminary Avenue) lying southerly of and adjacent to the following described line: Beginning at the southwesterly Corner of said Block 5; thence southeasterly along the southwesterly line of said Block 5, 262.46 feet to an angle in said southwesterly line; thence easterly along the southerly line of said Block 5, 400.00 feet for the terminus of said line, all in the City of Aurora, Kane County, Illinois.

#### Parcel 2:

Lots 1, 2 and 4 in Block 6 of Clark Seminary Addition to Aurora, and that part of Lot 3 and the vacated alley in said Block 6 described as follows: Beginning at the Southwesterly Corner of said Lot 3; thence southeasterly along the southwesterly line of said Lot 3, 25.50 feet; thence northeasterly along a line forming an angle of 89 degrees, 15 minutes, and 00 seconds with the last described course (measured clockwise therefrom) 56.43 feet to the northerly line of said Lot 3; thence westerly along said northerly line, 11.18 feet to a point that is 16.68 feet easterly of the northwesterly Corner of said Lot 3; thence northeasterly parallel with the northwesterly line of said Lot 3, 22.24 feet to the southerly line of said Lot 4; thence westerly along said southerly line, 38.92 feet to the most southeasterly corner of said lot 2; thence southeasterly along the southwesterly line of said Block 6, 20.0 feet to the Point of Beginning, in the City of Aurora, Kane County, Illinois.

Commonly known as The Old Copley Hospital, 502 South Lincoln Avenue, Aurora, Kane County, Illinois

#### PINs:

15-27-156-002 (part parcel 1)

15-27-156-003 (part parcel 1)

15-27-156-004 (part parcel 1)

15-27-156-005 (part parcel 1)

15-27-156-006 (part parcel 1)

15-27-156-007 (part parcel 1)

15-27-156-008 (part parcel 1)  
15-27-156-009 (part parcel 1)  
15-27-156-010 (part parcel 1)  
15-27-156-011 (part parcel 1)  
15-27-156-012 (part parcel 1)  
15-27-156-013 (part parcel 1)  
15-27-156-014 (part parcel 1)  
15-27-156-015 (part parcel 1)  
15-27-156-016 (part parcel 1)  
15-27-156-031 (part parcel 1)  
15-27-156-032 (part parcel 1)  
15-27-156-033 (part parcel 1)  
15-27-156-034 (part parcel 1)  
15-27-156-035 (part parcel 1)  
15-27-156-036 (part parcel 1)  
15-27-156-037 (part parcel 1)  
15-27-156-038 (part parcel 1)  
15-27-156-043 (part parcel 1)  
15-27-156-044 (part parcel 1)  
15-27-156-045 (part parcel 1)  
15-27-156-046 (part parcel 1)  
15-27-156-047 (part parcel 1)  
15-27-156-048 (part parcel 1)  
15-27-156-049 (part parcel 1)  
15-27-156-050 (part parcel 1)

15-27-156-051 (part parcel 1)

15-27-156-052 (part parcel 1)

15-27-155-036 (part Parcel 2)

15-27-155-041 (part Parcel 2)

**Exhibit 3 Eligibility Report**

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**Exhibit 4 Existing Land Use Map**

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# Exhibit 4 - Existing Land Use Map



**Exhibit 5 Proposed Land Use Map**

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# Exhibit 5 - Proposed Land Use Map

