

CITY OF AURORA

**TAX INCREMENT FINANCING
STATUS REPORT**

**TAX INCRMENT FINANCING (TIF) DISTRICT NO. 2
FARNSWORTH TIF DISTRICT**

**Prepared for:
The City of Aurora, Illinois**

**Prepared Jointly by:
The City of Aurora, Illinois
and
Kane, McKenna and Associates, Inc.**

**TIF DISTRICT No. 2
Farnsworth TIF District
Designated June, 1989
Status Report June, 2015**

**CITY OF AURORA
STATUS REPORT
TIF DISTRICT NO. 2
FARNSWORTH TIF DISTRICT**

TABLE OF CONTENTS

<u>SECTION</u>	<u>TITLE</u>	<u>PAGE</u>
	Introduction and Background	1
I.	Revenue Generated Within RPA	6
II.	Municipal Expenditures for the RPA	7
III.	Status of Planned Activities, Goals and Objectives	8
IV.	Total Investment Within the RPA	12
V.	Other Relevant Evaluation or Performance Data	13
Exhibit A	TIF Boundary Map	
Exhibit B	Most Recent TIF Annual Report	

INTRODUCTION AND BACKGROUND

Kane, McKenna and Associates, Inc. (“KMA”) drafted this report at the request of the City of Aurora (the “City”) to provide an update on the status of Farnsworth Tax Increment District (“TIF District No. 2”, the “TIF District”, or the “TIF”).

The Redevelopment Project Area

The City established the Redevelopment Project Area (“RPA”) in June, 1989 and amended the RPA in 2002 and 2011. The 2002 amendments revised the TIF plan to accommodate the proposed Chelsea/Simon Premium Outlet Mall project – including revisions of land use, TIF budget, and tax base projections. The RPA is generally bounded on the east by residential and warehousing development extending approximately one-half mile east of Farnsworth Avenue, on the south by Interstate 88, on the west by Mitchell Road and agricultural property, and on the north by Butterfield Road, containing approximately 500 acres.

The TIF Plan was undertaken primarily as a land use and circulation plan for the TIF District property, including the need to manage flood control and stormwater drainage in order to allow for property redevelopment. The various public improvements required to implement the Redevelopment Plan are summarized below.

To achieve the goals and objectives of the Redevelopment Plan, the City of Aurora planned to encourage private investment through description of the TIF District. Successful completion of the City’s efforts was expected to result in the construction and operation of a light industrial and business park featuring light industrial, office, research, ancillary commercial, and open space uses. This development would generate tax revenues, support the elimination of chronic flooding and thereupon increase the marketability and use of land previously impracticable for development, provide local employment opportunities, preserve environmentally sensitive land, and improve open spaces for leisure and recreational activities.

The TIF was organized by section to reflect the different uses envisioned for the east and west sides of the Project Area. Farnsworth Avenue was the dividing line distinguishing the two sections.

Eastern Section

The single most important component for the redevelopment of this portion of the TIF District was the elimination of chronic flooding impacting property through the establishment of an effective stormwater management system. Without undertaking the necessary engineering improvements required to accomplish this task, development of parcels located within this section of the TIF were not expected to occur.

Development of the eastern section of the Project Area was envisioned to include a low- to mid-rise office campus constructed around the open space resulting from the stormwater improvements. In order to utilize the open space for leisure and recreational activities, a trail system and a target golf course were considered as suitable uses. Ancillary commercial and hotel uses targeted to the employees and users of the light industrial and business park were also planned for the areas adjacent to Farnsworth Avenue and Butterfield Road. The following specific objective had been identified to guide development.

- Ensure that the stormwater management improvements required to increase the productivity of the parcels conform to the City's Control of Stormwater Runoff Ordinance and were adequately scaled to preserve the storm and flood water detention capabilities of the area as well as the unique environmental amenities of the area.
- Improve Bilter Road to adequately handle increased traffic volumes resulting from the development of the eastern portion of the Project area.
- Establish an identifiable gateway feature at the major intersections in the eastern portion of the development which will establish a visual linkage between both sections of the Project Area.
- Provide adequate buffering between the office and adjacent residential land uses.
- Encourage pedestrian accessibility between the office campus, the potential hotel/conference center, the ancillary commercial uses, and open space.
- Ensure that the design and scale of the office, ancillary commercial, and hotel structures is compatible and of a low- to medium-density. Orient buildings to enhance views of the open space along Indian Creek and to accommodate energy conservation measures.
- Encourage the inclusion of primarily those ancillary commercial businesses providing goods and services which support the needs of the users and employees of the business and light industrial park.
- Utilize the gas easement for public leisure and linkage purposes.

Due to changes in market conditions, and market interest, this area became the location of the Outlet Mall described above.

Western Section

Development of the west side of the Project Area was expected to include primarily light industrial and research activities with some ancillary commercial uses. Stormwater control features and the gas easement were to be utilized to provide open space. The following specific objectives pertaining to this section of the Project Area were identified.

- Extend Bilter Road west to Mitchell Road to adequately service all parcels in the western section and to allow for the efficient movement of traffic between the east and west sides of the Project Area.
- Establish an identifiable gateway feature at the major intersections in the western portion of the development which will establish a visual linkage between both sections of the Project Area.
- Provide adequate buffering between the light industrial, research, and ancillary commercial activities and the adjacent residential and light industrial land uses.
- Ensure that the design and scale of the light industrial, research, and ancillary commercial structures were compatible and of a low- to medium-density. Consideration was to be given to building design and orientation to accommodate energy conservation measures.
- Accommodate a variety of light industrial and research uses and users which do not comprise the aesthetic and/or environmental quality of the area.
- Promote research uses that are consistent with the type of development occurring along the Interstate 88 corridor.
- Encourage the inclusion of commercial businesses providing goods and services which support the needs of the users and employees of the light industrial and research developments.
- Utilize the gas easement for public leisure and linkage purposes.

Initially (at designation), land uses were to consist of light industrial and warehousing operations, office developments, as well as a hotel/conference center and ancillary commercial facilities. It was anticipated that the tenants could include manufacturers, warehousing, companies requiring office space, public and private utility providers, day care facilities, recreation providers, membership organizations, research and training operators, and owners of commercial service and retail establishments targeted to the employees and users of the proposed employment center development.

The type of facilities that was proposed for development were expected to differ between the east and west sides of the TIF District. The east side, which includes that portion of the area located east of Farnsworth Avenue, was prepared to feature a low- to mid-rise office campus.

On the west side, the structures were to be designed to accommodate light industrial, research, and warehousing activities. The configuration of buildings would include one story structures which may be occupied by either one firm or divided into several spaces to accommodate many small companies. The structures were to be designed for distribution and production activities and generally include office space to complement or support industrial uses.

In 2002, the City amended the TIF Plan in order to allow for a significant retail development, the Aurora Premium Outlet Mall to be developed on the east side of the TIF. Over 440,000 sq. ft. of retail space was developed including the following tenants:

- | | |
|--------------------|--------------------|
| - Adidas | - Kenneth Cole |
| - Ann Taylor Entry | - Liz Claiborne |
| - Bass Co. | - Naturalize |
| - Benetton | - Nautica |
| - Calvin Klein | - Oshkosh T B'Gosh |
| - Carters | - Perry Ellis |
| - Chico's | - Puma |
| - Dress Barn | - Reebok |
| - Ecco | - Timberland |
| - Fossil | - Tommy Hilfiger |
| - Gap | - Totes |
| - Geoffrey Beene | - Van Heusen |
| - Giorgi Armani | - Versace |
| - Izod | |

Simon/Chelsea Chicago Development, L.L.C. had entered into a Redevelopment Agreement approved on September 10, 2002 with the City in order to redevelop approximately 94.86 acres to site an outlet mall with approximately 145 retail tenants and consisting of approximately 440,000 sq. ft. (Chicago Premium Outlet Mall Project). The Chicago Premium Outlet Mall Project is located in the southeast quadrant of TIF 2 and opened in 2004.

The Chicago Premium Outlet Mall project includes approximately 145 tenant spaces in twelve buildings and the tenant spaces ranged in size from approximately 1,000 to 10,000 sq. ft. with parking spaces for approximately 2,190 customers. The property is accessed from both Farnsworth Avenue and Bilter Road. City assistance included both a “pay as you go” note for site preparation associated with water management and stormwater/flooding related improvements and a TIF revenue bond issued to pay for certain roadway and public infrastructure improvements. Additionally, City improvements to Bilter Road improved access to both the retail mall and industrial developments located nearby.

Several other commercial and industrial projects have been undertaken in the TIF district. A brief description is included below. The uses described above are primarily one story commercial or industrial buildings constructed after the TIF 2 designation.

- Due to the extension of Bilter Road west to Mitchell Road, over 4,000,000 square feet of industrial/distribution/warehousing space was able to be constructed in this new industrial corridor.
- Aurora Corporate Center, located along east Bitler Road, is a master planned business park with over 500,000 of office/warehouse space, with leasable spaces ranging from 1,000 to 40,000 square feet.
- Five independent Office/Research/Industrial buildings were constructed along Beverly Drive south of Illinois Route 56 (Butterfield Road).
- Over 70,000 square feet of retail/space was constructed.

I. Revenue Generated within RPA

<u>Revenue Categories</u>	<u>Revenues</u>
Incremental Property Tax	\$65,125,567
Investment Income	\$ 1,247,396
Other	\$ 27,637
<u>Total</u>	<u>\$63,468,378</u>

(as of December 31, 2013)

II. Municipal Expenditures for the RPA

<u>Expenditure Categories</u> (all amounts rounded)	<u>Expenditures</u>
Administrative Costs	\$ 1,031,684
Property Acquisition/Site Preparation	\$22,357,932
Financing Costs	\$ 9,622,243
Public Improvements	\$10,592,378
Rehabilitation	\$ 106,000
Surplus Distributions	\$ 3,747,580
Expenditures Prior to 1999 (not itemized)	\$ 1,410,561
Total	\$47,868,378
Balance of Tax Allocation Fund as of December 31, 2013	(\$0)

Note: TIF transfers of \$15,600,000 were recorded to adjacent TIF Districts No. 7 and No. 8.

III. Status of Planned Activities, Goals and Objectives

The goals and objectives were designed in accordance with the City's zoning ordinance and comprehensive planning process.

The Redevelopment Plan had been prepared in accordance with the Comprehensive Plan for the City of Aurora and encouraged the success of city-wide goals and objectives which were the fundamentals for the future development and redevelopment of the Project Area. Objectives contained in the City's Comprehensive Plan that pertained to the TIF District are detailed below.

Growth Directions

- To encourage appropriate development, and maintenance according to code, of vacant lands within the corporate limits of the City.

Enhancement of the Urban Environment

- To provide for the visual enhancement of the City through attractive landscaping, quality signage, and diverse building design and arrangement.

Industrial, Office, and Office-Research Development

- To attract and encourage industrial, office, and office-research development to planned sites where requisite public facilities are either present or proposed.
- To encourage the location of industrial, office, and office-research development near transportation facilities designed to provide adequate and efficient linkages to sources of labor, production materials, and markets.
- To plan and promote the extension of the office and office-research corridor along the tollway in the City.
- To promote attractive, well-maintained industrial and office-research areas through landscaping and site design.
- To promote a quality environment through the enforcement of industrial performance standards.

Economic Development

- To coordinate and actively support sound business and industrial development and expansion within the City through public and private programs related to industrial/commercial promotion.
- To encourage high-technology and labor intensive industries that contribute to the diversification of the industrial base.

Commercial Hierarchy Commercial Design and Appearance

- To minimize the adverse effects of commercial activity on neighboring development, particularly open space areas through the provision of buffering land uses and/or screening.
- To enhance the quality of the visual and physical environment of the City through the provision for landscaping in commercial development.
- To promote the use of joint parking facilities between adjacent commercial uses and other uses.

Transportation Design

- To promote adequate off-street parking in commercial and industrial areas with appropriate access to major streets so as to lessen or eliminate conflict with traffic on local residential streets.
- To promote the dedication of adequate right-of-way widths that are consistent with proposed street functions.

Public Services and Facilities

- To locate utility lines and structures so there is compatibility with existing or planned developments and sensitivity to the protection of natural resources.

Open Space/Recreation

- To promote the acquisition and development of open space adjacent to shorelines.
- To plan for and promote convenient accessibility to open space to enhance the effective use of open space and recreational facilities in and around the City.
- To promote the coordinated use of drainage and retention facilities with existing or planned open space.
- To discourage the installation of utility lines or the public improvements where such installation would disrupt or infringe upon acquired or designated open space in a manner that leaves such open space unsuitable for its intended purposes.

Protection of Natural Resources

- To encourage the maintenance of flood plains and wetlands in order to protect water quality, retain storm and flood water detention capabilities, provide open space and protect natural habitats and aesthetic qualities.
- To protect flood plains and wetlands from encroachment to preserve their storm and flood water detention capabilities.
- To preserve streams and other bodies of water, as well as unique vegetation and wildlife habitats for their ecological, recreational, and aesthetic values.

Environmentally Sensitive Growth

- To define flood plains and to work toward the elimination of flood damage potential.
- To protect flood plains and wetlands through compliance with the Control of Storm Water Runoff Ordinance.

Enhancement of the Visual Environment

- To encourage the use of aesthetically pleasing urban design, architectural styles, and landscape architecture.
- To encourage the use of natural or landscaped buffer zones between different land uses.

The overriding goals of the TIF Plan were threefold:

1. Encourage the development of underutilized, agricultural, and vacant property for productive light industrial, office, research, and ancillary commercial uses, in conformance with the City's Comprehensive Plan, to enhance the overall tax base.
2. Improve the productivity of the property by reducing flooding and eliminating chronic flooding, thereby increasing the area of developable land.
3. Provide a variety of local employment opportunities.

These goals were envisioned to be achieved as part of high quality redevelopments. Specific goals and objectives follow.

Economic Development

Goal: The development of a unified center with a critical mass of business activities that fosters a healthy environment for light industrial, office, research and commercial uses which strengthen the tax base of the City of Aurora.

Environment and Flood Control

Goal: The preservation and enhancement of the natural development and the elimination of chronic flooding which prevents the useful development of the Project Area.

Public Services and Facilities

Goal: An efficient system of services and facilities essential to the success of the light industrial and business park.

Land Use

Goal: An attractive and vital area comprised of compatible land uses.

Transportation

Goal: A coordinated transportation network linking the Project Area to other portions of the City.

Appearance

Goal: A level of appearance consistent with the standards of the City of Aurora while allowing for the establishment of a unique identity for the light industrial and business park.

IV. Total Investment within the RPA

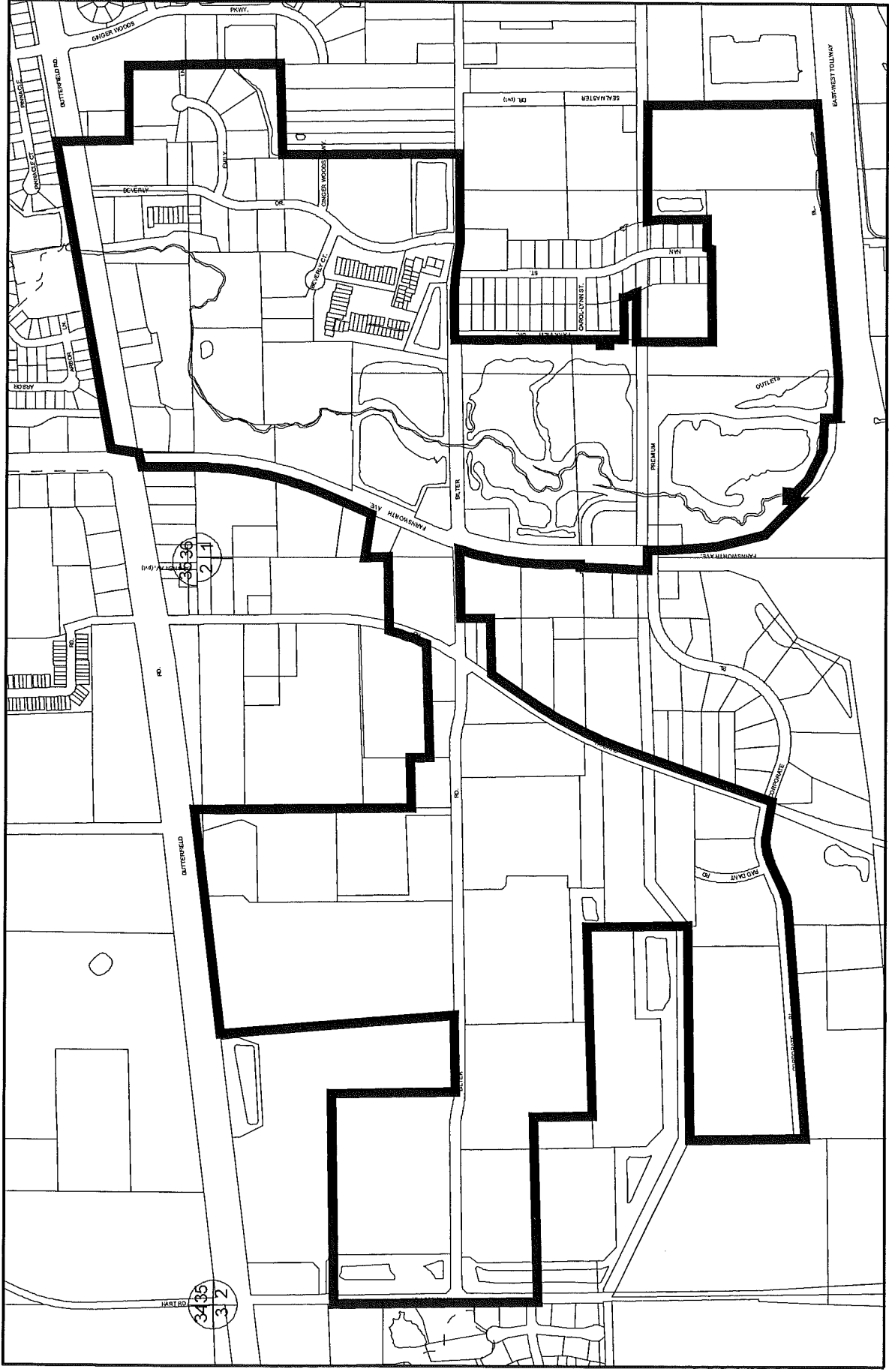
<u>Investment Categories</u>	<u>Investments</u>
Public Investment (<i>excluding interest and administrative costs</i>)	\$ 44,324,617
Private Investment	\$128,495,500
Total	\$172,820,117

V. Other Relevant Evaluation or Performance Data

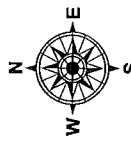
Other Performance Data	
<u>Metric</u>	<u>Equalized Assessed Valuation (EAV)</u>
2012 EAV	\$92,436,598
Base EAV	\$228,422

In addition to the valuation growth summarized above, the City has collected a significant amount of annual sales taxes associated with the outlet mall operation, estimated at \$6.75 million from both the local 1% distributive share and its home rule sales tax in 2013. Further, the outlet mall is scheduled for an expansion, and is expected to increase the sales tax collections described above.

Exhibit A
TIF Boundary Map



Prepared By: The City of Aurora MIS Div.



Not To Scale

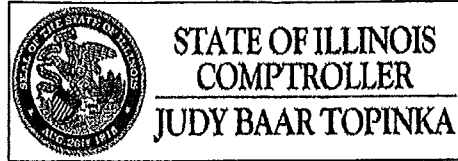
TIF #2

- Legend
- Parcels
 - TIF Districts
 - Section Corners
 - Railroads
 - Water Features
 - Paths

Exhibit B

Most Recent TIF Annual Report

**FY 2013
ANNUAL TAX INCREMENT FINANCE
REPORT**



Name of Municipality: City of Aurora Reporting Fiscal Year: **2013**
 County: Kane, DuPage, Kendall, & Will Fiscal Year End: **12/31/2013**
 Unit Code: 045/010/030

TIF Administrator Contact Information

First Name: Brian Last Name: Caputo
 Address: 44 East Downer Place Title: Chief Financial Officer/City Treasurer
 Telephone: (630) 256-3500 City: Aurora Zip: 60507
 Mobile _____ E-mail: findepartment@aurora-il.org
 Mobile _____ Best way to Email _____ Phone _____
 Provider _____ contact _____ Mobile _____ Mail _____

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of _____
 is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]
Brian A. Caputo 6/28/14
 Written signature of TIF Administrator Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT		
Name of Redevelopment Project Area	Date Designated	Date Terminated
TIF District #1 (Downtown)	12/2/1986	
X TIF District #2 (Farnsworth)	6/27/1989	12/31/2012
TIF District #3 (River City)	9/26/2000	
TIF District #4 (Bell-Gale)	3/22/2005	
TIF District #5 (West River Area)	4/24/2007	
TIF District #6 (East River Area)	4/24/2007	
TIF District #7 (West Farnsworth Area)	9/13/2011	
TIF District #8 (East Farnsworth Area)	9/13/2011	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2013

Name of Redevelopment Project Area:	TIF #2 (Farnsworth)
Primary Use of Redevelopment Project Area*:	Combination/Mixed
If "Combination/Mixed" List Component Types:	Retail/Comm/Indust
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)] If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		Included In Attachment K
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M		X

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

Fund Balance at Beginning of Reporting Period \$ (3,214,051)

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ 9,650,941	\$ 62,125,567	88%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 1,744	\$ 1,247,396	2%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 7,140,000	10%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (Recovery of Costs)	\$ 67,778	\$ 95,415	0%

*must be completed where 'Reporting Year' is populated

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 9,720,463

Cumulative Total Revenues/Cash Receipts \$ 70,608,378 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 4,756,832

Distribution of Surplus \$ 1,749,580

Total Expenditures/Disbursements \$ 6,506,412

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ 3,214,051

FUND BALANCE, END OF REPORTING PERIOD* \$ (0)

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Total Amount Designated (Carried forward from Section 3.3) \$ (0)

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
a) Legal Services	41,203	
b) Settlement Pursuant to Real Estate Assessment Compliant	500,000	
c) Auditing Services	1,660	
d) Bank Service Fees	1,079	
		\$ 543,942
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
a) 2501 Church Road (Property Taxes)	4,590	
b) 2501 Church Road (Refund of Excess Closing Costs)	(7,847)	
c) Church Road - Butterfield Road to Corporate Boulevard	100,910	
d) Farnsworth North Interconnect (Reverse Excess Expenditure Accrual)	(100,663)	
		\$ (3,010)
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)		
a) Acquisition Assistance and Interior Rehabilitation - 2570 Beverly Drive #100	52,500	
		\$ 52,500
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
a) Optical Fiber	2,284,562	
		\$ 2,284,562
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 4,756,832

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

FUND BALANCE, END OF REPORTING PERIOD

\$ (0)

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
None		

Total Amount Designated for Obligations

\$ - \$ -

2. Description of Project Costs to be Paid

None		

Total Amount Designated for Project Costs

\$ -

TOTAL AMOUNT DESIGNATED

\$ -

SURPLUS*/(DEFICIT)

\$ (0)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 **MUST BE INCLUDED** WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED **ONLY IF** PROJECTS ARE LISTED ON THESE PAGES

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			23
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 128,495,500	\$ -	\$ -
Public Investment Undertaken	\$ 44,324,617	\$ -	\$ -
Ratio of Private/Public Investment	2 89/99		0

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Mall Project			
Private Investment Undertaken (See Instructions)	\$ 69,000,000	\$ -	\$ -
Public Investment Undertaken	\$ 23,000,000	\$ -	\$ -
Ratio of Private/Public Investment	3		0

Project 2:

Extension of Biliter Road west of Church Road			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 1,316,533	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 3:

Reconstruction of Biliter Rd. - Church to Indian Creek			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 1,068,314	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 4:

Reconstruction of Biliter - Indian Creek to Sealmaster			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 2,041,659	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 5:

Extension of Biliter Road west to Mitchell Road			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 917,612	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 6:

Biliter Road and Farnsworth Avenue Signal			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 227,472	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 7:			
Farnsworth Ave & Butterfield Intersection			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 500,000	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 8:			
Corporate Boulevard west of Church Road			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 124,951	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 9:			
North Farnsworth Fiber Optic Loop			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 2,284,562	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 10:			
Church Rd - Butterfield Rd to Corporate Boulevard			
Private Investment Undertaken (See Instructions)	\$ 310,000	\$ -	\$ -
Public Investment Undertaken	\$ 3,721,936	\$ -	\$ -
Ratio of Private/Public Investment	1/12		0

Project 11:			
998 Corporate Boulevard/Coporate Technical Center			
Private Investment Undertaken (See Instructions)	\$ 2,550,000	\$ -	\$ -
Public Investment Undertaken	\$ 650,000	\$ -	\$ -
Ratio of Private/Public Investment	3 12/13		0

Project 12:			
2635 Church Road/Central DuPage Hospital			
Private Investment Undertaken (See Instructions)	\$ 9,000,000	\$ -	\$ -
Public Investment Undertaken	\$ 3,000,000	\$ -	\$ -
Ratio of Private/Public Investment	3		0

Project 13:			
1103 Butterfield Road/Windy City Distribution			
Private Investment Undertaken (See Instructions)	\$ 40,400,000	\$ -	\$ -
Public Investment Undertaken	\$ 3,960,000	\$ -	\$ -
Ratio of Private/Public Investment	10 20/99		0

Project 14:			
2760 Beverly Drive/APF Holdings			
Private Investment Undertaken (See Instructions)	\$ 494,000	\$ -	\$ -
Public Investment Undertaken	\$ 91,000	\$ -	\$ -
Ratio of Private/Public Investment	5 3/7		0

Project 15:			
2605 Beverly Drive/Beverly Cold Storage			
Private Investment Undertaken (See Instructions)	\$ 2,500,000	\$ -	\$ -
Public Investment Undertaken	\$ 360,000	\$ -	\$ -
Ratio of Private/Public Investment	6 17/18		0

Project 16:			
2570 Beverly Drive/UTG Investments			
Private Investment Undertaken (See Instructions)	\$ 585,000	\$ -	\$ -
Public Investment Undertaken	\$ 125,000	\$ -	\$ -
Ratio of Private/Public Investment	4 17/25		0
Project 17:			
1585 Beverly/D-Wing			
Private Investment Undertaken (See Instructions)	\$ 190,000	\$ -	\$ -
Public Investment Undertaken	\$ 26,030	\$ -	\$ -
Ratio of Private/Public Investment	7 3/10		0
Project 18:			
1558 Beverly Court/BLNB Holdings			
Private Investment Undertaken (See Instructions)	\$ 940,000	\$ -	\$ -
Public Investment Undertaken	\$ 155,000	\$ -	\$ -
Ratio of Private/Public Investment	6 2/31		0
Project 19:			
1585 Beverly Court/Apple Box Holdings			
Private Investment Undertaken (See Instructions)	\$ 565,000	\$ -	\$ -
Public Investment Undertaken	\$ 95,000	\$ -	\$ -
Ratio of Private/Public Investment	5 18/19		0
Project 20:			
2570 Beverly Court/Paw Paw Properties			
Private Investment Undertaken (See Instructions)	\$ 785,000	\$ -	\$ -
Public Investment Undertaken	\$ 153,000	\$ -	\$ -
Ratio of Private/Public Investment	5 3/23		0
Project 21:			
2570 Beverly Court/Konen Insurance			
Private Investment Undertaken (See Instructions)	\$ 725,000	\$ -	\$ -
Public Investment Undertaken	\$ 108,500	\$ -	\$ -
Ratio of Private/Public Investment	6 15/22		0
Project 22:			
1585 Beverly Court/Somers Peterson			
Private Investment Undertaken (See Instructions)	\$ 451,500	\$ -	\$ -
Public Investment Undertaken	\$ 88,500	\$ -	\$ -
Ratio of Private/Public Investment	5 6/59		0
Project 23:			
NE Corner of Bilter and Farnsworth/North Star			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ 309,548	\$ -	\$ -
Ratio of Private/Public Investment	0		0
Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 25:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of complete TIF report

SECTION 6

FY 2013

TIF NAME: Aurora TIF District #2 (Farnsworth)

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
1989	\$ 228,422	\$ 92,436,598

List all overlapping tax districts in the redevelopment project area. If overlapping taxing district received a surplus, list the surplus.

_____ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
City of Aurora	\$ 181,449
City of Aurora Public Library	\$ 25,748
County of Kane	\$ 41,038
Kane County Forest Preserve	\$ 26,831
Fox Metro Water Reclamation District	\$ -
Township of Aurora	\$ 19,055
Township of Aurora Road & Bridge District	\$ 8,712
Township of Batavia	\$ 141
Township of Batavia Road & Bridge District	\$ 73
Batavia School District #101	\$ 594,759
Waubonsee Community College District #516	\$ 48,433
Fox Valley Park District	\$ 53,516
Batavia Park District	\$ 245
(Does not incl. final pending surplus distrib.)	
Total	\$ 1,000,000

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
Unknown	800 to 1,000		\$ -
	(Since mall was created)		\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

Butterfield on n; Beverly (extended) on e; Interstate Route 88 on s; Mitchell on w.

Optional Documents	Enclosed
Legal description of redevelopment project area	Provided with 2001 Rpt.
Map of District	Provided with 1999 Rpt.



City of Aurora

ATTACHMENT B

Mayor's Office • 44 E. Downer Place • Aurora, Illinois 60507-2067
Phone (630) 256-3010 • Fax (630) 256-3019

Thomas J. Weisner
Mayor

TAX INCREMENT FINANCING DISTRICT #2 (FARNSWORTH AREA)

ANNUAL TIF REPORT

For the Fiscal Year Ended December 31, 2013

"Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year."

I, Thomas J. Weisner, the duly elected Chief Executive Officer of the City of Aurora, Counties of Kane, DuPage, Kendall, and Will, State of Illinois, and as such, do hereby certify that the City of Aurora has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year from January 1 through December 31, 2013.

6-26-14

Date

Thomas J. Weisner, Mayor
City of Aurora



City of Aurora

ATTACHMENT C

Law Department • 44 East Downer Place • Aurora, Illinois 60507-2067 • (630) 256-3060 • Fax (630) 256-3069

Corporation Counsel:
Alayne M. Weingartz

Assistant Corporation Counsel:
Blanca R. Dominguez

TAX INCREMENT FINANCING DISTRICT #2 (FARNSWORTH AREA)

ANNUAL TIF REPORT

For the Fiscal Year Ended December 31, 2013

"An opinion of legal counsel that the municipality is in compliance with this Act."

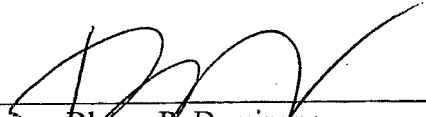
I, Blanca R. Dominguez, am the Assistant Corporation Counsel for the City of Aurora, Illinois.

I have reviewed all information provided to me by the City administration and staff, and I find that the City of Aurora, Illinois has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder to the best of my knowledge and belief.

This opinion relates only to the time period set forth, and is based upon all information available to me as of the end of said fiscal period.

6/27/14

Date


Blanca R. Dominguez
Assistant Corporation Counsel

**CITY OF AURORA, ILLINOIS
TAX INCREMENT FINANCING DISTRICT #2 (FARNSWORTH AREA)**

ANNUAL TIF REPORT

For the Fiscal Year Ended December 31, 2013

Statement of Activities

During the fiscal year ended December 31, 2013, the following activities took place in the City of Aurora Tax Increment Financing District #2:

Rehabilitation Projects.

<u>Address</u>	<u>Amount</u>
2570 Beverly Drive #100 - Konen Insurance (Final acquisition assistance/interior rehabilitation)	\$52,500
Total	<u>\$52,500</u>

**Tax Increment Financing District #2
Joint Review Board
Minutes of 2012 Annual Meeting
November 1, 2013
City Hall, 5th Floor**

Present: Brian Caputo, City of Aurora, Darla Cardine, Waubensee Community College, Bill Catching, Aurora Township, Kris Monn, Batavia School District, Jennifer Paprocki, Fox Valley Park District, Bill Wiet, City of Aurora

Absent: Jim Anderson, Batavia Township, Eva Luckinbill, Aurora Public Library, Thomas Muth, Fox Metro

Others Present: Kathy Leonard, Secretary, City of Aurora

City TIF Administrator Brian Caputo called the 2013 annual meeting to order at 9:18 a.m.

First order of business was to elect a Chairman for TIF #2. Mr. Bill Catching nominated Mr. Bill Wiet, second by Mr. Kris Monn. Mr. Wiet has been approved as Chairman by voice vote.

Summary of 2012 Annual Report for TIF District #2

Mr. Brian Caputo CFO City of Aurora and TIF Administrator reviewed the 2012 Annual Financial Report that the city submitted to the Illinois Comptroller.

- Opening balance was \$14,000,000 million and ending balance was negative (\$3,214,051) due to transfer of \$11.6 million to TIF #7 and \$4 million to TIF #8
- \$8.3 million property tax increment

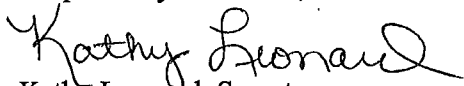
The current outstanding financial obligations of the TIF District #2 fund are:

- Paying the debt service on the Tax Increment Revenue Bonds for infrastructure projects

Mr. Caputo reported that TIF #2 is one of the most successful TIF's in the State of Illinois. The base equalized assessed valuation (EAV) in the district started at \$226,000 in 1989. As of 2012, the EAV is approximately \$86 million dollars.

Hearing no further business, the meeting adjourned at 9:45 a.m.

Respectfully submitted,



Kathy Leonard, Secretary
City of Aurora/Development Services Department

CITY OF AURORA, ILLINOIS
TAX INCREMENT FINANCING DISTRICT
NO. 2 (FARNSWORTH AREA) FUNDS

REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142

For the Year Ended
December 31, 2013

Prepared by the Finance Department

INDEPENDENT ACCOUNTANT'S REPORT



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Aurora, Illinois

We have examined management's assertion, included in its representation letter dated June 4, 2014 that the City of Aurora, Illinois (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2013. Management is responsible for the City's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with statutory requirements.

In our opinion, management's assertion that the City of Aurora complied with the aforementioned requirements for the year ended December 31, 2013 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Naperville, Illinois
June 4, 2014

A handwritten signature in black ink, appearing to read 'Bill 22P'.

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
City of Aurora, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Aurora, Illinois (the City) as of and for the year ended December 31, 2013, and the notes to financial statements, which collectively comprise the basic financial statements of the City and have issued our report thereon dated June 4, 2014, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information (schedule of revenues, expenditures, and changes in fund balance and schedule of fund balance by source for the Tax Increment Financing (TIF) District No. 2 (Farnsworth Area) Fund) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Naperville, Illinois
June 4, 2014

A handwritten signature in black ink, appearing to read 'Bill 20P'.

SUPPLEMENTARY INFORMATION

CITY OF AURORA, ILLINOIS

**TAX INCREMENT FINANCING DISTRICT
NO. 2 (FARNSWORTH AREA) FUNDS**

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE**

For the Year Ended December 31, 2013

	<u>TIF No. 2 Fund</u>
REVENUES	
Property Taxes	\$ 9,650,941
Recovery Of Costs	67,778
Investment Income	1,744
	<hr/>
Total Revenues	9,720,463
	<hr/>
EXPENDITURES	
Economic Development	
Surplus Distribution	1,749,580
Redevelopment Assistance	2,877,994
Debt Service	
Principal	1,775,000
Interest	103,838
	<hr/>
Total Expenditures	6,506,412
	<hr/>
NET CHANGE IN FUND BALANCE	3,214,051
	<hr/>
FUND BALANCE, JANUARY 1	(3,214,051)
	<hr/>
FUND BALANCE (DEFICIT), DECEMBER 31	\$ -
	<hr/> <hr/>

(See independent auditor's report on supplementary information.)

CITY OF AURORA, ILLINOIS
TAX INCREMENT FINANCING DISTRICT
NO. 2 (FARNSWORTH AREA) FUNDS
SCHEDULE OF FUND BALANCE BY SOURCE

For the Year Ended December 31, 2013

	TIF No. 2 Fund
BEGINNING BALANCE, JANUARY 1, 2013	\$ (3,214,051)
DEPOSITS	
Property Taxes	9,650,941
Recovery Of Costs	67,778
Investment Income	1,744
Total Deposits	9,720,463
Balance Plus Deposits	6,506,412
EXPENDITURES AND TRANSFERS	
Economic Development	
Surplus Distribution	1,749,580
Redevelopment Assistance	2,877,994
Debt Service	
Principal	1,775,000
Interest	103,838
Total expenditures and transfers	6,506,412
ENDING BALANCE, DECEMBER 31, 2013	\$ -
ENDING BALANCE BY SOURCE	
Property Tax	\$ -
Subtotal	-
Less Surplus Funds	-
ENDING BALANCE, DECEMBER 31, 2013	\$ -

(See independent auditor's report on supplementary information.)