

To: Thomas Weisner, Mayor, City of Aurora
From: David Hulseberg, President/CEO, Invest Aurora
Date: 9/19/2016
Re: 1245 Corporate Blvd – Aldi/OnLight Aurora Agreement

Overview Aldi purchased 1245 Corporate Blvd. in Aurora with the intent to relocate the organization's Information Technology department. The relocation will transfer 160 existing employees, with plans to add an additional 140 jobs in the next 1-5 years. Aldi has requested TIF funding to connect to Aurora's proprietary fiber network. OnLight Aurora, the not-for-profit agency that manages Aurora's fiber network, has agreed to extend fiber connection to 1245 Corporate Blvd. On October 13, 2015, the Invest Aurora board approved the original estimated grant request of \$110,000.

In August of 2016, Aldi signed a contract with OnLight Aurora (Attachment A) to extend the fiber connection and provide service to Aldi's building located at 1245 Corporate Blvd. The connection from the intersection to the Aldi location, as outlined in the OnLight Letter and Map (Attachment B), is estimated to cost \$93,450.

Use of TIF Funds The grant award of \$93,450 will be solely used to assist in the cost of extending Aurora's fiber network from the intersection at Church and Corporate Blvd. to Aldi's recently purchased building located at 1245 Corporate Blvd. This cost estimate is based the winning bid from Utility Dynamics Corporation (Attachment C), and consists of the following three components:

1. Fiber construction – \$56,200
2. The street cabinet and related equipment – \$30,250
3. Network hardware engineering and installation – \$7,000

Conditions As stated in the executed contract (Attachment A), Aldi agrees to use the network and subscribe to OnLight Aurora services for a period of no fewer than 5 years.

Recommendation Invest Aurora staff is supportive of utilizing TIF funds to act as a redevelopment catalyst. As the Invest Aurora board previously approved the original grant estimate of \$110,000, Invest Aurora recommends the approval of \$93,450 for this project.

Extending Aurora's fiber network to the property allows for the redevelopment and reuse of a currently vacant property. The relocation of Aldi's Information Technology department generates additional tax revenue for the City of Aurora, as well as creating an additional 140 job opportunities within the community.

In addition to Aldi, OnLight Aurora is currently in negotiation with to add a further 3 businesses to their network via this extension. Furthermore, the extension places OnLight Aurora in the position to offer services to any future development projects along the Farnsworth corridor. This resource offers an attractive incentive option for any future developers.



Aurora's Economic Development
Partnership

Attachments

- A. Aldi-OnLight Aurora Contract
- B. OnLight Aurora Letter and Map
- C. Utility Dynamics Corporation Quote