

Transformation Fund & Community & Economic Development Loan Program

December 9, 2025



HISTORY OF TRANSFORMATION FUND

In June of 2024, the City approved a Development Agreement with C1 Chicago, LLC which required a reimbursement of \$16,000,000 for City investment in infrastructure improvements in the area proximate to I-88 and Eola Rd that occurred in the early 2000's. The City received the funds as specified in the Development Agreement in mid-July of 2024.

24-0754 PROPOSED TO USE THESE FUNDS FOR:

- \$9 million for an economic development initiative fund for the Mayor's Office of Economic Development. (was never budgeted in 2025)
- \$1 million to be added to the Historic Preservation Program (was never budgeted in 2025)
- \$1 million to be for Façade replacement ((was never budgeted in 2025)
- \$5 million will be managed by Invest Aurora initially and be part of the efforts of the new consolidated economic development entity in the City. Now called the Aurora Regional Economic Alliance. These funds were proposed to be self-sustaining and require a financial report be published annually. **Council approved \$3 Million.**

TRANSFORMATION FUND REVENUES

	2024	2025	2026
Beginning Balance		\$13,000,000	
Original Proceeds	\$16,000,000		
Return of Payment to The Alliance			1,000,000*
Investment Income		\$223,105	\$200,000
Totals	\$16,000,000	223,105	1,200,000
Total Fund balance at end of year	\$16,000,000	\$7,387,929	\$0

*Used to subsidize ACCA

	2024	2025	2026
Payment to Alliance	\$3,000,000		
The Soul Spot (R25-108)		\$75,000	
7 South LLC (R24-185 7 S Broadway Vicolo)		\$282,694	\$544,400
UEP Aurora LLC (R25-085 2 N Broadwa- Wildflower)		\$142,100	\$307,900
Reimburse Gaming Tax for Bilter Road Properties		\$ 5,335,382	
Historic Preservation			\$1,000,000
Revolving Community & Economic Development Lending Program			\$6,585,629
Contractual Services (Strategic Planning)			\$150,000
Ending Balance	\$13,000,000	\$7,387,929	\$0

COMMUNITY & ECONOMIC DEVELOPMENT LENDING PROGRAM- REVOLVING LOAN PROGRAM



Economic Development & Small Business Compliance Loans

Special Service Area's Capital Improvement Loans

C-PACE and R-PACE Loans

ECONOMIC DEVELOPMENT & SMALL BUSINESS COMPLIANCE LOANS

Goal: Expand affordable capital to Aurora entrepreneurs and small businesses.

Loan Features:

- **Below-market interest rates**
- Flexible terms to meet business needs
- Revolving structure—**funds replenish as loans are repaid**

Proposed Eligible Uses:
Equipment and machinery
Inventory and working capital
Storefront improvements / façades
Business expansion & build-out
Getting building to code

SMALL BUSINESS REVOLVING LOAN FUND (IMPACT)

Expected Community Benefits:

- Increased business openings and expansions
- Support for Aurorans willing to invest in Aurora
- Strengthened commercial corridors
- Job creation and neighborhood stabilization
- Updated and code compliant businesses and buildings

SPECIAL SERVICE AREA'S CAPITAL IMPROVEMENT LOANS

Goal: Finance neighborhood infrastructure through Special Service Areas (SSAs). COA provides upfront capital → SSAs repay through their levy collections.

Possible Eligible Projects:

- Sound walls
- Streetscape upgrades
- Beautification projects
- Lighting & safety infrastructure
- Neighborhood identity / placemaking

Why This Works:

SSA levies create **stable, predictable repayment streams**, making this a low-risk lending portfolio.

SSA CAPITAL IMPROVEMENT LOAN FUND (IMPACT)

Community Benefits:

- SSAs complete major capital projects **with less cost to taxpayer**
- Improved livability and walkability
- Enhanced property values = Increased EAV
- Strengthens neighborhoods while reducing financial burden on the residents.

COMMERCIAL PACE (C-PACE) LOAN FUND

Goal: Help commercial property owners reduce energy costs and modernize buildings.

Repayment Structure: Loans are repaid as **property assessments—very low default rates.**

Eligible Projects: Solar installations, HVAC modernization, energy-efficiency retrofits, water conservation upgrades, high-efficiency lighting, and new builds with high levels of energy efficiency.

Borrower Benefits: Long-term, low-interest financing, cost savings exceed loan payments in many cases (“cash-flow positive”)

City Benefits: Upgraded commercial properties with less energy use and lower-cost to end user, strengthens aging commercial corridors through modernization, increased EAV.

RESIDENTIAL PACE (R-PACE) LOAN FUND

Goal: Expand clean-energy access for homeowners while reducing utility burden.

Eligible Projects: residential solar, weatherization and insulation, energy-efficient windows/doors, high-efficiency HVAC, and new passive house construction

Why It Matters: Allows homeowners, especially those in older homes, to make upgrades that reduce costs and increase comfort increasing aging-in-place. Cost savings for those investing in building net zero homes, and increased EAV.

RESIDENTIAL PACE LOAN FUND (IMPACT)

Community Benefits:

- Lower household utility bills
- More affordable, cleaner, more resilient housing stock
- Increased home value & neighborhood stability
- Allows participation in the clean-energy transition without upfront capital

LENDING PROGRAM STRENGTHS

Collectively, the four programs:

- Recycle capital back into Aurora
- Strengthen small business growth
- Support neighborhood revitalization
- Reduce home heating and cooling costs for residents and businesses
- Promote equity by increasing access to fair, affordable financing
- Increased residential and commercial EAV

LOW RISK

**SUSTAINABLE
GROWTH**

**SELF-
REPLINISHING**

Questions?

