



**CITY OF AURORA
REDEVELOPMENT PLAN AND PROJECT
DOWNTOWN TIF 9 (STOLP AVENUE – DOWNTOWN AREA)**

“Redevelopment Plan” means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a “conservation area” and thereby to enhance the tax bases of the taxing districts which extend into the project area as set forth in the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et.seq., as amended.

*Prepared by the City of Aurora, Illinois
in conjunction with
Kane, McKenna and Associates, Inc.*

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EXHIBITS

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I. INTRODUCTION

The City of Aurora (the “City”) is a community located in DuPage, Kane, Kendall and Will Counties, approximately forty (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 proximate to major access points and regional land uses (the Fox River, State Highway 31, Interstate I-88).

The City was incorporated in 1857. The municipality developed from a river town in the 1800’s to a community that contains retailing, office, research and development, manufacturing, distribution and entertainment with an estimated 201,110 people according to Census data reported in 2016. Up until the onset of the highway system, when the emphasis on rail transport moved to roadway transportation, the City has historically been one of the largest commercial and industrial communities in the State of Illinois, producing thousands of manufacturing jobs and preserving the industrial tax base for the City and other taxing districts. Today, however, many of the businesses have moved out of the downtown area, closer to highway access with more room available for outward growth and expansion.

The City’s overall population growth of the past two decades has slowed with the current population just under 200,000. Consequently, the City finds itself in a competitive market for the attraction of commercial and mixed use developments. As a result, there is a focus on previously developed areas where underutilized conditions exist and where redevelopment activities can take place. The City has identified the area commonly known as Stolp Island, bordered by Galena Blvd. on the north and Downer Place on the south and bracketed by the Fox River on the east and Stolp Ave on the west as a location for redevelopment of the Paramount Theatre and adjoining buildings as will be described later in this plan. It is believed that this redevelopment will attract new revenue generating entities to the City and will thus diversify and increase the City’s tax base.

The City of Aurora adopted its Comprehensive Plan in 1966 (and amended it in 1984), which was intended to guide Aurora’s evolution and development. Since then, the City has amended that plan once. For purposes of establishing a Tax Increment Financing District (the “TIF”), otherwise known as a Redevelopment Project Area (“RPA”) the City is completing this Redevelopment Plan and Project (the “Plan”) as required by the Tax Increment Allocation Redevelopment Act, (the “Act”) 65 ILCS 5/11-74.4-1, et. seq., as amended. The Act has been established to assist Illinois municipalities “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)).

In the context of planning for the proposed RPA within the boundaries, as described, the City has authorized the study of the Plan within the proposed boundaries to determine whether it qualifies for consideration as a TIF district. Kane, McKenna and Associates, Inc. (“KMA”), has agreed to undertake the study of the RPA. This Plan contains the results of KMA’s initial study. Based on this study, KMA is prepared to make conditional recommendations for the establishment of a TIF district, which would need to be supplemented by review and approval of City staff and officials.

By definition, a "Redevelopment plan" means the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "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 Act.

As a result of KMA's evaluation of each parcel in the TIF district, but based on the area as a whole, an analysis of each of the TIF eligibility were reviewed and the City has determined that the RPA qualifies as a "conservation area" for an improved property area, according to definitions described in the Act.

The RPA includes portions of the City's Downtown area generally bordered by Galena Boulevard to the northeast, the Fox River to the southeast, Downer Place to the southwest, and Stolp Avenue to the northwest. The area is located in the Stolp Island mixed use neighborhood "which is the home of nationally recognized entertainment and dining venues that are just steps away from a variety of government services and commercial businesses located in beautifully restored historic buildings and cutting edge new facilities" according to the Seize the Future: A Master Plan for Downtown Aurora, Illinois.

The Redevelopment Plan

The City recognizes the need for a strategy to revitalize properties and promote development within the boundaries of the RPA. The needed private investment may only be possible if a TIF district is adopted pursuant to the terms of the Act. Incremental property tax revenue generated by the development will play a decisive role in encouraging private development. Site conditions that may have precluded intensive private investment in the past will be eliminated. Ultimately, the implementation of the Plan will benefit both the City and surrounding taxing districts, by virtue of the expected expansion of the tax base. The City does not anticipate that area as a whole would be developed in a coordinated manner without the adoption of the TIF Redevelopment Plan. The City, with the assistance of KMA, has therefore commissioned this Plan to use tax increment financing in order to address local needs and to meet redevelopment goals and objectives.

The adoption of this Plan makes possible the implementation of a comprehensive program for the economic redevelopment of the area. By means of public investment, the RPA will become a more viable area that will attract private investment. The public investment will lay the foundation for the redevelopment of the area with private capital. This in turn will set the stage for future retail, commercial and retail/residential/mixed use opportunities surrounding the area.

The Redevelopment Plan and Project allows the City to continue to address area deficiencies including (but not limited to):

- Establishing a pattern of land-use activities that will increase efficiency and economic relationships, especially as such uses complement adjacent downtown commercial, retail, recreational, residential and other City redevelopments;
- Provision of roadway and traffic improvements within the area;
- Entering into redevelopment agreements in order to include the redevelopment of underutilized property and/or to induce new development to locate within the RPA;
- Coordinating land assembly in order to provide sites for more modern redevelopment plans;
- Providing infrastructure that is adequate in relation to redevelopment plans;
- Providing adequate parking improvements, including the coordination of grade and above-grade improvements; and
- Providing for the rehabilitation and improvements of existing structures.

Through this Plan, the City will serve as the central influence for the coordination and assembly of the assets and investments of the private sector and establish a unified, cooperative public-private redevelopment effort. Several benefits are expected to accrue to the area: entry of new businesses; new employment opportunities; and physical and aesthetic improvements. Ultimately, the

implementation of the Plan will benefit (a) the City, (b) the taxing districts serving the RPA, (c) property owners within the RPA, and (d) existing and new businesses.

The City, through legislative actions as required by the Act, finds:

- That the RPA as a whole has not been subject to growth and development through investment by private enterprise;
- That in order to promote and protect the health, safety, and welfare of the public, certain conditions that have adversely affected redevelopment within the RPA need to be addressed, and that redevelopment of such areas must be undertaken;
- To alleviate the adverse conditions, it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of certain areas;
- That public/private partnerships are determined to be necessary in order to achieve development goals;
- That without the development focus and resources provided for under the Act and as set forth in this Plan, growth and development would not reasonably be expected to be achieved;
- That the use of incremental tax revenues derived from the tax rates of various taxing districts in the RPA for the payment of redevelopment project costs is of benefit to the taxing districts, because the taxing districts would not derive the benefits of an increased assessment base without addressing the coordination of redevelopment; and

The redevelopment activities that will take place within the RPA will produce benefits that are reasonably distributed throughout the RPA. Redevelopment of the RPA area is tenable only if a portion of the improvements and other costs are funded by TIF.

Pursuant to the Act, the RPA includes only those contiguous parcels of real property and improvements thereon substantially benefited by the redevelopment project. Also pursuant to the Act, the area in the aggregate is more than 1½ acres. A boundary map of the RPA is included in Appendix 2 of this Plan.

II. REDEVELOPMENT PROJECT AREA LEGAL DESCRIPTION

The legal description for the RPA is attached in Exhibit 1.

III. REDEVELOPMENT PROJECT AREA GOALS AND OBJECTIVES

The following goals and objectives are in accordance with the Redevelopment Plan and Project, the City's Comprehensive Plan, as amended, as well as various planning efforts associated with the Downtown area and adjacent Fox River related initiatives.

General Goals of the City

- 1) To provide for implementation of economic development and redevelopment strategies that benefits the City and its residents.
- 2) To provide public infrastructure improvements within the RPA to promote growth.
- 3) To encourage positive and feasible redevelopment of underutilized sites and/or underutilized facilities.
- 4) To strengthen the property tax base of the City and overlapping tax districts.
- 5) To create new jobs and retain existing jobs for City and area residents.
- 6) To coordinate all redevelopment within the City in a comprehensive manner, avoiding land use conflicts and negative community impacts with attracted users.
- 7) To create a cooperative partnership between City and proposed development entities.
- 8) To encourage redevelopment that provides entertainment facilities and mixed use redevelopment to the Downtown Area.

Objectives for the RPA

In addition to the general goals set forth above, the City has the following objectives for the RPA:

- 1) Conserve and enhance the Paramount Theatre.
- 2) Provide commercial, entertainment, recreational, mixed use, and retail/commercial facilities that complement the existing adjacent downtown amenities.
- 3) Enhance the necessary infrastructure and related public improvements in order to serve the parcels, improve access to the parcels and provide for parking upgrades.
- 4) Provide for the necessary site preparation, grading, and excavation (if necessary) of property located within the RPA.
- 5) Coordinate redevelopment activities within the RPA in a manner that conforms with the fiscal and economic development policies of the City and its common interests with overlapping tax districts.
- 6) Identify viable reuse opportunities for existing structures and for parcels within the RPA.
- 7) Coordinate riverfront and riverwalk improvements in order to integrate such improvements with Downtown redevelopment activities.

Redevelopment Objectives

The Redevelopment activities undertaken as part of the Redevelopment Plan and Project, allow the City to:

- a) Assist in coordinating redevelopment activities within the RPA in order to provide a positive marketplace signal;
- b) Reduce or eliminate negative factors present within the area;
- c) Accomplish redevelopment over a reasonable time period;
- d) Provide for quality development within the RPA; and
- e) Provide for an attractive overall appearance of the RPA.

The implementation of the Redevelopment Plan and Project, will serve to improve the physical appearance of the RPA and contribute to the economic development of the area.

IV. EVIDENCE OF THE LACK OF DEVELOPMENT AND GROWTH WITHIN THE RPA AND ASSESSMENT OF FISCAL IMPACT ON AFFECTED TAXING DISTRICTS

A. Evidence of the Lack of Development and Growth Within the RPA

As documented in Appendix 5 of this Plan, the RPA has suffered from the lack of development and would qualify as a conservation area. In recent years, the area has not benefited from sustained private investment and/or development, instead suffering economic decline. Absent intervention by the City, properties within the RPA would not be subject to redevelopment.

The proposed RPA exhibits various conditions which, if not addressed by the City, would eventually result in blight. For example, structures and site improvements reflect excessive vacancies and obsolescence. These various conditions discourage private sector investment in business enterprises.

B. Assessment of Fiscal Impact on Affected Taxing Districts

It is anticipated that the implementation of this Redevelopment Plan and Project will not have a negative financial impact on the affected taxing districts. Instead, the action taken by the City to stabilize and encourage growth of its tax base through the implementation of this Amendment will have a positive impact on the affected taxing districts by arresting inflation adjusted declines in assessed valuations.

This strategy will encourage and promote growth via private investment within the area and is geared to stabilize the RPA's existing strengths and revitalize 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 (as long as those funds are not already obligated to the TIF), to assist affected taxing districts in paying the costs for the increased services.

Any surplus Special Tax Allocation Funds, to the extent any surplus exists, will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts, including the City, after all TIF eligible costs either expended or incurred as an obligation by the City have been duly accounted for through administration of the Special Tax Allocation Fund established by the City as provided by the Act. The exception to this provision will be to the extent that the City utilizes TIF funding to assist in the redevelopment of residential units. In such cases, the City will provide for the cost incurred by eligible school districts in the manner prescribed by 65 ILCS Section 5/11-74.4.3(q)(7.5) of the Act.

V. TIF QUALIFICATION FACTORS EXISTING IN THE REDEVELOPMENT PROJECT AREA

Findings and Eligibility Study

The RPA was studied to determine its qualifications under the Tax Increment Allocation Redevelopment Act. It was determined that the area as a whole qualifies as a TIF district under the Act. Refer to the TIF Qualification Report, attached as Appendix 5 in this Plan.

Representatives of KMA and City staff evaluated the RPA from April 2017 to the date of this Plan. Analysis was aided by certain reports obtained from the City, reports from City engineering consultants, Township Assessor, Kane County data, on-site due diligence, site surveys of the area and other sources. In KMA's evaluation, only information was recorded which would help assess the eligibility of the proposed area as a TIF District.

VI. HOUSING IMPACT STUDY FINDINGS IN THE REDEVELOPMENT PROJECT AREA

Findings

It is found, and certified by the City, in connection to the process required for the adoption of this Plan pursuant to the Act, that the projected redevelopment of the RPA would not result in the displacement of ten (10) inhabited residential units or more, and that the RPA contains fewer than seventy-five (75) inhabited residential units. Therefore, this Plan does not include a Housing Impact Study.

VII. REDEVELOPMENT PROJECT

A. Redevelopment Plan and Project Objectives

The City proposes to realize its goals and objectives of encouraging the development of the RPA and encouraging private investment through public finance techniques including, but not limited to, tax increment financing. These objectives are consistent with the Redevelopment Plan and Project.

- 1) By implementing a plan that provides for the retention, rehabilitation, reconstruction and expansion of existing businesses (including the Paramount Theatre), and the attraction of users to redevelop buildings that are available within the RPA.
- 2) By constructing public improvements which may include (if necessary):
 - i. Street and sidewalk improvements (including new street construction and widening of current streets)
 - ii. Utility improvements (including, but not limited to, water, stormwater management, and sanitary sewer projects consisting of construction and rehabilitation)
 - iii. Signalization, traffic control and lighting
 - iv. Off-street parking (if applicable)
 - v. Landscaping and beautification
 - vi. Riverfront and Riverwalk related improvements
- 3) By entering into Redevelopment Agreements with developers for qualified redevelopment projects, including (but not limited to) the provision of interest rate subsidy as allowed under the Act.
- 4) By providing for site preparation, clearance, and demolition, including grading and excavation and land acquisition.
- 5) By the redevelopment of certain viable existing building inventory through necessary rehabilitation and improvement of structures.
- 6) Exploration and review of job training programs in coordination with any City, federal, state, and county programs.

B. Redevelopment Activities

Pursuant to the foregoing objectives, the City will implement a coordinated program of actions, including, but not limited to, acquisition, site preparation, clearance, demolition, provision of public infrastructure and related public improvements, construction, rehabilitation, reconstruction, remodeling and repair of structures, if necessary.

Site Preparation, Clearance, and Demolition

Property within the RPA may be acquired and improved through the use of site clearance, excavation, environmental remediation or demolition prior to redevelopment. The land may also be graded and cleared prior to redevelopment.

Land Assembly and Relocation

Certain properties in the RPA may be acquired, assembled and reconfigured into appropriate redevelopment sites. Relocation assistance for any business will be on a case by case basis.

Public Improvements

The City may provide public improvements in the RPA to enhance the immediate area and support the Redevelopment Plan and Project. Appropriate public improvements may include, but are not limited to:

- Improvements and/or construction of public utilities including extension of water mains as well as sanitary and storm sewer systems; and
- Beautification, identification markers, landscaping, lighting, and signage of public right-of-ways; and
- Parking structures and/or parking improvements.

Construction and Rehabilitation

The City may provide for the construction, reconstruction, repair, remodeling and rehabilitation of certain viable structures within the RPA in order to provide for the redevelopment of the area and conformance to City code provisions. Improvements may include exterior and façade related work as well as interior related work.

Interest Rate Write-Down

The City may enter into agreements with 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.

Job Training

The City may assist facilities and enterprises located within the RPA in obtaining job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to:

- Federal programs;
- State of Illinois programs;
- Applicable local vocational educational programs, including community college sponsored programs;
- Other federal, state, county or non-profit programs that are currently available or will be developed and initiated over time;

School Tuition

- The City may fund necessary school tuition payments pursuant to the Act.

C. General Land Use Plan

Existing land use consists of a mix of Institutional, recreational, commercial, retail and residential uses. Existing land uses are shown in Exhibit 3, attached hereto and made a part of the Redevelopment Plan and Project. Exhibit 5, attached hereto and made a part of the Redevelopment Plan and Project, designates intended general land uses in the Redevelopment Project Area that include mixed uses including institutional, commercial, residential, recreational and retail. The proposed land uses will conform to the Zoning Ordinance and the comprehensive planning process of the City of Aurora as either may be amended from time to time.

D. Additional Design and Control Standards for Community Development in the City of Aurora

The appropriate design controls, as set forth in the City's Zoning Ordinance shall apply to the Redevelopment Plan and Project.

E. Estimated Redevelopment Project Costs

Redevelopment project costs mean and include the sum total 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 “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: 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. 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. 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. 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 91st 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. 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 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. 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. 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. 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. 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 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 with regard 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. 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.
16. Unless explicitly stated herein the costs of construction of new privately owned buildings shall not be an eligible redevelopment project cost;
17. 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;
18. 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 on the next page. Adjustments to these cost items may be made without amendment to the Redevelopment Plan and Project.

**CITY OF AURORA
PROPOSED STOLP AVENUE DOWNTOWN (TIF 9)
ESTIMATED PROJECT COSTS**

| <u>Program Actions/Improvements</u> | <u>Estimated Costs (A)</u> |
|--|----------------------------|
| 1. Land Acquisition, Assembly Costs, Demolition, and Relocation Costs | \$ 1,000,000 |
| 2. Site Preparation (including related geo-technical costs), Environmental Cleanup, and Related Costs | \$ 1,000,000 |
| 3. Utility Improvements including, but not limited to, water, storm, sanitary sewer, the service of public facilities, and road improvements | \$ 1,000,000 |
| 4. Building Rehabilitation and Development/Public facilities including but not limited to parking improvements and Taxing District Capital Costs pursuant to the Act | \$ 8,000,000 |
| 5. Interest Costs Pursuant to the Act | \$ 500,000 |
| 6. Planning, Legal, Engineering, Administrative and Other Professional Service Costs | \$ 800,000 |
| 7. Job Training | \$ 500,000 |
| 8. School Tuition Payments (related to residential redevelopment projects per the TIF Act) | <u>\$ 500,000</u> |
| TOTAL ESTIMATED PROJECT COSTS | <u>\$13,300,000</u> |

(A) All project cost estimates are in year 2018 dollars. In addition to the above stated costs, any bonds issued to finance a phase of the Project may include an amount sufficient to pay customary and reasonable charges associated with the issuance of such obligations as well as to provide for annual interest payments, capitalized interest and reasonably required reserves. Adjustments to the estimated line item costs above are expected. 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 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 Proposed RPA, provided the total amount of payment for Eligible Redevelopment Project Costs shall not exceed the overall budget amount outlined above. Adjustments may be made in line items within the total, either increasing or decreasing line item costs for redevelopment.

F. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for public improvements and other project costs eligible under the Act are to be derived principally from property tax increment revenues, proceeds from municipal obligations to be retired primarily with tax increment revenues and interest earned on resources available but not immediately needed for the Redevelopment Plan and Project. The State’s portion and the City’s portion of sales tax increments from the project area may also be used as a source of funds.

“Redevelopment Project Costs” specifically contemplate those eligible costs set forth in the Act and do not contemplate the preponderance of the costs to redevelop the area. The majority of development costs will be privately financed, and TIF or other public sources are to be used, subject to approval by the City Council, only to leverage and commit private redevelopment activity.

The tax increment revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs shall be 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 initial base 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, gaming taxes, and such other sources of funds and revenues as the City may from time to time deem appropriate, including tax increment revenues from contiguous TIF districts. The City may also utilize revenues from the Stolp Avenue-Downtown TIF district to pay eligible redevelopment project costs in contiguous TIF districts, all as provided for in the Act.

The Redevelopment Project Area would not reasonably be expected to be developed in a coordinated manner without the use of the incremental revenues provided by the Act.

G. Nature and Term of Obligations to be Issued

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 power pursuant to the Illinois State Constitution.

The City may, by ordinance, in addition to obligations secured by the Special Tax Allocation Fund provided by law, pledge for a period not greater than the term of the obligations any part of any combination of the following: net revenues of all or part of the redevelopment project; taxes levied and collected on any or all property in the municipality; the full faith and credit of the municipality; a mortgage on part or all of the redevelopment project; any other taxes or anticipated receipts that the municipality may lawfully pledge.

Certain legislation related to sales tax TIFs permits municipalities to capture the municipal and State share of sales tax increments generated from the redevelopment area to cover redevelopment project costs. Only sales tax increments generated from new commercial development are calculated in the redevelopment project area revenues stream. The City does adhere to those procedures and limitations set forth by the law.

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 (23) years, as amended and provided for by the Act, from the date of adoption of the ordinance approving the Redevelopment Project Area. However, the final maturity date of any obligations issued pursuant to the Act may not be later than twenty (20) 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, 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 and any City intergovernmental agreements then in effect.

Such securities may be issued on either a taxable or tax-exempt basis, as general obligation or revenue bonds, 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.

H. Most Recent Equalized Assessed Valuation (EAV) of Properties in the Redevelopment Project Area

The base equalized assessed valuation (EAV) for 2017 of the property within the RPA was approximately \$274,629, as certified by the Kane County Clerk. The Boundary Map, Exhibit 2, shows the location of the RPA.

I. Anticipated Equalized Assessed Valuation (EAV)

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty three (23) year period, it is estimated that the equalized assessed valuation (EAV) of the property within the Redevelopment Project Area will be approximately \$5,500,000 to \$6,500,000.

VIII. DESCRIPTION AND SCHEDULING OF REDEVELOPMENT PROJECT

A. Redevelopment Project

An implementation strategy will be employed with full consideration given to the availability of both public and private funding. It is anticipated that a phased redevelopment will be undertaken over the term of the RPA including multiple redevelopment projects. Redevelopment project costs potentially funded by TIF revenues would complement or leverage privately funded redevelopment costs. The cost items listed below are eligible TIF funded costs that could be funded by the City.

The Redevelopment Project may begin with Public Project or as soon as the 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, the following activities may be included in each phase:

Land Assembly: Certain properties in the RPA may be acquired and assembled into an appropriate redevelopment site.

Demolition and Site Preparation: The existing improvements located within the RPA may have to be reconfigured or prepared to accommodate new uses or expansion plans. Demolition of parcels may be necessary for future projects. Additionally, the redevelopment plan contemplates site preparation, or other requirements necessary to prepare the site for desired redevelopment projects.

Landscaping/Buffering/Streetscaping: The City may fund certain landscaping projects, which serve to beautify public properties or rights-of-way and provide buffering between land uses.

Water, Sanitary Sewer, Storm Sewer and Other Utility Improvements: Certain utilities may be extended or re-routed to serve or accommodate the new development. Upgrading of existing utilities may be undertaken. The provision of necessary detention or retention ponds may also be undertaken by the City.

Riverfront/Roadway/Street/Parking Improvements: Widening of existing road improvements and/or vacation of roads may be undertaken by the City. Certain secondary streets/roads may be extended or constructed. Related curb, gutter, and paving improvements could also be constructed as needed. Parking facilities may be constructed that would be available to the general public. Public improvement to the existing riverfront area may also be undertaken by the City.

Utility services may also be provided or relocated in order to accommodate the renovation or expansion of buildings.

Traffic Control/Signalization: Traffic control or signalization improvements that improve access to the RPA and enhance its redevelopment may be constructed.

Rehabilitation: The City may fund certain rehabilitation costs of buildings located within the RPA.

Public Safety Related Infrastructure: Certain public safety improvements including, but not limited to, public signage, public facilities, and streetlights may be constructed or implemented.

Interest Cost Reimbursement: The City may fund certain interest costs incurred by a developer for construction, renovation or rehabilitation of a redevelopment project. Such funding would be paid for out of annual tax increment revenue generated from the RPA as allowed under the Act.

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.

School Tuition: The City may fund necessary school tuition payments pursuant to the Act.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the City and any private developers after the effective date of this Redevelopment Plan and Project, both 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 handicaps. 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, any public/private 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, with specific attention to minority and/or female individuals.

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 and Retirement of Obligations to Finance Redevelopment Costs

The City has obtained an extension to the term of the Redevelopment Plan and Project pursuant to an amendment of the Act. All obligations issued by the City pursuant to the Redevelopment Plan and Project shall be retired within twenty three (23) years after the date of the initial adoption of the Original Plan.

The actual date for such completion and 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 23rd calendar year after the year in which the ordinance approving the RPA was adopted.

IX. PROVISIONS FOR AMENDING THE TAX INCREMENT REDEVELOPMENT PLAN AND PROJECT

The Redevelopment Plan and Project may be further amended pursuant to the provisions of the Act.

EXHIBIT 1

LEGAL DESCRIPTION

THAT PART OF SECTION 22, TOWNSHIP 38 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN IN THE CITY OF AURORA, KANE COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEASTERLY CORNER OF EAST GALENA BOULEVARD AND STOLP AVENUE; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID STOLP AVENUE TO THE NORTHEAST CORNER OF STOLP AVENUE AND DOWNER PLACE; THENCE EASTERLY ALONG THE NORTH LINE OF DOWNER PLACE TO THE WEST BANK OF THE FOX RIVER; THENCE NORTH ALONG THE WEST BANK OF THE FOX RIVER TO THE SOUTH LINE OF EAST GALENA BOULEVARD; THENCE WEST ALONG THE SOUTH LINE OF EAST GALENA BOULEVARD TO THE POINT OF BEGINNING.

EXHIBIT 2

BOUNDARY MAP

Exhibit 2 - Boundary Map

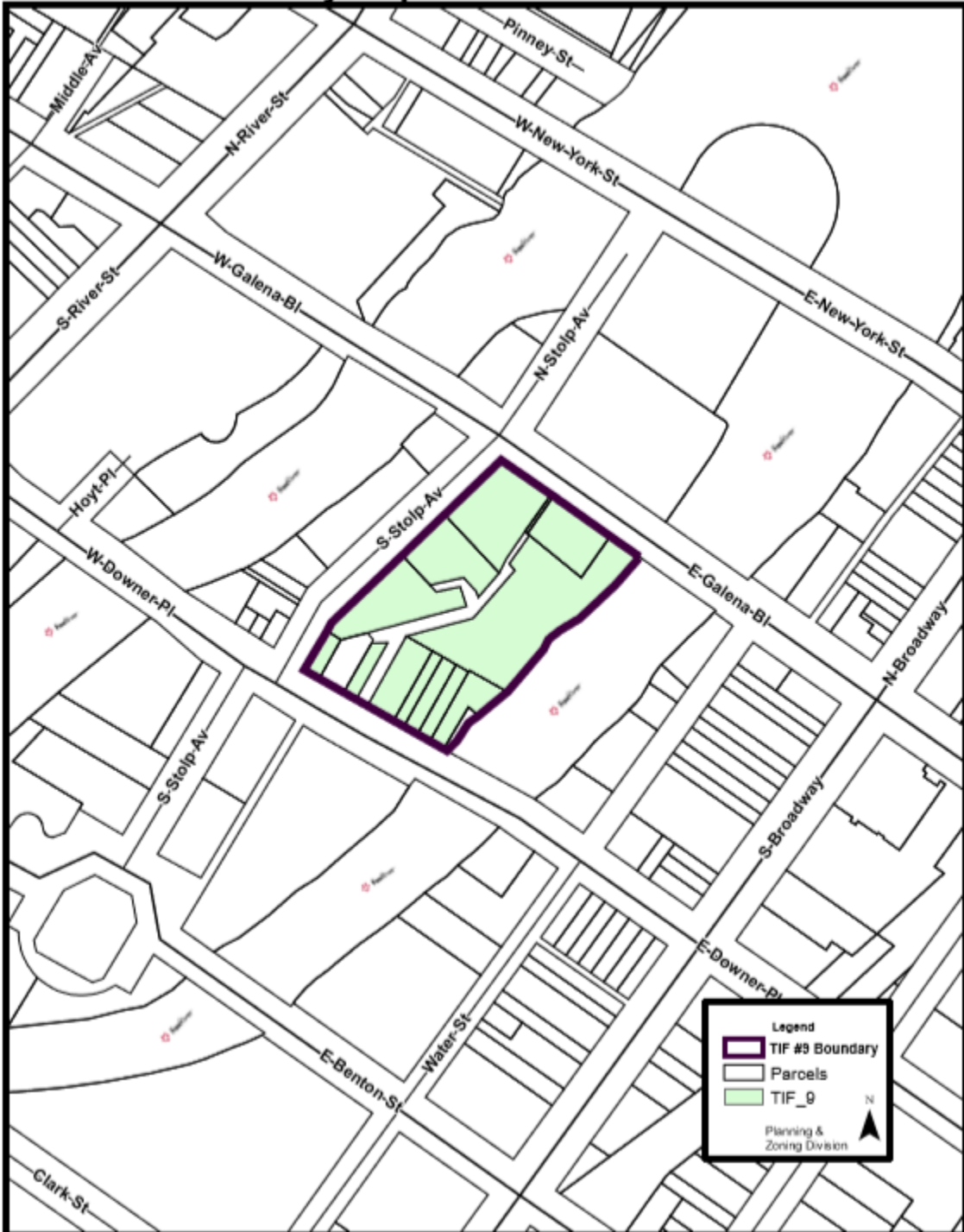


EXHIBIT 3

EXISTING LAND USE MAP

Exhibit 3 - Existing Land Use

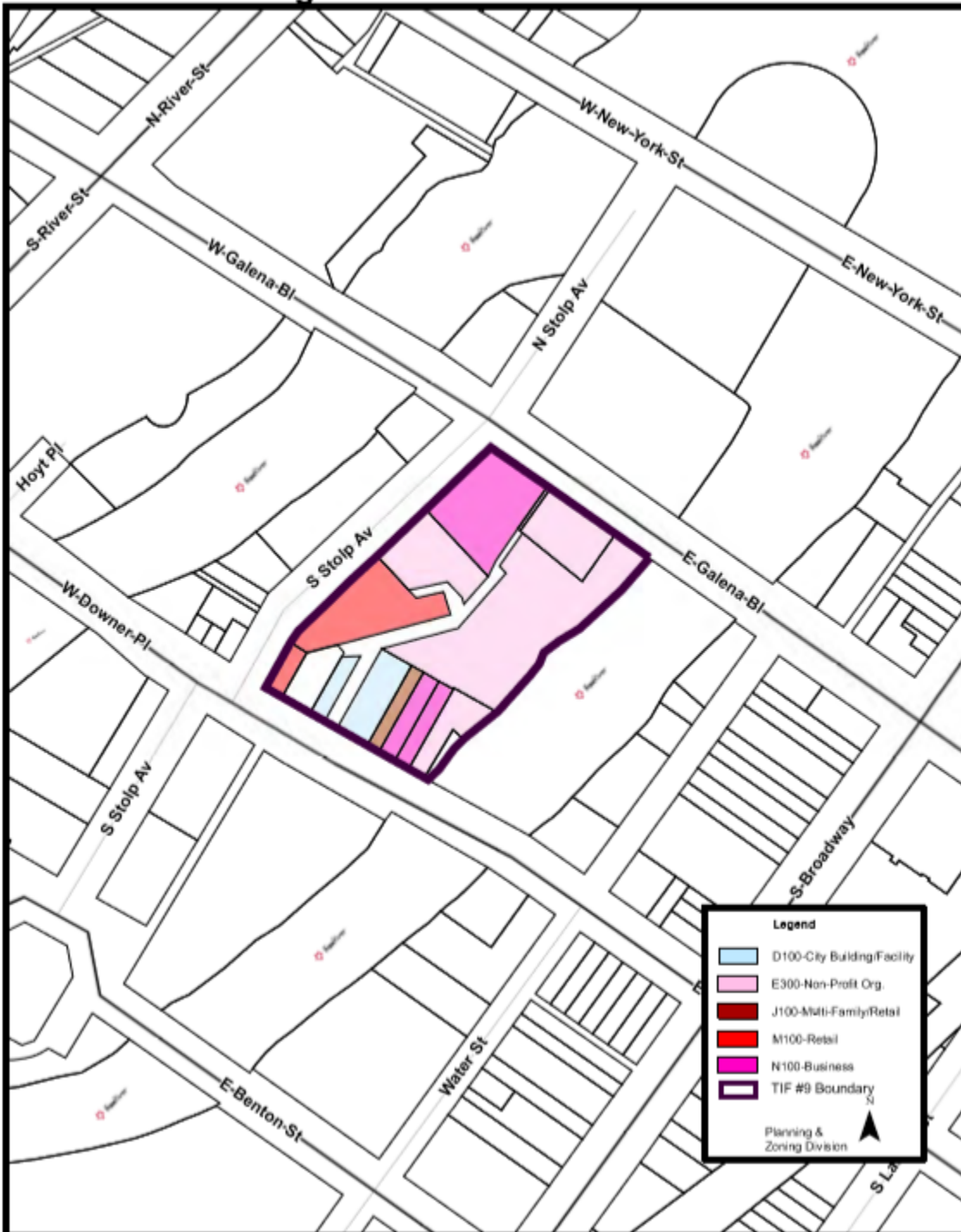


EXHIBIT 4

PROPOSED LAND USE MAP

Exhibit 4 - Proposed Land Use

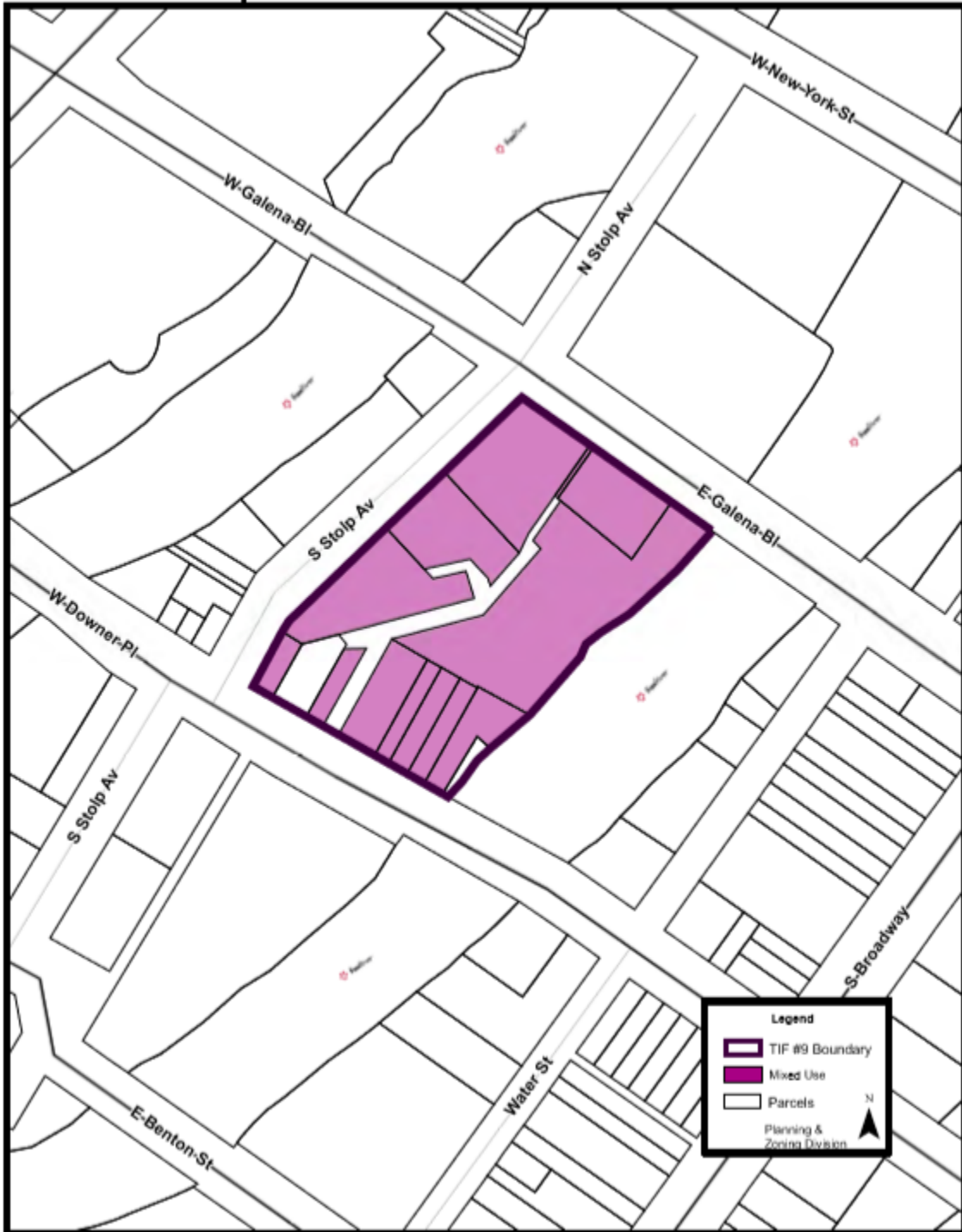


EXHIBIT 5

QUALIFICATION REPORT

City of Aurora, Illinois
Proposed TIF 9 Mixed Use Project
Projected Incremental Taxes

Levy Year: 2019 2020 2021 2022 2023 2024 2025 2026 2027

| Component Name | Project Description | Occupancy Date | Sq. Ft./ # Units | Market Value Sq. Ft./Unit | TIF Designated | Yr. 1 | Yr. 2 | Yr. 3 | Yr. 4 | Yr. 5 | Yr. 6 | Yr. 7 | Yr. 8 |
|---------------------------------------|---|----------------|------------------|---------------------------|----------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 1 | Residential Apartments | 07 01 19 | 38 | 35,000.00 | 221,664 | 443,329 | 446,979 | 456,729 | 463,579 | 470,533 | 477,591 | 484,756 | 492,026 |
| 2 | First Floor Commercial | 07 01 19 | 4,350 | 45.00 | 32,625 | 65,249 | 66,228 | 67,222 | 68,230 | 69,253 | 70,292 | 71,346 | 72,417 |
| 3 | Aurora Civic Center Authority | 07 01 19 | 34,000 | 45.00 | 254,997 | 509,995 | 517,645 | 525,409 | 533,291 | 541,290 | 549,409 | 557,650 | 566,015 |
| 4 | Keystone Rehab | 01 01 20 | 1 | 3,500,000.00 | 0 | 1,166,655 | 1,184,155 | 1,201,917 | 1,219,946 | 1,238,245 | 1,256,819 | 1,275,671 | 1,294,806 |
| 5 | Downers Reoccupancy | 01 01 20 | 1 | 3,500,000.00 | 0 | 1,166,655 | 1,184,155 | 1,201,917 | 1,219,946 | 1,238,245 | 1,256,819 | 1,275,671 | 1,294,806 |
| 6 | Downers infill | 01 01 21 | 1 | 3,000,000.00 | 0 | 0 | 1,014,990 | 1,030,215 | 1,045,668 | 1,061,353 | 1,077,273 | 1,093,432 | 1,109,834 |
| | | | | | 509,287 | 3,351,883 | 4,417,151 | 4,483,409 | 4,550,660 | 4,618,920 | 4,688,203 | 4,758,526 | 4,829,904 |
| I. Incremental Property Taxes: | | | | | | | | | | | | | |
| (a) | Base EAV | | | | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 |
| (b) | Incremental EAV | | | | 234,658 | 3,077,254 | 4,142,522 | 4,208,780 | 4,276,031 | 4,344,291 | 4,413,574 | 4,483,897 | 4,555,275 |
| (c) | Tax Rate - 11.5230% | | | | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% |
| (d) | Total Est. Incremental Property Taxes | | | | 0 | 27,040 | 354,591 | 477,342 | 484,977 | 492,726 | 500,592 | 508,575 | 516,679 |
| (e) | Maximum School Allocation based on Residential Increment 25.00% | | | | 0 | 0 | 12,771 | 12,963 | 13,157 | 13,355 | 13,555 | 13,758 | 13,965 |
| (f) | Incremental Property Taxes for Redevelopment Costs and Debt Service | | | | 0 | 27,040 | 341,820 | 464,379 | 471,820 | 479,372 | 487,037 | 494,817 | 502,714 |
| (g) | Cumulative Incremental Property Taxes | | | | 0 | 27,040 | 368,860 | 833,239 | 1,305,059 | 1,784,430 | 2,271,467 | 2,766,284 | 3,268,998 |

City of Aurora, Illinois
Proposed TIF 9 Mixed Use Project
Projected Incremental Taxes

Levy Year: 2028 2029 2030 2031 2032 2033 2034 2035 2036 2037

| Component Name | Project Description | Occupancy Date | Sq. Ft./# Units | Market Value Sq. Ft./Unit | Yr. 9 | Yr. 10 | Yr. 11 | Yr. 12 | Yr. 13 | Yr. 14 | Yr. 15 | Yr. 16 | Yr. 17 | Yr. 18 | |
|---|-------------------------------|----------------|-----------------|---------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|---------|
| 1 | Residential Apartments | 07 01 19 | 38 | 35,000.00 | 499,407 | 506,898 | 514,501 | 522,219 | 530,052 | 538,003 | 546,073 | 554,264 | 562,578 | 571,017 | |
| 2 | First Floor Commercial | 07 01 19 | 4,350 | 45.00 | 73,503 | 74,805 | 75,725 | 76,860 | 78,013 | 79,184 | 80,371 | 81,577 | 82,800 | 84,042 | |
| 3 | Aurora Civic Center Authority | 07 01 19 | 34,000 | 45.00 | 574,505 | 583,123 | 591,870 | 600,748 | 609,759 | 618,908 | 628,189 | 637,612 | 647,176 | 656,884 | |
| 4 | Keystone Rehab | 01 01 20 | 1 | 3,500,000.00 | 1,314,228 | 1,333,942 | 1,353,951 | 1,374,260 | 1,394,874 | 1,415,797 | 1,437,034 | 1,458,589 | 1,480,468 | 1,502,675 | |
| 5 | Downers Reoccupancy | 01 01 20 | 1 | 3,600,000.00 | 1,314,228 | 1,333,942 | 1,353,951 | 1,374,260 | 1,394,874 | 1,415,797 | 1,437,034 | 1,458,589 | 1,480,468 | 1,502,675 | |
| 6 | Downers infill | 01 01 21 | 1 | 3,000,000.00 | 1,126,481 | 1,143,379 | 1,160,529 | 1,177,937 | 1,195,606 | 1,213,540 | 1,231,743 | 1,250,220 | 1,268,973 | 1,288,007 | |
| | | | | | 4,902,353 | 4,975,888 | 5,050,526 | 5,126,284 | 5,203,179 | 5,281,226 | 5,360,445 | 5,440,851 | 5,522,464 | 5,605,301 | |
| I. Incremental Property Taxes: | | | | | | | | | | | | | | | |
| (a) Base EAV | | | | | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 |
| (b) Incremental EAV | | | | | 4,627,724 | 4,701,259 | 4,775,897 | 4,851,655 | 4,928,550 | 5,006,597 | 5,085,816 | 5,166,222 | 5,247,835 | 5,330,672 | |
| (c) Tax Rate : 11.5230% | | | | | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | |
| (d) Total Est. Incremental Property Taxes | | | | | 524,903 | 533,252 | 541,725 | 550,326 | 559,055 | 567,916 | 576,909 | 586,038 | 595,303 | 604,707 | |
| (e) Maximum School Allocation based on Residential Increment 25.00% | | | | | 14,174 | 14,387 | 14,602 | 14,821 | 15,044 | 15,269 | 15,498 | 15,731 | 15,967 | 16,206 | |
| (f) Incremental Property Taxes for Redevelopment Costs and Debt Service | | | | | 510,729 | 518,865 | 527,123 | 535,504 | 544,011 | 552,646 | 561,411 | 570,307 | 579,338 | 588,501 | |
| (g) Cumulative Incremental Property Taxes | | | | | 3,779,728 | 4,298,593 | 4,825,715 | 5,361,220 | 5,905,231 | 6,457,878 | 7,019,288 | 7,589,595 | 8,168,931 | 8,757,431 | |

City of Aurora, Illinois
Proposed TIF 9 Mixed Use Project
Projected Incremental Taxes

Levy Year: 2038 2039 2040 2041 2042 2043

| Component Name | Project Description | Occupancy Date | Sq. Ft./ # Units | Market Value Sq. Ft./Unit | Yr. 19 | Yr. 20 | Yr. 21 | Yr. 22 | Yr. 23 | Yr. 24 |
|---------------------------------------|---|----------------|------------------|---------------------------|------------|------------|------------|------------|------------|------------|
| 1 | Residential Apartments | 07 01 19 | 38 | 35,000.00 | 579,582 | 588,276 | 597,100 | 606,056 | 615,147 | 624,374 |
| 2 | First Floor Commercial | 07 01 19 | 4,350 | 45.00 | 85,303 | 86,583 | 87,881 | 89,200 | 90,538 | 91,896 |
| 3 | Aurora Civic Center Authority | 07 01 19 | 34,000 | 45.00 | 666,737 | 676,738 | 686,889 | 697,193 | 707,650 | 718,265 |
| 4 | Keystone Rehab | 01 01 20 | 1 | 3,500,000.00 | 1,525,215 | 1,548,094 | 1,571,315 | 1,594,885 | 1,618,808 | 1,643,090 |
| 5 | Downers Reoccupancy | 01 01 20 | 1 | 3,500,000.00 | 1,525,215 | 1,548,094 | 1,571,315 | 1,594,885 | 1,618,808 | 1,643,090 |
| 6 | Downers infill | 01 01 21 | 1 | 3,000,000.00 | 1,307,328 | 1,326,937 | 1,346,842 | 1,367,044 | 1,387,550 | 1,408,383 |
| | | | | | 5,689,381 | 5,774,721 | 5,861,342 | 5,949,262 | 6,038,501 | 6,129,079 |
| I. Incremental Property Taxes: | | | | | | | | | | |
| (a) | Base EAV | | | | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 | 274,629 |
| (b) | Incremental EAV | | | | 5,414,752 | 5,500,092 | 5,586,713 | 5,674,633 | 5,763,872 | 5,854,450 |
| (c) | Tax Rate : 11.5230% | | | | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% | 11.522980% |
| (d) | Total Est. Incremental Property Taxes | | | | 614,252 | 623,941 | 633,775 | 643,756 | 653,887 | 664,170 |
| (e) | Maximum School Allocation based on Residential Increment | 25.00% | | | 16,450 | 16,696 | 16,947 | 17,201 | 17,459 | 17,721 |
| (f) | Incremental Property Taxes for Redevelopment Costs and Debt Service | | | | 597,803 | 607,244 | 616,828 | 626,555 | 636,428 | 646,449 |
| (g) | Cumulative Incremental Property Taxes | | | | 9,355,234 | 9,962,478 | 10,579,306 | 11,205,861 | 11,842,289 | 12,488,738 |

PRELIMINARY - FOR DISCUSSION PURPOSES ONLY

City of Aurora, Illinois
Proposed TIF 9 Mixed Use Project

| Component Name | Project Description | Class Code | Occupancy Date | Building Sq. Ft./ # Units | Avg. Initial Market Value Sq. Ft./Unit |
|----------------|-------------------------------|------------|----------------|---------------------------|--|
| 1 | Residential Apartments | 4 | 07 01 19 | 38 | 35,000.00 |
| 2 | First Floor Commercial | 3 | 07 01 19 | 4,350 | 45.00 |
| 3 | Aurora Civic Center Authority | 3 | 07 01 19 | 34,000 | 45.00 |
| 4 | Keystone Rehab | 3 | 01 01 20 | 1 | 3,500,000.00 |
| 5 | Downers Reoccupancy | 3 | 01 01 20 | 1 | 3,500,000.00 |
| 6 | Downers infill | 3 | 01 01 21 | 1 | 3,000,000.00 |
| 7 | | | | 0 | |
| 8 | | | | 0 | |
| 9 | | | | 0 | |
| 10 | | | | 0 | |
| 11 | | | | 0 | |
| 12 | | | | 0 | |
| 13 | | | | 0 | |
| 14 | | | | 0 | |
| 15 | | | | 0 | |
| 16 | | | | 0 | |
| 17 | | | | 0 | |
| 18 | | | | 0 | |
| 19 | | | | 0 | |
| 20 | | | | 0 | |
| Land | Vacant Land | 0 | | 0 | 0.00 |

Notes:

| Class Codes: | Tax Worksheet | |
|--------------------------|-------------------------------|---------|
| | Residential | Retail |
| Exempt | Gross Rent | 52,200 |
| Industrial (6B Eligible) | 5.00% Vacancy | -2,610 |
| Industrial | Adjusted Gross Rent | 49,590 |
| Commercial | Operating Expenses | 21,750 |
| Residential | NOI | 27,840 |
| Vacant Land | Cap Rate | 12.00% |
| | Estimated Market Value | 232,000 |
| | Market Value per unit or s.f. | \$53 |
| | Developer taxes | \$6,525 |

**City of Aurora, Illinois
Proposed TIF 9 Mixed Use Project
General Assumptions**

| | |
|--|------------|
| Sales Tax Inflation Rate (Yr. 1-10) | 0.0% |
| Sales Tax Inflation Rate (11-25) | 0.0% |
| Property Tax Inflation Rate | 1.5% |
| % Inc. Prop. Tax for Project | 100.0% |
| Tax Rate | 11.522980% |
| Equalizer | 1.0000 |
| Industrial Assmnt. Rate | 33.3% |
| Commercial Assmnt. Rate | 33.3% |
| Residential Assmnt. Rate | 33.3% |
| Vac. Land Assmnt. Rate | 33.3% |
| Assmnt. Rate | 33.3% |
| First Levy Year | 2019 |
| First Tax Collection Yr. | 2020 |
| Annual Absorption of Units | 100.0% |

PRELIMINARY - FOR DISCUSSION PURPOSES ONLY

City of Aurora, Illinois
 Proposed TIF 9 Mixed Use Project
 Absorption Assumptions

| Absorp. Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Annual Units/Sq. Ft. Occupied | | | | | | 13 | 14 | 15 |
|-----------------|----|-------|--------|---|---|---|---|---|---|-------------------------------|----|----|---|---|---|----|----|----|
| | | | | | | | | | | 10 | 11 | 12 | | | | | | |
| 2019 | 38 | 4,350 | 34,000 | | | | | | | | | | | | | | | |
| 2020 | | | | 1 | 1 | | | | | | | | | | | | | |
| 2021 | | | | | | 1 | | | | | | | | | | | | |
| 2022 | | | | | | | | | | | | | | | | | | |
| 2023 | | | | | | | | | | | | | | | | | | |
| 2024 | | | | | | | | | | | | | | | | | | |
| 2025 | | | | | | | | | | | | | | | | | | |
| 2026 | | | | | | | | | | | | | | | | | | |
| 2027 | | | | | | | | | | | | | | | | | | |
| 2028 | | | | | | | | | | | | | | | | | | |
| 2029 | | | | | | | | | | | | | | | | | | |
| 2030 | | | | | | | | | | | | | | | | | | |
| 2031 | | | | | | | | | | | | | | | | | | |
| 2032 | | | | | | | | | | | | | | | | | | |
| 2033 | | | | | | | | | | | | | | | | | | |
| 2034 | | | | | | | | | | | | | | | | | | |
| 2035 | | | | | | | | | | | | | | | | | | |
| 2036 | | | | | | | | | | | | | | | | | | |
| 2037 | | | | | | | | | | | | | | | | | | |
| 2038 | | | | | | | | | | | | | | | | | | |
| Totals | 38 | 4,350 | 34,000 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

