



Legislation Text

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**TO:** Mayor Richard C. Irvin

**FROM:** Trevor Dick, FAICP, LEED AP, Assistant Director

**DATE:** December 11, 2023

**SUBJECT:**

An Ordinance Approving the City of Aurora Farnsworth Bilter Tax Increment Financing District Redevelopment Project Area Redevelopment Plan and Project.

**PURPOSE:**

The Farnsworth Bilter Tax Increment Financing District ("TIF District") is being created to support the new Hollywood Casino development at the southwest corner of Farnsworth Avenue and Bilter Road in the City. Staff has been working with our consultants, Ryan, LLC (formerly known as Kane, McKenna and Associates), and Elrod Frieman LLP to assist with the creation of the TIF District. The Ordinances create the TIF District that will support the Hollywood Casino development, as approved by the City Council in a previously approved Redevelopment Agreement in 2022.

**BACKGROUND:**

The creation of this TIF District is related to an existing Redevelopment Agreement ("RDA") approved in October of 2022 between the City of Aurora and PENN Entertainment for the construction of a new Hollywood Casino at the southwest intersection of Farnsworth Avenue and Bilter Road in the City. The new Casino will create new construction jobs and permanent jobs, add new event space and new restaurants, establish a new hotel, increase gaming revenue for the City that supports many community services and programs throughout the entire City and - along with the Simon Chicago Premium Outlet Mall - strengthens the area as a rising regional and State destination.

**DISCUSSION:**

Attached to the Ordinance is the TIF District Redevelopment Plan prepared by Ryan, LLC that guides improvements, activities, and projects within the TIF District in order to stimulate private investment, along with a map and legal description of the TIF District. Designating a TIF District will allow the City to collect and use incremental property taxes in support of redevelopment efforts over the life of the TIF.

**IMPACT STATEMENT :**

Staff anticipates that the TIF District, and the associated redevelopment activities therein, will increase the City's overall tax base, by facilitating investment and development, which will offset any incidental Department or staffing impacts.

**RECOMMENDATIONS:**

Staff recommends the approval of the Ordinance Approving the City of Aurora Farnsworth Bilter Tax

Increment Financing District Redevelopment Project Area Redevelopment Plan and Project.

**ATTACHMENTS:**

Exhibit A-1 Redevelopment Project Area Legal Description

Exhibit A-2 Street Location Map

Exhibit B - Farnsworth Bilter Tax Increment Financing District TIF Plan

cc: Finance Committee

Alderman Carl Franco, Chairperson

Alderman Edward J. Bugg, Vice Chairperson

Alderman-At-Large Ron Woerman

Alderwoman Shweta Baid

Alderman Brandon Tolliver



CITY OF AURORA, ILLINOIS

ORDINANCE NO. \_\_\_\_\_

DATE OF PASSAGE \_\_\_\_\_

An Ordinance Approving the City of Aurora Farnsworth Bilter Tax Increment Financing District Redevelopment Project Area Redevelopment Plan and Project.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the Mayor and City Council desire to implement tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. ("TIF Act") for the City's Farnsworth Bilter Tax Increment Financing District ("TIF District") redevelopment plan and project ("TIF Plan"), and designate the tax increment redevelopment project area ("Redevelopment Project Area") relative to the TIF District; and

WHEREAS, the City authorized a study in regard to the designation of the Redevelopment Project Area for the TIF District and the adoption of the TIF Plan in relation thereto; and

WHEREAS, on September 26, 2023, the City announced the availability of the TIF Plan, with said TIF Plan containing an eligibility report for the TIF District addressing the tax increment financing eligibility of the Redevelopment Project Area ("Eligibility Report"); and

WHEREAS, on November 8, 2023, the Joint Review Board for the TIF District met and recommended the approval of the Redevelopment Project Area and approval of the TIF Plan; and

WHEREAS, a public hearing was held on December 12, 2023, regarding the TIF Plan; and

WHEREAS, the City received written protests and objections prior to the public hearing and oral protests and objections during the public hearing; and

WHEREAS, the Mayor and City Council carefully considered the protests and objections and have determined that they lack merit and therefore overrule and deny them; and

WHEREAS, the Mayor and City Council desire to implement tax increment financing pursuant to the TIF Act for the TIF Plan within the municipal boundaries of the City and within the Redevelopment Project Area described and depicted in Exhibit A-1 and Exhibit A-2, both being attached hereto and made part hereof; and

WHEREAS, the City has complied with the specific notice, Joint Review Board meeting and public hearing requirements provided for in the TIF Act as a prerequisite to approving the TIF Plan in relation to the TIF District, in that the City has taken the following actions:

| ACTION   | DATE TAKEN         |
|--|--------------------|
| Approved the preparation of the Eligibility Report and TIF Plan  | November 22, 2022  |
| Published the TIF Interested Parties Registry notice in the newspaper (Beacon News)  | September 12, 2023 |
| Announced the availability of the Eligibility Report and the TIF Plan, at a City Council meeting   | September 26, 2023 |
| Adopted Ordinance calling for a Joint Review Board meeting and a Public Hearing on the proposed approval of the Redevelopment Project Area and the related TIF Plan  | October 10, 2023   |
| Mailed a copy of the Eligibility Report and the TIF Plan, a notice of the Joint Review Board meeting and the Public Hearing, and the Ordinance setting dates for the Joint Review Board meeting and the Public Hearing, to all taxing districts and the Illinois Department of Commerce and Economic Opportunity (by certified mail, return receipt requested) | October 13, 2023   |
| Mailed notices relative to the availability of the Eligibility Report and TIF Plan to all residential addresses within 750 feet of the boundaries of the Redevelopment Project Area, to all parties who were registered on the City's TIF Interested Parties Registry (by First Class U.S. Mail)   | October 13, 2023   |
| Held the Joint Review Board meeting  | November 8, 2023   |
| Held a Public Hearing  | December 12, 2023  |
| Introduced and Adopted Ordinances creating the TIF District to the City Council  | January 23, 2024   |

; and

WHEREAS, pursuant to the TIF Act, the City has waited at least 14 days, but not more than 90 days, from the Public Hearing date to introduce this Ordinance approving the TIF Plan; and

WHEREAS, the TIF Plan sets forth the conditions in the Redevelopment Project Area qualifying the Redevelopment Project Area as a vacant blighted area, in part, and as an improved conservation area, in part, and the Mayor and City Council have reviewed testimony concerning said conditions presented at the Public Hearing and are generally informed of the conditions causing the Redevelopment Project Area to qualify as a vacant blighted area, in part, and as an improved conservation area, in part, as those terms are defined in Section 3 of the TIF Act; and

WHEREAS, the Mayor and City Council have reviewed the conditions pertaining to the lack of private investment in the Redevelopment Project Area to determine whether private development would take place in the Redevelopment Project Area as a whole without the adoption of the TIF Plan; and

WHEREAS, it is the intent of the Mayor and City Council to utilize the tax increment from all sources authorized by law; with such revenues to be exclusively utilized for the development of the TIF Plan within the Redevelopment Project Area (except as provided in 65 ILCS 5/11-74.4-4(q), as incorporated into the TIF Plan budget of estimated redevelopment project costs); and

WHEREAS, the Redevelopment Project Area would not reasonably be redeveloped without the use of such incremental revenues; and

WHEREAS, the Mayor and City Council have reviewed the conditions pertaining to real property in the Redevelopment Project Area to determine whether contiguous parcels of real property and improvements thereon in the Redevelopment Project Area would be substantially benefited by the TIF Plan improvements;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Aurora, Illinois, as follows:

SECTION 1: That the recitals above are incorporated into Section 1 of this Ordinance.

SECTION 2: That the Mayor and City Council hereby make the following findings:

A. The area constituting the Redevelopment Project Area is described and depicted as set forth in the attached Exhibit A-1 and Exhibit A-2;

B. There exist conditions which cause the area proposed to be designated as the Redevelopment Project Area to be classified as a vacant blighted area, in part, and as an improved conservation area, in part, as those terms are defined in Section 3 of the TIF Act;

C. The Redevelopment Project Area on the whole has not been subject to growth and redevelopment through investment by private enterprise and would not be reasonably anticipated to be redeveloped without the adoption of the TIF Plan;

D. The Redevelopment Project Area would not reasonably be redeveloped without the tax increment derived from real property tax incremental revenues, and the increment from such revenues will be exclusively utilized for the redevelopment as outlined in the TIF Plan within the Redevelopment Project Area (except as provided in 65 ILCS 5/11-74.4-4(q), as incorporated into the TIF Plan budget of estimated redevelopment project costs);

E. The TIF Plan conforms to the City's Comprehensive Plan for the development of the City as a whole;

F. The parcels of real property in the Redevelopment Project Area are contiguous and only those contiguous parcels of real property and improvements thereon which will be substantially benefited by the TIF Plan are included in the Redevelopment Project Area;

G. The estimated date for final completion of the TIF Plan is December 31st of the year in which the payment to the City Treasurer is made with respect to ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the Redevelopment Project Area is adopted, which, as to the TIF District, is December 31, 2048; and

H. The estimated date for retirement of obligations incurred to finance TIF Plan costs is not later than December 31st of the year in which the payment to the City Treasurer is made with respect to ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the Redevelopment Project Area is adopted, which, as to the TIF District, is December 31, 2048.

SECTION 3: That the TIF Plan attached hereto as Exhibit B and made a part hereof is hereby adopted and approved.

SECTION 4: That this Ordinance will be in full force and effect from and after its adoption, approval and publication in pamphlet form as provided by law.

SECTION 5: That if any section, paragraph, clause, or provision of this Ordinance is held invalid, the invalidity thereof will not affect any of the other provisions of this Ordinance.

SECTION 6: That all ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.