



Legislation Text

File #: 23-0682, **Version:** 1

TO: Mayor Richard C. Irvin

FROM: Trevor Dick, FAICP, LEED AP, Assistant Director of the Mayor's Office of Economic Development

DATE: August 17, 2023

SUBJECT:

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

PURPOSE:

The River Vine Tax Increment Financing District ("TIF District") is being created to support the Windfall development at 309 N River Street. 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 Windfall residential apartment development, as approved by the City Council in a previously approved Redevelopment Agreement in 2022.

BACKGROUND:

The subject parcels are located within the City's Downtown Fringe area, generally bordered on the south by Cedar Street (as extended east to the Fox River), on the east by the shores along the Fox River, on the north by a certain park land owned by the Fox Valley Park District, and on the west by River Street. Currently, parts of the proposed TIF District is located within the City's existing TIF # 5. The area location along the Fox River has been identified by the Downtown Master Plan as a focal point part of the "heart of Downtown" and is part of an area desired as a "vibrant designation with mixed use development, family friendly activities and nightlife entertainment".

Constructing a new multi-family residential development on the banks of the Fox River in Downtown Aurora, particularly near the Aurora Transportation Center, has been a consistent recommendation of numerous City long-range planning documents for decades. Combined with the recommendations of the Downtown Housing Study (2019), the growing demand for rental housing, the redevelopment of long vacant historic buildings in the Downtown, and the recent completion of the new Pedestrian and Bicycle Bridge, the time for implementing the City's vision is here.

DISCUSSION:

Attached to the Ordinance is the TIF District Redevelopment Plan prepared by Kane, McKenna and Associates 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 a period of up to 20 years.

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 River Vine Area Tax Increment Financing District, Redevelopment Project Area, Redevelopment Plan and Project.

ATTACHMENTS:

Exhibit A-1 Redevelopment Project Area Description

Exhibit A-2: Street Location Map

Exhibit B: River Vine Tax Increment Financing District TIF Redevelopment Plan.

cc: Finance Committee:
Alderman Carl Franco, Chairperson
Alderman Sherman Jenkins, Vice Chairperson
Alderman Edward Bugg
Alderwoman Shweta Baid



CITY OF AURORA, ILLINOIS

ORDINANCE NO. _____

DATE OF PASSAGE _____

An Ordinance Approving the City of Aurora River Vine 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 of the City 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 River Vine Tax Increment Financing District ("TIF District") redevelopment plan and project (as amended, the "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 February 28, 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 April 6, 2023, the Joint Review Board for the TIF District met and unanimously recommended the approval of the Redevelopment Project Area and approval of the TIF Plan; and

WHEREAS, a public hearing was held on August 8, 2023, regarding the TIF Plan; and

WHEREAS, on August 22, 2023, the Mayor and City Council approved a minor amendment to the TIF Plan to reduce the term of the TIF District from 23 years to 20 years; and

WHEREAS, the Mayor and City Council of the City 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, by motion, the preparation of the Eligibility Report and TIF Plan | August 10, 2021 |
| Published the TIF Interested Parties Registry notice in the newspaper (Beacon News) | February 15, 2023 |
| Announced the availability of the Eligibility Report and the TIF Plan, at a City Council meeting | February 28, 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 | March 14, 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) | March 17, 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) | March 17, 2023 |
| Held the Joint Review Board meeting | April 6, 2023 |
| Adopted Ordinance rescheduling the Public Hearing relative to the proposed approval of the Redevelopment Project Area and the TIF Plan | June 13, 2023 |

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| Published notice of the Public Hearing in the newspaper twice | July 24 and 25, 2023 |
| Mailed notices of the Public Hearing to each taxpayer of record (by certified mail, return receipt requested) within the Redevelopment Project Area and to each person on the City's TIF Interested Parties Registry (by First Class U.S. Mail) | July 24, 2023 |
| Held a Public Hearing | August 8, 2023 |
| Adopted Ordinances removing certain properties from TIF District 5 necessary for creation of TIF District and amending the TIF Plan to provide for a 20 year TIF District term | August 22, 2023 |
| Mailed and published notices regarding adoption of Ordinances removing certain properties from TIF District 5 necessary for creation of TIF District and Amending TIF Plan | August 29, 2023 |
| Introduced and Adopted Ordinances creating the TIF District to the City Council | September 12, 2023 |

; 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, and the Mayor and City Council of the City 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, as that term is 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 of the City 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, as that term is 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 twentieth (20th) 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, 2044; 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 twentieth (20th) 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, 2045.

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.