



Legislation Text

File #: 23-0685, 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 Cross Street Tax Increment Financing District Redevelopment Project Area Redevelopment Plan and Project.

PURPOSE:

The Cross Street Tax Increment Financing District ("TIF District") is being created to support the JH Real Estate Development at 110 Cross Street. Staff has been working with our consultants, Ryan LLC, and Klein, Thorpe and Jenkins, Ltd (KTJ) to assist with the creation of the referenced TIF District. The Ordinance is the first one of three that will enable the City to create the TIF District that will support the mixed-use development at 110 Cross Street, as approved by the City Council in a previously approved Redevelopment Agreement in March 2023.

BACKGROUND:

The creation of this TIF District is part of an existing RDA approved with resolution R23-076 on March 14, 2023, between the City of Aurora and a private developer for the redevelopment of the long vacant real estate at 110 Cross Street.

110 Cross is a historic building purchased about 4 years ago by JH real estate.

Plans to renovate the building have been in the works since then including the recruitment of the well-regarded Foreign Exchange Brewing company.

DISCUSSION:

The creation of the Cross Street TIF District will be accomplished through a multi-step process that also entailed holding of a Public Hearing (August 8, 2023, City Council Meeting), and the adoption of three separate ordinances to create the Cross Street TIF District.

IMPACT STATEMENT:

The adoption of this ordinance will allow for the next steps in the creation of the Cross Street TIF District to be completed.

RECOMMENDATIONS:

Staff recommends the approval of the ordinance approving the City of Aurora Cross Street Tax Increment Financing District Redevelopment Project Area.

ATTACHMENTS:

Exhibit A-1: Redevelopment Project Area Legal Description
Exhibit A-2: Street Location Map
Exhibit B - Aurora Cross Street TIF Redevelopment Plan

cc: Finance Committee
Alderman Carl Franco, Chairperson
Alderman Edward J. Bugg, Vice Chairperson
Alderwoman Shweta Baid
Alderman-At-Large Ron Woerman



CITY OF AURORA, ILLINOIS

ORDINANCE NO. _____
DATE OF PASSAGE _____

An Ordinance Approving the City of Aurora Cross Street 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, 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 Cross Street 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 May 23, 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 July 7, 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, 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, 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)	April 26, 2023
Announced the availability of the Eligibility Report and the TIF Plan, at a City Council meeting	May 23, 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	June 13, 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)	June 15, 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)	June 15, 2023
Held the Joint Review Board meeting	July 7, 2023
Published notice of the Public Hearing in the newspaper twice	July 17 and 18, 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 26, 2023
Held a Public Hearing	August 8, 2023
Adopted Ordinances removing certain properties from TIF District 3 necessary for creation of TIF District	August 22, 2023
Mailed and published notices regarding adoption of Ordinances removing certain properties from TIF District 3	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 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 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 twenty-third (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, 2047; 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 twenty-third (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.