



Legislation Text

File #: 24-0376, **Version:** 1

TO: Mayor Richard C. Irvin

FROM: Loretta Daly, Acting President/CEO Invest Aurora
David Dibo, Director of Economic Development

DATE: May, 16, 2024

SUBJECT:

A Resolution transferring the Finish Line Grant Program (FLG) and allocated funds to Invest Aurora to provide incentives for the recruitment, expansion, and upgraded building stock to businesses throughout the City of Aurora.

PURPOSE:

The Resolution authorizes the transfer of marketing and administration responsibilities of the Finish Line Grant Program to Invest Aurora to increase business start-up, recruitment, and expansion, as well as the upgrade to building stock throughout the City of Aurora.

BACKGROUND:

Established in 2015 the Finish Line Grant Program has historically helped to enhance the economic vitality of Downtown Aurora. Originally administered through Invest Aurora, the program was transferred to MOED in 2022 however, given the mission of Invest Aurora, which includes data collection and marketing responsibilities, it was determined that this transfer will provide for a more efficient management of the program.

Upon transfer of the Finish Line Grant Program to the City of Aurora's Mayor's Office of Economic Development in 2022, Invest Aurora's contractual compensation was reduced by \$90,000. This reduction resulted in the elimination of a full-time position to oversee Invest Aurora's Financial Services Program. Responsibilities for the remaining Financial Programs administered through Invest Aurora were transferred to the remaining staff to the detriment of other critical services.

Upon completion of the 2023 FLG Program staff from both MOED and Invest Aurora began a thorough review of all program parameters as well as its administrative structures to ensure that the program best reflect the City economic development goals, and the business community's needs. There is \$375,000 of funding that was approved for 2024 that will be made available as of June 1, 2024; an additional \$90,000 will also be made available to Invest Aurora to oversee Invest Aurora's Financial Services Program.

As a result of this careful review, it is recommended that the FLG program be transferred back to Invest Aurora as well as the allocated FLG budget.

DISCUSSION:

In addition to the transfer of administrative responsibilities to Invest Aurora several significant

improvements are recommended to better meet the needs of the City of Aurora and its business community. Below are the key recommended revisions:

Past Guidelines	2024 Program/Revised
Geographically limited to Downtown Aurora	Open to all businesses located in Aurora

TIF funds no longer support the FLG Program allowing for expansion to the entire community.

Grants of up to \$100,000 were available	Grants cap at \$50,000 with \$75K available to restaurants.
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Funds for this program are limited and as such the Grant values have been reduced.

Grants encouraged increasing retail sales tax	51% of revenue generated by grant recipients must be subject to retail sales tax.
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As a publicly funded resource is it fiscally essential that retail sales tax generation is increased

Grant Application Period was Open	The 2024 Program will accept applications between June 17 and July 21 only
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Upon completion of the 2024 Grant cycle the program will be reviewed and revisions recommended as appropriate.

Requirements for eligibility and guidelines for the Finish Line Grant Program are provided in Attachment A.

With the transfer of marketing and administrative responsibilities transferring back to Invest Aurora it is recommended funds in the amount of \$465,000, comprised of \$375,000 budgeted for the Grant program and \$90,000 for administrative responsibilities be reinstated by June 1, 2024, from the City of Aurora to Invest Aurora.

Staff will process a budget transfer to account.

IMPACT STATEMENT:

Approval of this Resolution will continue support for business recruitment and expansion throughout the City of Aurora and is consistent with the close alignment of MOED, Invest Aurora, and other entities that help drive economic development in the City.

RECOMMENDATIONS:

Staff recommends the approval of the resolution transferring the Finish Line Grant Program (FLG) and allocated funds to Invest Aurora to provide incentives for the recruitment, expansion, and upgraded building stock to businesses throughout the City of Aurora.

cc: Finance Committee



CITY OF AURORA, ILLINOIS

RESOLUTION NO. _____
DATE OF PASSAGE _____

A Resolution Transferring the Finish Line Grant Program (FLG) and Allocated Funds to Invest Aurora to Provide Incentives for the Recruitment, Expansion, and Upgraded Building Stock to Businesses Throughout the City of Aurora.

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 City and Seize the Future Development Foundation ("STFDF") entered into an Agreement for Economic Development Activities and Services approved via Resolution 13-182 on June 25, 2013; and

WHEREAS, the City amended the Agreement with Seize the Future Development Foundation to provide funding for Economic Development Activities and Services via Resolution 16-205 on June 14, 2016; and

WHEREAS, the City amended the Agreement with Seize the Future Economic Development Foundation, Inc. (aka Invest Aurora) for the provision of economic development activities and services to provide funding for Economic Development Activities and Services via Resolution R22-135 on May 10, 2022; and

WHEREAS, the Finish Line Grant is described, and its process outlined, in ATTACHMENT A herein;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: by the City Council of the City of Aurora, Illinois, that the administration of the Finish Line Grant Program and the awarding of grants thereunder is transferred to Invest Aurora in accordance with the Program Guidelines attached hereto as Attachment A, and that the \$465,000 funding for the 2024 Finish Line Grant Program is also authorized to be transferred to Invest Aurora.