

Community Development Services 400 South Vine Street Urbana, IL 61801 (217) 384-2444 FAX (217) 384-0200

December 22, 2012

Comptroller, State of Illinois Office of the Comptroller Local Government Division 100 W. Randolph, Suite 15-500 Chicago, IL 60601

Dear Ms. Topinka:

Pursuant to the Tax Increment Finance Allocation Redevelopment Act as amended, this letter and the accompanying reports will serve to advise you of the status of the City's Tax Increment Finance Districts (TIF) as of June 30, 2012. TIF One was established in 1980, TIF Two was established in 1986, TIF Three was established in 1990 and TIF Four was established in 2001.

Enclosed you will find the annual reports for TIF #1, TIF #2, TIF #3 and TIF #4 in the format set forth by the Illinois Comptroller.

If you have any questions please do not hesitate to call me at (217) 328-8270.

Sincerely.

**Brandon Boys** 

Redevelopment Specialist

**Enclosures** 



#### **AGENDA**

#### TAX INCREMENT FINANCING JOINT REVIEW BOARD MEETING

Friday, December 14, 2012, at 2:30 p.m. Council Chambers, Urbana City Building

- 1. CALL TO ORDER
- 2. INTRODUCTION OF JRB MEMBERS
- 3. REVIEW OF MINUTES
- 4. TIF REFORM UPDATE Updates on Legislation
- 5. PRESENTATION AND OVERVIEW OF TIF ACTIVITES TIF's 1 through 4
- 6. REVIEW OF CURRENT AND UPCOMING PROJECTS
  - A. Denny's status update
  - B. Block north of City Hall
  - C. Urbana Landmark Hotel
  - D. Boneyard Creek Project
  - E. Creative Thermal Solutions
  - F. UC2B
  - G. Burch demolition
  - H. Other pending TIF projects
- 7. UPCOMING INCENTIVE REVISIONS
- 8. COMMENTS & QUESTIONS
- ADJOURNMENT

#### Minutes of Annual Meeting

#### TAX INCREMENT FINANCE JOINT REVIEW BOARD

Date: December 14, 2011

Time: 3:30 p.m.

Place: Executive Conference Room

Urbana City Building

400 S. Vine St. Urbana, IL 61801

MEMBERS PRESENT: Carol Baker

Deb Busey Tom Costello Nancy Delcomyn

John Dimit Vicki Mayes Dan Stebbins

STAFF PRESENT: Hon. Laurel Lunt Prussing, Mayor, City of Urbana

Tom Carrino, Economic Development Division Manager

Ron Eldridge, Comptroller, City of Urbana

Bill Gray, Director of Public Works

Mike Monson, Chief of Staff, City of Urbana Libby Tyler, Community Development Director

Sukiya J. Robinson, Recording Secretary

#### · I. CALL TO ORDER

Mayor Prussing called the meeting to order at 3:36 p.m., and a quorum of the Joint Review Board members was declared to be present.

#### II. INTRODUCTION OF JRB MEMBERS

The members of the Tax Increment Finance Joint Review Board and City staff introduced themselves individually.

#### III. REVIEW OF MINUTES

Tom Costello moved to approve the minutes from the December 15, 2010 meeting. Deb Busey seconded the motion. The minutes were approved by unanimous voice vote.

#### IV. TIF REFORM UPDATE - Updates on Legislation

Mr. Carrino briefly reviewed possible changes that could affect the Tax Increment Finance program. Questions and comments from the board were addressed.

#### V. PRESENTATION AND OVERVIEW OF TIF ACTIVITIES – TIFs 1 through 4

Mr. Carrino summarized the activities and expenditures for the City of Urbana's four Tax Increment Finance (TIF) districts for Fiscal Year 2010-2011.

#### Regarding TIF 1:

The fund balance at the beginning of the reporting period was \$1,107,773. The fund balance at the end of the reporting period was \$1,063,575. Following his overview of the assistance programs and financial status of TIF 1, Mr. Carrino briefly highlighted projects both ongoing and completed within the same. Some of the projects he mentioned included Norm & Carolyn Baxley using funds provided by TIF RIP to make landscaping and facade improvements to their buildings along Goose Alley. Heartland Gallery, Shared Space, and Primelight Studio all benefited from funds provided by the Gallery District Incentive Program. Other types of projects (both redevelopment and infrastructure) and activities include the purchase and rehabilitation of the Urbana Landmark Hotel (formerly Historic Lincoln Hotel), public art projects and staffing, and marketing of the downtown through special events.

#### Regarding TIF 2:

The fund balance at the beginning of the reporting period was \$4,282,275. The fund balance at the end of the reporting period was \$3,309,587. Following his overview of the assistance programs and financial status of TIF 2, Mr. Carrino briefly highlighted projects both ongoing and completed within the same. Some TIF Redevelopment Incentive Program (TIF RIP) incentives have been used to assist with Buvon's, Rainbow Garden Chinese Restaurant, The Studio, Country Financial, and Sylvia's Irish Inn. Through the Gallery District Incentive Program, the City assisted Amara Yoga, Art Coop, and Wind, Water, and Light. Other types of projects (both redevelopment and infrastructure) and activities include property acquisition and demolition costs to prepare the Goodyear Block for redevelopment, road and sewer improvements, Boneyard Creek Beautification Project, downtown market study, and In Lincoln's Shadow podcast tour.

Upcoming projects and plans include demolition and site preparation for a future redevelopment project at 203 W. Green, and construction of the Boneyard Beautification Project. Related to the Boneyard Beautification project are the reconstruction of Race Street, the installation of streetscape along Broadway Avenue, and the rehabilitation of the mini-park at Broadway Avenue and Water Street.

#### Regarding TIF 3:

The fund balance at the beginning of the reporting period was \$3,282,761. The fund balance at the end of the reporting period was \$2,437,600. Mr. Carrino stated that TIF Three is winding down and will expire on December 31, 2013. The City has budgeted for all of the projects that they want to happen in the district for the remainder of the life of TIF 3. Some of the projects

include improvements along Goodwin Avenue and Park Street, improvements at King School and King Park, and city-wide fiber optic connection infrastructure (UC2B).

#### Regarding TIF 4:

The fund balance at the beginning of the reporting period was \$772,117. The fund balance at the end of the reporting period was \$1,163,425. Following his overview of the assistance programs and financial status of TIF 4, Mr. Carrino briefly highlighted projects that are being funded or plan to be funded. The projects include Hearth and Home Consignments, the development by Creative Thermal Solutions on Anthony Drive, Soccer Planet, signal work at Kerr and Cunningham Avenues, and improvements to parks located within the TIF 4 boundary area. Upcoming projects include improvement to Airport Road east of Cunningham Ave, and upgrade of Willow Road from Anthony Drive north to the driveway of Soccer Planet.

General discussion regarding the TIF District Activities ensued.

#### VI. REVIEW OF CURRENT AND UPCOMING PROJECTS

Mr. Carrino gave updates on several projects, some of which were mentioned in the previous agenda item. They are Denny's project, Block north of City Hall, Urbana Landmark Hotel, Boneyard Creek Project, Soccer Planet, Creative Thermal Solutions, UC2B, King School and King Park. Other pending projects include the Signage and Wayfinding Project. Mr. Carrino stated that staff had been contacted by Blossom Basket, Po Boys, and James Burch regarding potential improvement projects.

Discussion regarding the projects ensued.

#### VII. COMMENTS & QUESTIONS

There were none.

#### VIII. ADJOURNMENT

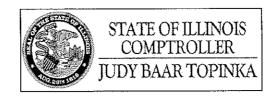
The meeting was adjourned at 4:47 p.m. by Mayor Prussing.

Respectfully submitted,

Tom Carrino, Economic Development Division Manager

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#### FY 2012 ANNUAL TAX INCREMENT FINANCE REPORT



Name of Municipality:	City of Urbana	Reporting Fi	scal Year:	2012
County:	Champaign	Fiscal Year I	End:	6/30/2012
Unit Code:				
	TIF Administrator	Contact Info	ormation	
First Name: Brandon		Last Name:	Boys	
Address: 400 S. Vir	ne St.	Title:		
Telephone: 217/328-8	270	City:	Urbana	Zip: 61801
Mobile		E-mail	bsboys@urbanaillinois.u	s
Mobile		Best way to	Email	Phone
Provider	<u> </u>	contact	Mobile	Mail
is complete and accura	y knowledge, this report of the redevate at the end of this reporting Fiscal to sea.] Or the Industrial Jobs Recov	year under ti	ne Tax Increment Allocation	on Redevelopment Act
BUZ	Dorge		12/22/2013	2
Written signature of TI	F Administator		Date	
Section 1 (65 ILCS 5/	11-74.4-5 (d) (1.5) and 65 ILCS 5/11- FILL OUT ONE FO			
Name of Rec	levelopment Project Area		ate Designated	Date Terminated
				l

FILL OUT ONE FOR <u>EACH</u> TIF DISTICT					
Name of Redevelopment Project Area	Date Designated	Date Terminated			
T.I.F. District Four	2001	2025			
A CONTRACTOR OF THE CONTRACTOR					
·					
	·	·			

<sup>\*</sup>All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Name of Redevelopment Project Area:	T.I.F. District Four
Primary Use of Redevelopment Project Area*:	Combination/Mixed
If "Combination/Mixed" List Component Types:	Housing/Commercial
Under which section of the Illinois Municipal Code was Redevelopment Pro	ject Area designated? (check one):
Tax Increment Allocation Redevelopment Actx Industrial Joh	os Recovery Law

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State		
Sales Tax Boundary? (65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)]		
If yes, please enclose the amendment labeled Attachment A	Х	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all		
of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-		
22 (d) (3)]		
Please enclose the CEO Certification labeled Attachment B		Х
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and		-
5/11-74.6-22 (d) (4)]		
Please enclose the Legal Counsel Opinion labeled Attachment C		Χ
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan,		
including any project implemented in the preceding fiscal year and a description of the activities		
undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]		
If yes, please enclose the Activities Statement labeled Attachment D		
in yes, preuse energed the receivance enterine and receivance		Х
Were any agreements entered into by the municipality with regard to the disposition or redevelopment		
of any property within the redevelopment project area or the area within the State Sales Tax Boundary?		
[65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)]		
if yes, please enclose the Agreement(s) labeled Attachment E	x	
Is there additional information on the use of all funds received under this Division and steps taken by the		
municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and		
5/11-74.6-22 (d) (7) (D)]		
If yes, please enclose the Additional Information labeled Attachment F		Х
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have		
received or are receiving payments financed by tax increment revenues produced by the same TIF? [65		
ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)]		
If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	x	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65		
ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)]	x	
If yes, please enclose the Joint Review Board Report labeled Attachment H		
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and		
5/11-74.6-22 (d) (8) (A)]	x	
If yes, please enclose the Official Statement labeled Attachment I Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of		
obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-	1.	
5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)]		
If yes, please enclose the Analysis labeled Attachment J	x	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation		· · · · · · · · · · · · · · · · · · ·
fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)		
If yes, please enclose Audited financial statements of the special tax allocation fund		
labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into		M W
the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)]		
If yes, please enclose a certified letter statement reviewing compliance with the Act labeled		
Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an		
accounting of any money transferred or received by the municipality during that fiscal year pursuant to		
those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]		
If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	[X ]	•

<sup>\*</sup> Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

## SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5)) Provide an analysis of the special tax allocation fund.

Fund Balance at Beginning of Reporting Period

1,163,425

Revenue/Cash Receipts Deposited in Fund During Reporting FY:		Reporting Year		ulative*	% of Total	
Property Tax Increment	\$	677,052	\$	4,472,003	91%	
State Sales Tax Increment				-	0%	
Local Sales Tax Increment					0%	
State Utility Tax Increment					0%	
Local Utility Tax Increment			<u> </u>		0%	
Interest	\$	41,388	\$	161,481	3%	
Land/Building Sale Proceeds				·	0%	
Bond Proceeds					0%	
Transfers from Municipal Sources			\$	21,025	0%	
Private Sources			\$	59,259	1%	
Other (identify source; if multiple other sources, attach						
schedule) Transfer from TIF2	\$	113,880		223,380 here 'Reporti	5%	
Total Amount Deposited in Special Tax Allocation	popu	lated				
Fund During Reporting Period	\$	832,320	] .			
Cumulative Total Revenues/Cash Receipts			\$	4,937,148	100%	
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	\$	432,477				
Distribution of Surplus						
Total Expenditures/Disbursements	\$	432,477	]			
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	\$	399,843	]			
FUND BALANCE, END OF REPORTING PERIOD*	\$	1,563,268	]			

<sup>\*</sup> if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

TIF NAME

## SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5)) PAGE 1

#### ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6- 10 (o)]	Amounts	Reporting Fiscal Year
Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)	The state of the s	
		The second secon
		100000
		55 F. S. C. E. C. C. S.
	1	
		\$ -
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Professional marketing	1,416	
Professional state entry	1,110	
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		10.10 (N. 15.10) A 10.10 (N. 15.10)
		to a succession and a
	<u> </u>	
		\$ 1,416
2. Dranath, pagembly, demolition, site proportion and environmental site improvement seets		1,410
3. Property assembly, demolition, site preparation and environmental site improvement costs.		
Subsection (q)(2), (o)(2) and (o)(3)	2,749	
Site preparation, 2408 N. Cunningham	2,749	
· · · · · · · · · · · · · · · · · · ·		
		CONTRACTOR AND
		\$ 2,749
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public		
buildings. Subsection (q)(3) and (o)(4)		All the testing of the second
		M20124018-0001800-00018000000-0001800-00018
		ACCUSED OF SECURIOR DESIGNATION
		Section and the section of the section of
	<del></del>	Charles and the second
	Louis	
		\$
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		A STATE OF THE STA
Urbana Park District project	113,880	
Willow Road improvement	300	
Airport Road improvement	13,500	
All porchodu improvaniciti		
	*	
L (Marinine Walter)		\$ 127,68
0.00-11-15-11-11-11-11-11-11-11-11-11-11-11-		
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs		
Recovery TIFs ONLY		
· · · · · · · · · · · · · · · · · · ·		
A de la constant de l		
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		\$

TIF NAME	<u> </u>		

SECTION 3.2 A				
PAGE 2 7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7)		-		
and (o)(12)				
the state of the s				
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· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	_		
C. Financian cooks Cubonstin (a) (6) and (6)(9)		\$ -		
8. Financing costs. Subsection (q) (6) and (o)(8)				
·				
		\$ -		
9. Approved capital costs. Subsection (q)(7) and (o)(9)				
· · · · · · · · · · · · · · · · · · ·				
A AND AND AND AND AND AND AND AND AND AN				
		\$ -		
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing				
projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY				
		ACCUSE OF THE OWNERS OF THE PARTY.		
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		-		
11. Relocation costs. Subsection (q)(8) and (o)(10)				
AND THE PROPERTY OF THE PROPER				
· · · · · · · · · · · · · · · · · · ·				
	Militari saria esta est su martino de esta esta esta esta esta esta esta est	-		
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)				
		All the second s		
	400000000000000000000000000000000000000	MADUSTRIAS CRESISTANTAN AS		
		\$ -		
13. Costs of job training, retraining advanced vocational or career education provided by other	r			
taxing bodies. Subsection (q)(10) and (o)(12)				
		TO BUSINESS OF THE PROPERTY OF THE PARTY OF		
The Proof belong the Pr				
· · · · · · · · · · · · · · · · · · ·				
	1	\$ -		

SECTION 3.2 A		-1	
PAGE 3			
<ol> <li>Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)</li> </ol>			
Interest subsidy, O'Brien Automotive	243,551		
Interest subsidy, Creative Thermal	20,230		
Cunningham Ave., loan subsidy program, Michelle's Bridal Shop	36,851		
		\$	300,632
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY			
		Marking as a second	
			(Inches)
		\$	_
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY			
	,		
- Indian Control of the Control of t			
		710 TO 100 PER 101 PER	
		\$	
TOTAL ITEMIZED EXPENDITURES		\$	432,477

#### Section 3.2 B

ist all vendors, including other municipal funds, that were paid in excess of \$10,000 during the curren-	t
reporting year.	

There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

Name	Service		Amount
Interchange Properties (O'Brien)	Interest subsidy	\$	243,551.00
Urbana Park District	Public improvement project	\$	113,880.00
Michelle's Bridal Shop	loan subsidy program	\$	36,851.00
Creative Thermal	Interest subsidy	\$	20,230.00
	· · ·		
		,	

ΓIF	NAME		

# SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5)) Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

FUND BALANCE, END OF REPORTING PERIOD		\$ 1,563,268
	Amount of Original	Amount Designated
1. Description of Debt Obligations		
		<u> </u>
Total Amount Designated for Obligations	\$ -	[\$ -
Total Amount Designated for Obligations	-	[3 -]
2. Description of Project Costs to be Paid		
Airport Rd. improvement		\$ 1,563,268
·		
,		
Yatal Assault Designated San Business Conta		\$ 1,563,268
Total Amount Designated for Project Costs	•	\$ 1,563,268
TOTAL AMOUNT DESIGNATED		\$ 1,563,268
, one modification and		1,505,200
SURPLUS*/(DEFICIT)		\$ -
		Т

FY 2012 TIF **N**AME \_\_\_\_\_\_

<sup>\*</sup> NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

#### SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purc redevelopment project area.	hased by the municipality during the reporting fiscal year within the
No property was acquired by the Mu	unicipality Within the Redevelopment Project Area
Property Acquired by the Municipality With	in the Redevelopment Project Area
Property (1):	ROW for Airport Rd. improvement
Street address:	1806 East Airport Road
Approximate size or description of property:	0.315 acres
Purchase price:	5,500.00
Seller of property:	Estate of Gabe Omosage
Property (2):	ROW for Airport Rd. improvement
Street address:	1805 East Airport Road
Approximate size or description of property:	0.256 acres
Purchase price:	7,000.00
Seller of property:	J. Weiseger
Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

## SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G) PAGE 1

If <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area, indicate so in the space provided:	
If Projects <u>WERE</u> undertaken by the Municipality Within the Redevelopment Project Area enter the <u>TOTAL</u> number of projects and list them in detail below.	

# SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 $\underline{\text{MUST BE INCLUDED}}$ WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED $\underline{\text{IF}}$ PROJECTS ARE LISTED ON THESE PAGES

		Estimated Investment for Subsequent Fiscal	Total Estimated to
TOTAL:	11/1/99 to Date	Year	Complete Project
Private Investment Undertaken (See Instructions)	\$ -	Ψ	\$ -
Public Investment Undertaken	\$ -	- \$ -	\$ -
Ratio of Private/Public Investment	0		0
Project 1:			
Private Investment Undertaken (See Instructions)			\$ -
Public Investment Undertaken			
Ratio of Private/Public Investment	0	,	0
Project 2:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0	-	0
Project 3:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0	<u> </u>	0
Project 4:			•
Private Investment Undertaken (See Instructions)	-		
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 5:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

TF NAME	4	

PAGE 2

	FAGL 2		
Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken		N. W.	
Ratio of Private/Public Investment	0		0
Project 8:	<del>-</del>		
Private Investment Undertaken (See Instructions)			- Lui-Wit-
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 13:			
Private Investment Undertaken (See Instructions)		***	
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

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PAGE 3

	PAGE 3		
Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken Ratio of Private/Public Investment	0		0
Rabo of Physical abilic livestifient			
Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0 .		0
Project 19:			
		r	
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken Ratio of Private/Public Investment	0		0
Ratio of Physic/Public investment	.1 0		
Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 21:		e e	
Private Investment Undertaken (See Instructions)	4 Milesoner II	T	
Public Investment Undertaken	W/± +=		
Ratio of Private/Public Investment	0		0
Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0
Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken Ratio of Private/Public Investment	0		0
Project 25:			
Private investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0	<u> </u>	0

TIF NAME	

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

#### **SECTION 6**

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment			
project area was		Repo	orting Fiscal Year
designated	Base EAV		EAV
2001	\$ 7,334,900	\$	15,498,393

List all overlapping tax districts in the redevelopment project area. If overlapping taxing district received a surplus, list the surplus.

\_\_X\_\_\_ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$		
	\$,		
	\$		
	\$		
	\$		

#### **SECTION 7**

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$
			\$
			\$
			\$
			\$
			\$
			\$

SECTION 8	S	E	C.	Т	IC	N	8
-----------	---	---	----	---	----	---	---

H	Provide a general	description of	the redevelopment	project area	using only majo	r boundaries:

Optional Documents	Enclosed	
Legal description of redevelopment project area		
Map of District	••••	

TIF NAME

# Annual Report – FY11-12 URBANA TAX INCREMENT FINANCE DISTRICT FOUR

The Urbana Tax Increment Finance (TIF) District Four was created in December 2001 to assist in redeveloping and paying for infrastructure needs along the N. Cunningham entryway to the City, extending from the Central Business District north to beyond Interstate 74. It is a real estate tax TIF only, with the last property tax payment being received in the fall of 2025.

The following is the information for TIF District Four (TIF 4) as required by Section 11-74.4-8a(6) of the Tax Increment Allocation Redevelopment Act. This annual report shall be submitted to the Illinois Comptroller's Office and to all taxing districts that are affected by the Urbana Tax Increment Finance District Four.

# A. Amendments to the Redevelopment Plan, Redevelopment Project Area, or State Sales Tax Boundary

No amendments were made to the Redevelopment Plan, Redevelopment Project Area, or State Sales Tax Boundary during Fiscal Year 2011-12.

#### B. Audited Financial Statement of the Special Tax Allocation Fund

A copy of the audited Financial Statement for TIF District Four Special Revenue Fund (Special Tax Allocation Fund) is included as an attachment of this report. The Financial Statement was prepared by the Urbana Finance Department and examined by the city auditors, Bray, Drake, Liles & Richardson, LLP, 1606 Willow View Road, Suite 1E, Urbana, Illinois 64802-7446. See Attachment K and L.

# C. Certification of Compliance by the Chief Executive Officer of the Municipality

See Attachment B.

#### D. Opinion of Compliance by Legal Counsel of the Municipality

See Attachment C.

#### E. Analysis of the Special Tax Allocation Fund

- 1. The balance in the Special Tax Allocation Fund at the beginning of FY 2011-12 (July 1, 2011) for Urbana's TIF Four was **\$1,163,425**.
- 2. The amounts deposited into the Special Tax Allocation Fund during FY 2011-12 are listed below by source:

		%
Revenues	<u>Amount</u>	<u>Total</u>
Property Tax	677,052	81.3
Transfer from TIF2-Park Dist. Project	113,880	13.7
Investment Income	41,388	5.0
Total	\$832,320	100.0%

3. The amounts expended from the Special Tax Allocation Fund during FY 2011-12, by source:

		70
Expenditures	<u>Amount</u>	<u>Total</u>
Marketing Costs	1,416	0.3
Airport Rd. Improvement	13,500	3.1
Willow Rd. Improvement	300	0.1
Site Preparation	2,749	0.6
Contractual, O'Brien's Development	243,551	56.3
Contractual, Creative Thermal	20,230	4.7
Urbana Park Dist. Project	113,880	26.3
Loan Interest Subsidy-Michelle's	36,851	8.6
Total	\$432,477	100.0%

4. The balance in the Special Tax Allocation Fund at the end of FY 2011-12 (June 30, 2012), for Urbana TIF Four was \$1,563,268. This balance has been carried forward into FY 2012-13 for completion of contractual obligations for infrastructure, streetscape projects, and other commitments to fund projects in TIF 4. City also reserves right to use funds carried forward for early retirement of debt service, and other potential redevelopment projects consistent with the Plan. No part of this fund is considered surplus.

#### F. Purchase of Property Within the Redevelopment Project Area

Two parcels were acquired by the City of Urbana through the use of the Special Tax Allocation Fund in TIF District Four. Both parcels (0.315 acres at 1806 East Airport Road and 0.256 acres at 1805 East Airport Road) were acquired for the Airport Road Improvement project.

G. Statement of Activities Undertaken in the Redevelopment Project Area

See Attachment D and F.

#### H. Obligations Issued by the Municipality

There are no outstanding debt obligations in TIF Four.

#### I. Certified Audit Reviewing Compliance

A certified audit report performed by an independent public accountant certified and licensed by the State of Illinois, is included as an attachment of this report. The Financial Statement and letter prepared by Bray, Drake, Liles & Richardson, LLP, 1606 Willow View Road, Suite 1E, Urbana, Illinois 61802-7446, demonstrates compliance with Chapter 24, Section 11-74.4-4.q of the Illinois Revised Statutes.

Prepared by:

Brandon Boys (

Redevelopment Specialist

Ronald Eldridge

Comptroller

cember 22, 2012

**D**ate

Attachments

#### **Attachment B**

Certification of Compliance
By the Chief Executive Officer

Local Government Division Office of the Comptroller 100 W. Randolph, Suite 15-500 Chicago, IL 60601

Re: Report of Annual Activities - Urbana TIF District Four July 1, 2011 through June 30, 2012

Dear Local Government Compliance Manager:

Pursuant to the Tax Increment Allocation Redevelopment Act, the City of Urbana hereby submits the annual Tax Increment Finance Report for Urbana Tax Increment Finance District Four for the period July 1, 2011 through June 30, 2012.

I hereby certify that the City of Urbana has complied with all requirements of the Tax Increment Allocation Redevelopment Act, including reporting requirements during Fiscal Year 2011-12.

Should you have any questions concerning our annual report for Urbana TIF District Four, please contact Brandon Boys, at 217/328-8270.

Sincerely,

Laurel/L. Prussing

Mayor

### Attachment C

# Certification of Compliance by Legal Counsel of the Municipality

December 22, 2012

Local Government Division Office of the Comptroller 100 W. Randolph, Suite 15-500 Chicago, IL 60601

Re: Report of Annual Activities - Urbana TIF District Four

July 1, 2011 through June 30, 2012

Dear Local Government Compliance Manager:

I am legal counsel for the City of Urbana, Champaign County, Illinois (the "City"), and in connection with the requirements of Section 5/11-74.4 of the Municipal Code of the State of Illinois, as amended (65 ILCS 5/11-74.4) and also referred to as the Tax Increment Allocation Redevelopment Act (the "Act") I have examined, among other things, the following:

- 1. Annual Tax Increment Finance Report for Urbana Tax Increment Finance District Four, as prepared by Brandon Boys, Redevelopment Specialist for the City, and Ronald Eldridge, City Comptroller, dated December 22, 2012.
- 2. Comprehensive Annual Financial Report of the City for the year ended June 30, 2012, as the line item accounts therein are further defined and explained by the letter of Ronald C. Eldridge, City Comptroller of Urbana, dated December 22, 2012, together with the letter from Bray, Drake, Liles & Richardson, LLP, an independent certified public accounting firm, for Fiscal Year July 1, 2011 through June 30, 2012, indicating compliance with the requirements of Section 11-74.4-3 of the Act.
- 3. A letter dated December 22, 2012 from Laurel L. Prussing, Mayor, addressed to the Office of the Comptroller as addressed above regarding the certification by the Mayor as the Chief Executive Officer of the City, as required by Section 11-74.4-5 (d) (3) and 11-74.6-22 (d) (3) of the Act

Based on the foregoing and in reliance on the factual matters contained therein, but without having independently verified the accuracy or completeness of such factual matters, I am of the opinion that the City was in compliance with the Act of and during the period covered by such reported information.

Sincerely,

James Simon City Attorney

Ph. 217/384-2464

# Attachment D Activities Statement

#### and

# Attachment F Additional Information

The following activities were undertaken in furtherance of the objectives of the redevelopment plan.

- 1. Site marketing: \$1,416
- 2. The City completed an agreement with O'Brien Auto Park to complete provision of the 2001 agreement. O'Brien Auto Park opened its new car dealership in August 2006. TIF4 paid \$330,000 for its share of the construction of O'Brien Drive. The City has also agreed to reimburse O'Brien for interest costs on the project over the next 10 years. The amount of interest reimbursed in FY11-12 was \$243,551.
- 3. TIF4 paid \$36,851 to Michelle's Bridal Shop as part of the loan subsidy program.
- 4. TIF4 paid \$20,230 in interest subsidies to Creative Thermal.
- 5. TIF4 paid \$300 for improvements to Willow Road.
- 6. TIF4 paid \$13,500 for improvements to Airport Road.
- 7. TIF4 paid \$113,880 to the Urbana Park District for partial reimbursement for a public works project.
- 8. TIF4 paid \$2,749 for site preparation at 2408 N. Cunningham Avenue.

### Attachment E

No new agreements were entered into by the City of Urbana in TIF 4 during FY 11-12

## **Attachment G**

### Contracts

No new contracts were entered into by the municipality during FY 11-12.

#### Attachment K

#### **Audited Financial Statement**

and

#### Attachment L

Certified Audit Report by CPA
Certifying Compliance with Chapter 24, Section 11-74.4.q

December 22, 2012

#### To Whom It May Concern:

The attached balance sheet and statement of revenues, expenditures and changes in fund balance for the City of Urbana Tax Increment Financing District Number Four is included as a fund of the City of Urbana Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012.

Ronald C. Eldridge

City Comptroller

### BRAY, DRAKE, LILES & RICHARDSON LLP Certified Public Accountants

KARL E. DRAKE, CPA
CURTIS D. LILES, CPA
R. NEIL RICHARDSON, CPA
JAMES P. BRAY (RETIRED)

1606 N. Willow View Road, Suite 1E Urbana, Illinois 61802-7446 Phone 217/337-0004 Fax 217/337-5822

December 22, 2012

Mayor and Members of the Urbana City Council Urbana, IL

Independent Auditor's Report
On Compliance with Illinois Municipal Code Subsection (q)
Section 11-74.4-3
Based on an Audit of the Basic Financial Statements

We have audited the basic financial statements of the City of Urbana, Illinois, as of and for the year ended June 30, 2012 and have issued our report thereon dated December 22, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the City of Urbana, Illinois, is the responsibility of the City's management. As a part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the City's compliance with provisions of the Illinois Municipal Code Subsection (q), Section 11-74.4.3. However, the objective of our audit of the basic financial statements was not to provide an opinion on the overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the City of Urbana, Illinois complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to the items not tested, nothing came to our attention that caused us to believe that the City of Urbana, Illinois, had not complied, in all material respects, with those provisions.

Bray, Prike, Lila & Richardson LLP BRAY, DRAKE, LILES & RICHARDSON LLP

### CITY OF URBANA

# Tax Increment Financing District 4 Special Revenue Fund Balance Sheet

### June 30, 2012

#### **ASSETS**

Cash and Cash Equivalents-Savings Investments Receivables - Property Tax	\$	393,712 1,189,733 374,330	
Total Assets	\$	1,957,775	
LIABILITIES AND FUND BALANCE		•	
Liabilities: Accounts Payable Deferred Revenues	\$	106,253 288,254	
Total Liabilities		394,507	
Fund Balance: Restricted for Economic Development		1,563,268	
Total Fund Balance		1,563,268	
Total Liabilities and Fund Balance	_\$_	1,957,775	

#### CITY OF URBANA

#### Tax Increment Financing District 4 Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balance -Budget (GAAP Basis) and Actual

#### Fiscal Year Ended June 30, 2012

		Budg	aet				Fina	ance With al Budget Positive
	Origina			inal		Actual		egative)
-							<del>'</del>	
Revenues:								
Property Tax	\$ 751,50		\$	751,500	\$	677,052	\$	(74,448)
Transfer from TIF2, Park District Projec	113,88	30		113,880		113,880		-
Net Investment Earnings:								
Interest	4,00	00		4,000		15,977		11,977
Net Appreciation (Depreciation)								
in Vair Value of Investments	_					25,411		25,411
Net Investment Earnings	4,00	00		4,000		41,388		37,388
Total Revenues	869,38	<u> 30 </u>		869,380		832,320		(37,060)
Expenditures: Current:								
Contractual Services:	40.04			40.000		4 440		40.004
Marketing/Promotion	12,00			12,000		1,416		10,584
Loan Program	40,00			40,000		36,851		3,149
Site Preparation	80,00			80,000		2,749		77,251
O'Brien Incentives	308,90			308,900		243,551		65,349
Creative Thermal Incentives	63,00			63,000		20,230		42,770
Park District Projects	113,8	80		113,880		113,880		-
Capital Outlay	00.0	00		00.000				60,000
Cunningham Ave. Curbcuts	60,0			60,000		-		60,000
Willow Road Impr.	250,0			250,000		300		249,700
Cunningham Ave. Right of Way	70,0			70,000		- 40 500		70,000
Airport Road Improvement	175,0	<u> </u>		175,000	· · · · · · · · · · · · · · · · · · ·	13,500		161,500
Total Expenditures	1,172,7	80	1	,172,780		432,477		740,303
Net Change in Fund Balance	(303,4	00)		(303,400)		399,843		703,243
Fund Balance, Beginning of Year	1,163,4	25	1	,163,425		1,163,425		<u> </u>
Fund Balance, End of Year	\$ 860,0	<u> 25</u>	\$	860,025	\$	1,563,268	\$	703,243