

**FY 2023**

**ANNUAL TAX INCREMENT FINANCE  
REPORT**



**SUSANA A. MENDOZA**  
ILLINOIS STATE COMPTROLLER

Name of Municipality: City of Urbana Reporting Fiscal Year: 2023  
 County: Champaign Fiscal Year End: 6/30/2023  
 Unit Code: 10/120/30

**FY 2023 TIF Administrator Contact Information-Required**

First Name: Stepheny Last Name: McMahon  
 Address: 400 S. Vine Street Title: Economic Development Supervisor  
 Telephone: 217-328-8274 City: Urbana Zip: 61801  
 E-mail: slmcmahon@urbanaininois.us

I attest to the best of my knowledge, that this FY 2023 report of the redevelopment project area(s)  
 in the **City/Village** of: Urbana  
 is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

*Stepheny McMahon 1/10/24*

Written signature of TIF Administrator \_\_\_\_\_ Date \_\_\_\_\_

**Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)\*)**

**FILL OUT ONE FOR EACH TIF DISTRICT**

Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
TIF 4	12/19/2001	
TIF 1	12/22/1980	10/6/2018
TIF 2	12/23/1986	12/31/2022
Central Redevelopment TIF	10/17/2016	

\*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.]

**SECTION 2** [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

<b>Primary Use of Redevelopment Project Area*</b> : Commercial	
<small>*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.</small>	
<b>If "Combination/Mixed" List Component Types:</b>	
<b>Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one):</b>	
<b>Tax Increment Allocation Redevelopment Act</b>	<input checked="" type="checkbox"/>
<b>Industrial Jobs Recovery Law</b>	<input type="checkbox"/>

**Please utilize the information below to properly label the Attachments.**

	No	Yes
For redevelopment projects beginning prior to FY 2022, 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)] <b>If yes, please enclose the amendment (labeled Attachment A).</b> <span style="float: right;"><b>For</b></span> <b>For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions 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)]</b> <b>If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).</b>	x	
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)] <b>Please enclose the CEO Certification (labeled Attachment B).</b>		x
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)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		x
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>		x
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)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>	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)] <b>If yes, please enclose the Additional Information (labeled Attachment F).</b>		x
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)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	x	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>	x	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).</b>	x	
An analysis prepared by a financial advisor or underwriter, <b>chosen by the municipality</b> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <b>and actual debt service.</b> [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).</b>	x	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		x
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] <b>If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).</b>		x
A list of all intergovernmental agreements in effect 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)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>		x
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. <b>If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).</b>	x	

**SECTION 3.1** [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**Provide an analysis of the special tax allocation fund.**

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 4,550,918

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 1,649,675	\$ 16,804,724	97%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 116,766	\$ 502,319	3%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 1,766,441

Cumulative Total Revenues/Cash Receipts \$ 17,307,043 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 526,072

Transfers to Municipal Sources  

Distribution of Surplus  

Total Expenditures/Disbursements \$ 526,072

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 1,240,369

Previous Year Adjustment (Explain Below)  

**FUND BALANCE, END OF REPORTING PERIOD\*** \$ 5,791,287

\* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

**Previous Year Explanation:**

**SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]**

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

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

**PAGE 1**

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
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
		\$ -
2. Annual administrative cost.		
PERSONNEL SERVICES	92,969	
TRAINING	1,210	
		\$ 94,179
3. Cost of marketing sites.		
MARKETING/ADVERTISING/PUBLIC EDUCATION	34,165	
		\$ 34,165
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the construction of public works or improvements.		
HIGHWAYS & STREETS	37,051	



**SECTION 3.2 A**  
**PAGE 3**

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
URBANA SCHOOL DISTRICT	168,785	
		\$ 168,785
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
URBANA PARK DISTRICT	191,892	
		\$ 191,892
<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 526,072</b>



**SECTION 3.3** [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source**

**FUND BALANCE BY SOURCE**

\$ 5,791,287
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1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
<b>Total Amount Designated for Obligations</b>	\$ -	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
<b>Total Amount Designated for Project Costs</b>		\$ -

**TOTAL AMOUNT DESIGNATED** \$ -

**SURPLUS/(DEFICIT)** \$ 5,791,287



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

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.**

x
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**Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.**

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

**SECTION 5 [20 ILCS 620/4.7 (7)(F)]**

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**PAGE 1**

**Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.**

**Select ONE of the following by indicating an 'X':**

<b>1. NO</b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	x
<b>2.</b> The municipality <b>DID</b> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)	
<b>2a.</b> The total number of <b>ALL</b> activities undertaken in furtherance of the objectives of the redevelopment plan:	
<b>2b.</b> The total number of <b>NEW</b> projects undertaken by the municipality in fiscal year 2022 and any fiscal year thereafter, within the Redevelopment Project area, if any.	

**LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:**

<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ -	\$ -	\$ -
Ratio of Private/Public Investment	0		0

**Project 1 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 2 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 3 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 4 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 5 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 6 Name:**

Private Investment Undertaken (See Instructions)			
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SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.**

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

**SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.**

Project Name	The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement.		The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement.	
	Temporary	Permanent	Temporary	Permanent

**SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.**

Project Name	The amount of increment projected to be created at the time of approval of the redevelopment agreement.	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement.

**SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, IF ANY:**

Project Name	Stated Rate of Return

**SECTION 7** [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF 4**

**Provide a general description of the redevelopment project area using only major boundaries.**

Urbana's TIF 4 consists of the commercial corridor along Cunningham Ave. beginning just north of University Avenue to the South and approximately a half mile north of I-74 to the north.

<b>Optional Documents</b>	<b>Enclosed</b>
Legal description of redevelopment project area	
Map of District	



ATTACHMENT B

December 27, 2023

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, 2022 through June 30, 2023**

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, 2022 through June 30, 2023.

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 2022-23

Should you have any questions concerning our annual report for Urbana TIF District Four, please contact Stepheny McMahon at 217-328-8274

Sincerely,



Diane W. Marlin  
Mayor

# ATTACHMENT C

LAW OFFICES OF  
**EVANS, FROEHLICH, BETH & CHAMLEY**  
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS  
44 MAIN STREET, THIRD FLOOR  
CHAMPAIGN, ILLINOIS 61820  
TELEPHONE (217) 359-6494

## LEGAL COUNSEL OPINION

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Re: City of Urbana, Illinois (the “**Municipality**”)  
Tax Increment Finance Redevelopment Project Area (“**TIF #4**”)  
Annual Tax Increment Finance Report for Fiscal Year 2023

In connection with the “Annual Tax Increment Finance Report” for Tax Increment Finance Redevelopment Project Area - TIF #4 (TIF #4) for the fiscal year ending June 30, 2023 (the “**Annual Report**”) under the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.)(the “**Act**”), I am acting as the Municipality’s legal counsel related to TIF #4, and, based upon review of the Annual Report and in reliance on representations made by officers and employees of the Municipality and the Municipality’s TIF Administrator as to all proceedings preliminary to, in connection with and related to the adoption of tax increment finance, the approval of the redevelopment plan and redevelopment projects and the designation of TIF #4, but without making any independent investigation or inquiry in connection with any of the foregoing, I am of the opinion that the Municipality, as of June 30, 2023, was in compliance with the Act. I express no opinion as to (i) the sufficiency or completeness of the Annual Report, (ii) any expenditure from the special tax allocation fund for TIF #4, or (iii) the authorization, execution and binding effect of any development or redevelopment or other similar agreement related to TIF #4. This constitutes the “Legal Counsel Opinion” under the Act, and may not be cited or used in connection with anything other than submission with the Annual Report.

Delivered: January 10, 2024  
Effective as of: July 1, 2023

Very truly yours,

**EVANS, FROEHLICH, BETH & CHAMLEY**

By /s/ David B. Wesner  
David B. Wesner

## **Attachment D –2023**

### **Activities Statement**

**and**

## **Attachment F**

### **Additional Information**

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

1. TIF 4 paid \$35,375.08 in marketing, promotion and legal services, and \$92,969.02 in personnel services.
2. TIF 4 paid \$191,891.51 toward public works and improvements associated with the Urbana Parks District.
3. TIF 4 paid \$168,785.24 to the Urbana School District for expenses related to vocational training.
4. TIF 4 paid 37,051.39 for improvements to highways and streets along the Cunningham Ave. commercial corridor within TIF 4.



## CITY OF URBANA, ILLINOIS

## TIF #4 - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended June 30, 2023

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
<b>Taxes</b>			
Property Tax	\$ 1,530,105	1,634,152	1,649,675
Investment Income	25,000	95,000	116,766
<b>Total Revenues</b>	<b>1,555,105</b>	<b>1,729,152</b>	<b>1,766,441</b>
<b>Expenditures</b>			
<b>Urban Development and Housing</b>			
Salaries and Benefits	138,110	138,110	92,969
Contractual Services	3,001,345	1,742,778	433,103
<b>Total Expenditures</b>	<b>3,139,455</b>	<b>1,880,888</b>	<b>526,072</b>
<b>Net Change in Fund Balance</b>	<b>(1,584,350)</b>	<b>(151,736)</b>	<b>1,240,369</b>
<b>Fund Balance - Beginning</b>			<b>4,550,918</b>
<b>Fund Balance - Ending</b>			<b>5,791,287</b>



**INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE**

December 15, 2023

The Honorable Mayor  
Members of the City Council  
City of Urbana, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Urbana, Illinois, as of and for the year ended June 30, 2023, and have issued our report thereon dated December 15, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance with laws, regulations, contracts, and grants applicable to tax increment financing districts is the responsibility of the City of Urbana, Illinois' management. In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing," insofar as it relates to accounting matters for the Tax Increment Financing District #2, the Tax Increment Financing District #4, and the Central TIF, however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the City Council, management, the State of Illinois, and others within the City and is not intended to be, and should not be, used by anyone other than the specified parties.

Cordially,

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP

## **Attachment M from 2023**

### **Intergovernmental Agreements**

<b>Agreement</b>	<b>Amount</b>
Resolution 2016-04-022R Intergovernmental Agreement Between the City of Urbana and the Urbana Park District	\$191,892