

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area:	TIF District Two
Primary Use of Redevelopment Project Area*:	Central Business District
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <u>X</u>	Industrial Jobs 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	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)] Please enclose the CEO Certification labeled Attachment 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)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
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		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)] 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		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)] 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)] If yes, please enclose the Joint Review Board Report labeled Attachment H	X	
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)] If yes, please enclose the Official Statement labeled Attachment I	X	
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 5/11-74.4-5 (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 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	

* 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.

Reporting Year	Cumulative
----------------	------------

Fund Balance at Beginning of Reporting Period \$ 4,282,275

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 1,156,837	\$ 12,152,770	54%
State Sales Tax Increment		\$ 3,383,681	15%
Local Sales Tax Increment		\$ 2,578,647	11%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 68,373	\$ 839,748	4%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 2,882,674	13%
Transfers from Municipal Sources		\$ 650,000	3%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 1,225,210

Cumulative Total Revenues/Cash Receipts \$ 22,487,520 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 2,197,898

Distribution of Surplus \$

Total Expenditures/Disbursements \$ 2,197,898

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (972,688)

FUND BALANCE, END OF REPORTING PERIOD \$ 3,309,587

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

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

		Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Administration, staff	60,066	
Professional legal	9,905	
Transfer to TIF1 for Historic Lincoln Hotel	261,577	
Transfer to TIF4 for Park District Projects	109,500	
Downtown Lincoln walking tour	6,011	
		\$ 447,059
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
Downtown marketing	83,134	
		\$ 83,134
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
Lincicome property env. study	31,028	
Allman property purchase option payment	1,200	
Purchase of 202 S. Vine Street	391,445	
Purchase & Demolition, 305 E. Elm St., 307 E. Elm St., 203 S. Urbana Ave, 205 S. Urbana	330,511	
		\$ 754,184
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		
		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
Race Street Storm Sewer Improvement	71,273	
Design Costs for Boneyard Improvement	355,350	
Vine Street Lift Station	14,238	
Main Street Improvement	274,418	
Other	8,994	
		\$ 724,273
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		\$ -

7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
Debt Service, Busey Bank Trustee	22,545	
		\$ 22,545
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
		\$ -
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		
		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		\$ -
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -

Downtown loan interest subsidies	99,368	
Downtown rent subsidies	18,300	
Five Points West/Gateway Shoppes interest subsidy under dev. agreement	45,265	
Omni interest subsidy under dev. Agreement	876	
Patel property interest subsidy under dev. agreement	2,894	
		\$ 166,703
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		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 2,197,898

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

(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))

FUND BALANCE, END OF REPORTING PERIOD \$ 3,309,587

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
2005 Downtown Parking Bonds	\$ 805,000	\$ 47,465

Total Amount Designated for Obligations \$ 805,000 \$ 47,465

2. Description of Project Costs to be Paid		
Boneyard Improvement Project		\$ 3,262,122

Total Amount Designated for Project Costs \$ 3,262,122

TOTAL AMOUNT DESIGNATED \$ 3,309,587

SURPLUS*/(DEFICIT) \$ -

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See instructions and statutes)

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 purchased by the municipality during the reporting fiscal year within the redevelopment project area.

_____ **No property was acquired by the Municipality Within the Redevelopment Project Area**

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	Urbana Tire Company (Goodyear)
Street address:	202 S. Vine Street, Urbana IL.
Approximate size or description of property:	17,424 Sq. ft.
Purchase price:	400,000.00
Seller of property:	HURSHAL C. TUMMELSON ESTATE and the DARIUS E. PHEBUS TRUST

Property (2):	305 E. Elm Street, Urbana IL.
Street address:	305 E. Elm Street, Urbana IL.
Approximate size or description of property:	8,712 Sq. ft.
Purchase price:	70,000.00
Seller of property:	Hurshal C. Tummelson Estate and the Darius E. Phebus Trust

Property (3):	205 S. Urbana Avenue, Urbana IL.
Street address:	205 S. Urbana Avenue, Urbana IL.
Approximate size or description of property:	2,772 Sq ft.
Purchase price:	60,000.00
Seller of property:	Hurshal C. Tummelson Estate and the Darius E. Phebus Trust

Property (4):	307 E. Elm Street & 203 S. Urbana Avenue, Urbana, IL.
Street address:	307 E. Elm Street & 203 S. Urbana Avenue, Urbana, IL.
Approximate size or description of property:	5,940 Sq ft.
Purchase price:	110,000.00
Seller of property:	Hurshal C. Tummelson Estate and the Darius E. Phebus Trust

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

Please include a brief description of each project.

 No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
TOTAL:			
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
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		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

Project 7:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 8:			
Private Investment Undertaken (See Instructions)			
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

Project 16:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

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

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
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		0

Annual Report – FY10-11

URBANA TAX INCREMENT FINANCE DISTRICT TWO

The Urbana Tax Increment Finance (TIF) District Two was created in December 1986 in an effort to stimulate private development in the downtown. The District encompasses approximately 173 acres of the outer core of the Urbana Central Business District (CBD) and completely surrounds Urbana Tax Increment Finance District One.

The following is the information for TIF District Two (TIF 2) 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 Two.

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 2010-11.

B. Audited Financial Statement of the Special Tax Allocation Fund

A copy of the audited Financial Statement for TIF District Two Special Revenue Fund (Special Tax Allocation Fund) is included as Attachments K and L 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 61802-7446.

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 2010-11 (July 1, 2010) for Urbana's TIF Two was **\$4,282,275**.

2. The amounts deposited into the Special Tax Allocation Fund during FY 2010-

11 are listed below by source:

<u>Revenues</u>	<u>Amount</u>	<u>% Total</u>
Property Tax	1,156,837	94.4
Interest	68,373	5.6
Total	1,225,210	100.0%

3. The amounts expended from the Special Tax Allocation Fund during FY 2010-11, by source:

<u>Expenditures</u>	<u>Amount</u>	<u>% Total</u>
Staff Costs	60,066	2.7
Legal and Marketing	93,039	4.2
Property Demo. & Acquisition	754,184	34.3
Loan Interest Subsidies	99,368	4.5
Rent Subsidies	18,300	0.8
Debt Service	22,545	1.0
Contractual Agreement, 5 Points W.	45,265	2.1
Contractual Agreement, Others	3,770	0.2
Downtown Lincoln Walking Tour	6,011	0.3
Transfer TIF1 for Historic Lincoln	261,577	11.9
Transfer TIF4 for Park Dist. Projects	109,500	5.0
Public Capital Improvements	724,273	33.0
Total	\$2,197,898	100.0%

4. The balance in the Special Tax Allocation Fund at the end of FY 2010-11 (June 30, 2011) for Urbana TIF Two was **\$3,309,587**. This balance has been carried forward into FY 2011-12 for completion of contractual obligations for infrastructure, streetscape projects, and other commitments to fund projects in TIF 2 and to pay future debt service payments. The 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.

G. Statement of Activities Undertaken in the Redevelopment Project Area

See Attachment D and F.

H. Obligations Issued by the Municipality

All of the following debt obligations are payable from and secured by the incremental taxes and other revenues of the TIF Two.

In March 1990, the City of Urbana issued \$3,890,000 in bonds for the purpose of constructing parking and infrastructure improvements within the Tax Increment

Financing District Two Redevelopment Project Area. On June 1, 1994, the City issued \$1,975,000 in bonds for the purpose of advance refunding the 90 bonds, in order to again lower interest costs. On April 1, 2005, the City issued bonds and paid off the balance of the 1994 Bonds in order to again lower interest costs. These bonds were issued after the City extended the terms of TIF Two to 12/31/2013 in accordance with the Tax Increment Allocation Redevelopment Act. Annual scheduled debt service payments on the 05 Bonds range from \$22,000 to \$28,000 with the last payment due 3/01/2013.

On July 27, 1999, the City of Urbana agreed to pay Schnuck Markets the amount of \$1,300,000 together with interest thereon under the terms of a Redevelopment Agreement between Schnuck Markets and the City of Urbana for a Redevelopment Project in the Tax Increment Financing District Two Redevelopment Project Area. On July 1, 2007, the City paid off this agreement early to save future financing costs. No future payments are owed.

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 Attachments K and L of this report. The Financial Statement and letter prepared by Bray, Drake, Liles & Richardson, LLP, 1606 Willow View Road, Urbana, Illinois 61802-7446, demonstrates compliance with Chapter 24, Section 11-74.4-4.q of the Illinois Revised Statutes.

Prepared by:

Thomas Carrino
Economic Dev. Manager

Ronald C. Eldridge
City Comptroller

December 22, 2011
Date

Attachments

Attachment B

**Certification of Compliance
By the Chief Executive Officer**

December 22, 2011

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

**Re: Report of Annual Activities - Urbana TIF District Two
July 1, 2010 through June 30, 2011**

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 Two for the period July 1, 2010 through June 30, 2011.

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 2010-11.

Should you have any questions concerning our annual report for Urbana TIF District Two, please contact Thomas Carrino, at 217/384-2442.

Sincerely,

Laurel L. Prussing
Mayor

Attachment C

**Certification of Compliance by Legal Counsel
of the Municipality**

December 22, 2011

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

**Re: Report of Annual Activities - Urbana TIF District Two
July 1, 2010 through June 30, 2011**

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 Two, as prepared by Thomas Carrino, Economic Development Manager for the City, and Ronald Eldridge, City Comptroller, dated December 22, 2011.
2. Comprehensive Annual Financial Report of the City for the year ended June 30, 2011, 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, 2011, together with the letter from Bray, Drake, Liles & Richardson, LLP, an independent certified public accounting firm, for Fiscal Year July 1, 2010 through June 30, 2011, indicating compliance with the requirements of Section 11-74.4-3 of the Act.
3. A letter dated December 22, 2011 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,

Curt Borman
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. TIF Two paid \$274,418 to improve Main Street.
2. TIF Two paid \$99,368 in loan interest subsidies for projects in TIF Two under the provisions of a TIF Redevelopment Incentive Program, which offers incentives to downtown retailers to locate downtown and improve the appearance of aging or vacant structures.
3. TIF Two paid \$355,350 for engineering design on the Boneyard Improvement .
4. TIF Two paid \$32,228 for property environmental study costs.
5. TIF Two paid \$83,134 for marketing and legal costs in the downtown.
6. TIF Two acquired 202 S. Vine St. property for \$391,445.
7. TIF Two acquired and demolished structures at 305 East Elm Street, 307 East Elm Street, 203 South Urbana Avenue, and 205 South Urbana Avenue for \$330,511.
8. TIF Two paid \$6,011 for design of a walking tour of the historic properties in the downtown that are related to Abraham Lincoln.
9. TIF Two paid \$71,273 to improve the Race Street storm sewers.
10. TIF Two paid \$14,238 to improve the Vine Street lift station.
11. TIF Two paid \$274,418 to improve Main Street.
12. TIF Two paid \$18,300 under a program to subsidize rental costs in the downtown area.
13. TIF Two paid \$81,263 for interest subsidies under development agreements.

Attachment E

No new agreements were entered into by the City of Urbana in TIF 3 during FY 10-11

Attachment K
Audited Financial Statement

December 22, 2011

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 Two is included as a fund of the City of Urbana Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011.

Ronald C. Eldridge
City Comptroller

CITY OF URBANA

Tax Increment Financing District 2 Special Revenue Fund
Balance Sheet

June 30, 2011

ASSETS

Cash and Cash Equivalents:

Savings	\$	460,044
Investments		3,031,062
Receivables - Property Tax		561,087
Receivables - Loan		50,000
		<hr/>

Total Assets

\$ 4,102,193

LIABILITIES AND FUND BALANCE

Liabilities:

Due to Other Funds	\$	267,565
Accounts Payable		58,325
Accrued Salaries and Taxes		2,048
Deferred Revenues		464,668
		<hr/>

Total Liabilities

792,606

Fund Balance:

Unreserved		3,309,587
		<hr/>

Total Liabilities and
Fund Balance

\$ 4,102,193

CITY OF URBANA

Tax Increment Financing District 2 Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget (GAAP Basis) and Actual

Fiscal Year Ended June 30, 2011

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property Tax	\$ 1,135,000	\$ 1,135,000	\$ 1,156,837	\$ 21,837
Investment Earnings:				
Interest	75,000	75,000	66,112	(8,888)
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	2,261	2,261
Total Net Investment Earnings	75,000	75,000	68,373	(6,627)
Total Revenues	1,210,000	1,210,000	1,225,210	15,210
Expenditures:				
Current:				
Urban Redevelopment and Housing:				
Personnel Services	57,500	60,070	60,066	4
Contractual Services:				
Loan/Rent Program	107,000	107,000	117,668	(10,668)
Incentives under Dev. Agreements	60,900	60,900	49,035	11,865
Lincoln Walking Tour	17,000	17,000	6,011	10,989
Lincicome Site Env. Study	35,000	35,000	31,028	3,972
Downtown Marketing Study/Plan	66,800	66,800	64,849	1,951
Other Marketing/Promotion	12,000	12,000	6,351	5,649
Allman Site Option/Studies	603,179	603,179	1,200	601,979
Other	18,730	16,160	21,839	(5,679)
Debt Service	26,000	26,000	22,545	3,455
Transfer TIF One - Historic Lincoln	600,000	650,000	261,577	388,423
Transfer TIF Four - Park Dist. Projects	109,500	109,500	109,500	-
Capital Outlay:				
Acquisition 202 S. Vine	417,445	417,445	391,445	26,000
Acquisition/Demo. Elm St. Properties	214,178	304,178	330,511	(26,333)
Race Street Storm Sewer Impr.	85,000	85,000	71,273	13,727
Cunningham/Crystal Lake Signal	50,000	50,000	-	50,000
Demo. Costs, Lincicome Property	-	220,000	-	220,000
Urbana Ave. Improvement	800,000	800,000	-	800,000
Broadway Ave. Streetscape	96,875	96,875	-	96,875
University Ave. Streetscape	250,000	250,000	-	250,000
Boneyard Impr. Design	669,615	669,615	355,350	314,265
Vine Street Lift Station	15,009	15,009	14,238	771
Main St. Improvement	310,000	310,000	274,418	35,582
Other	70,239	70,239	8,994	61,245
Total Expenditures	4,691,970	5,051,970	2,197,898	2,854,072
Net Revenues Over (Under) Expenditures	(3,481,970)	(3,841,970)	(972,688)	2,869,282
Fund Balance, Beginning of Year	4,282,275	4,282,275	4,282,275	-
Fund Balance, End of Year	\$ 800,305	\$ 440,305	\$ 3,309,587	\$ 2,869,282

Attachment L

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