



## **CITY OF AUBURN, ILLINOIS**

### **TAX INCREMENT FINANCING (TIF) DISTRICT REDEVELOPMENT AREA, PLAN & PROJECTS**

*Prepared for*  
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Jacob & Klein, Ltd. and The Economic Development Group, Ltd., gratefully acknowledge assistance from Sangamon County and the City of Auburn government officials, business leaders and residents who contributed their time toward the creation of this Auburn TIF District Redevelopment Area, Plan and Projects.

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## **Auburn Tax Increment Financing District Redevelopment Area, Plan and Projects**

**Draft Copy / December - 2016**

A variety of policies, programs, and strategies are often used to promote economic development in a community. This Redevelopment Plan provides a comprehensive and detailed discussion of the uses, structure, and impacts of tax increment financing (TIF) in Auburn, Illinois.

The City Council has concluded that it is in the best interest of the City and that the citizens of Auburn will benefit by the adoption of this Auburn Tax Increment Financing District Redevelopment Area, Plan and Projects.

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# CITY OF AUBURN, ILLINOIS TAX INCREMENT FINANCING (TIF) DISTRICT REDEVELOPMENT AREA, PLAN & PROJECTS

## SECTION I. INTRODUCTION

### *Background Information*

The City of Auburn (pop. 4,771) is a Central Illinois Municipality located in Sangamon County at the intersection of State Routes 104 and 4, just 5 miles west of Interstate 55 and 10 miles south of Springfield (pop. 116,250), 90 miles southwest of Champaign and 70 miles northeast of St. Louis, MO (*Figure 1*).



**Figure 1. Location of Auburn, Illinois.**

### *Community Origin*

The County of Sangamon was created on January 30, 1821. Between 1821 and 1834, several families settled in the beautiful country that was to become Auburn Township. The original town of Auburn was laid out in 1835. In 1853, Phillip Wineman had platted a new village called “Wineman” located about one mile south of the old village of Auburn and on the line of the Chicago and Alton Railroad. Additions were made to the plats and the additions together with “Wineman” were incorporated by the legislature in the 1864-65 Session under the name “Auburn”. Coal mining was Auburn’s largest industry in its history. At one time, there were four mines in operation in the immediate vicinity.

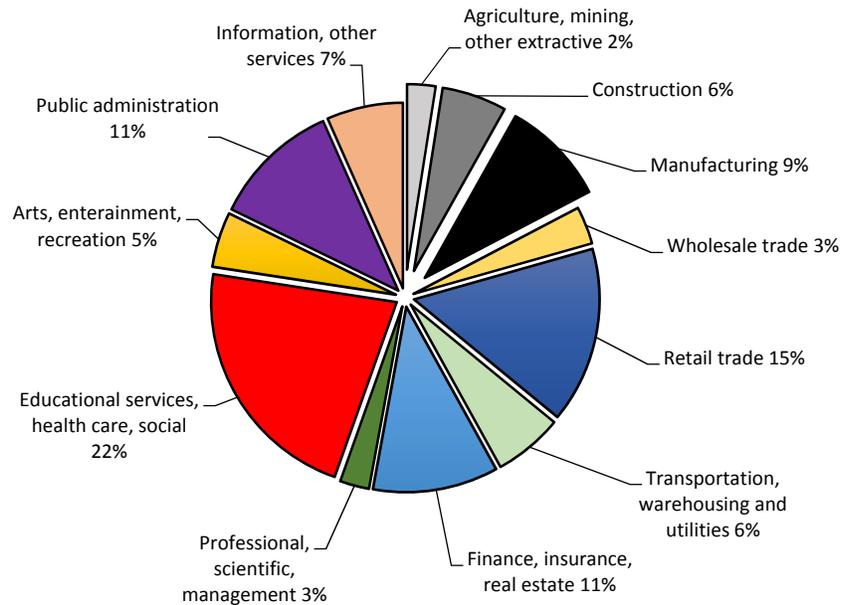
### *Auburn Today*

As reported in the *City of Auburn Comprehensive Plan* that was adopted in 2016 (see *Appendix A*), Auburn is generally classified as a bedroom community. Based on U.S. Census Bureau estimates from the *American Community Survey*, approximately 82.9% of Auburn workers commuted outside of the City for employment in 2014 (source: <http://factfinder.census.gov>). The estimated average travel time to work by those commuters was slightly more than 25 minutes. According to the Census Bureau’s *2012 Survey of Business Owners*, the City of Auburn hosted 239 businesses in 2012. Of the total 2,579 Auburn workers 16 years of age and older in 2014, approximately 441 (i.e., 17.1%) were working somewhere within the Auburn community.

Although Auburn workers are employed within a diverse mixture of industries, eighty three percent (83%) are believed to be generally employed within a service sector industry (see *Figure 2*). Only seventeen percent (17%) are employed in manufacturing, construction, agriculture, mining or other extractive industry.

**Figure 2. Auburn Workers by Industry**

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates



Despite the forgoing statistics, the Auburn’s proximity to larger urban areas as well as its excellent logistical amenities such as active rail and access to an interstate highway system offers much opportunity for commercial/retail development, industrial manufacturing, and various forms of residential development. Pursuing such development is among the major goals stated in the City’s Comprehensive Plan:

*“Municipal growth shall be encouraged to increase the local tax base and to provide for local employment/business opportunities. To the extent possible, the “small city atmosphere” of the community is to be valued and retained. The role of development is a positive one, essential for the future economic health of the community.”*

Having articulated its intentions regarding future community and economic development within the Comprehensive Plan, the City of Auburn has now undertaken an effort to design this Redevelopment Plan and Projects (the “Plan”) for the proposed Auburn Tax Increment Financing (TIF) District Redevelopment Project Area (the “Area”). The Area includes numerous sites for which TIF may be used to encourage the redevelopment of several underutilized and/or distressed industrial, commercial and residential properties. The Plan is intended to promote and protect the health, safety, morals, and welfare of the public, address blighted conditions and institute conservation measures so as to:

- remove and alleviate adverse conditions;
- encourage private investment; and
- restore and enhance the tax base of the overlapping taxing districts by undertaking public and private redevelopment projects within the specified Redevelopment Project Area.

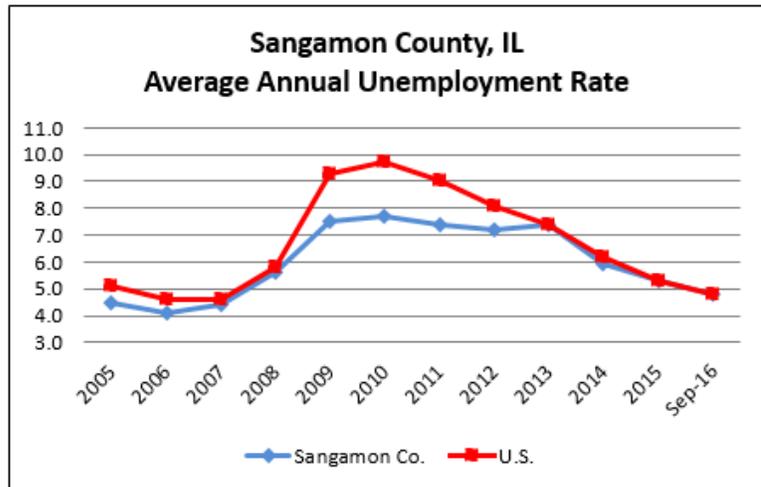
Without tax increment financing, economic stagnation is anticipated to continue and further decline of the proposed Redevelopment Project Area is anticipated. Avoiding such decline is the subject of this Redevelopment Plan. Without an influx of new private investment and ongoing improvements to local public infrastructure, further deterioration of local properties and related amenities are likely to occur and will further impair the value of private investments as well as the sound growth and tax base of affected taxing districts.

While adhering to the three basic planning principles discussed in the Comprehensive Plan (i.e., **Planning and Zoning, Municipal Growth and Transportation and Infrastructure**), the City of Auburn proposes to use tax increment financing to attract a mixture of new industrial, commercial and residential development to the community. By attracting new private investment, improving public infrastructure and encouraging new private investment throughout the designated Redevelopment Project Area, the City expects to create new employment opportunities, reverse recent population declines, stimulate the local economy and improve the overall quality of life for its residents.

### *Recent Trends and Conditions*

#### Unemployment

The unemployment rate is the number of people unemployed which is expressed as a percentage of the total civilian labor force. The average annual unemployment rate in Sangamon County increased from 4.1% in 2006 to 7.7% in 2010 and was reported at 5.3% in 2015 (see *Figure 3*).



**Figure 3. Sangamon County Unemployment Rate, 2005 – September 2016.**

Although economic conditions since 2007 caused unemployment levels to dramatically increase throughout most Counties in Illinois, Sangamon County's unemployment rate currently reflects national trends and was recorded by the Illinois Department of Employment Security as being **4.8% in September of 2016**. As the seat of both county and state government, and being located at the nexus of two interstate highways, the City of Springfield accounts for a large portion of Sangamon County's employment base, thereby drawing a large number of workplace commuters from surrounding communities.

The City of Auburn proposes to use tax increment financing to attract and/or expand commercial and commercial-retail employers within the TIF Redevelopment Project Area. Such employers include commercial retail stores, professional office space, commercial warehousing facilities, and other highway and service business developments which are consistent with the City's Comprehensive Plan and land use ordinances. This type of new investment in commercial and service businesses within the Redevelopment Project Area will help to increase real estate tax revenues for the City and other taxing bodies and generate new employment opportunities within the Auburn community.

## Population

In 1960, there were 2,209 persons residing in the City of Auburn. As reported by the U.S. Census Bureau, the City's population as of 2010 was 4,771 (*Figure 4*). The current population represents an increase of 2,562 residents since 1960. The median age of Auburn residents as of the 2010 Census was 34 years, which is less than the U.S. median age of 37.2 years.

The rapidly increasing school enrollment levels that occurred at Auburn C.U.S.D. #10 for the district's period of FY2006 to FY2011 reflect significant growth in housing and local population that occurred during that same period. However, during the school district's period of FY2012 to FY2017, the school district's average daily attendance has experienced a declining trend whereby the average daily attendance during the 2017 school year was just 11% more than it was 11 years prior (see *Figure 5*).

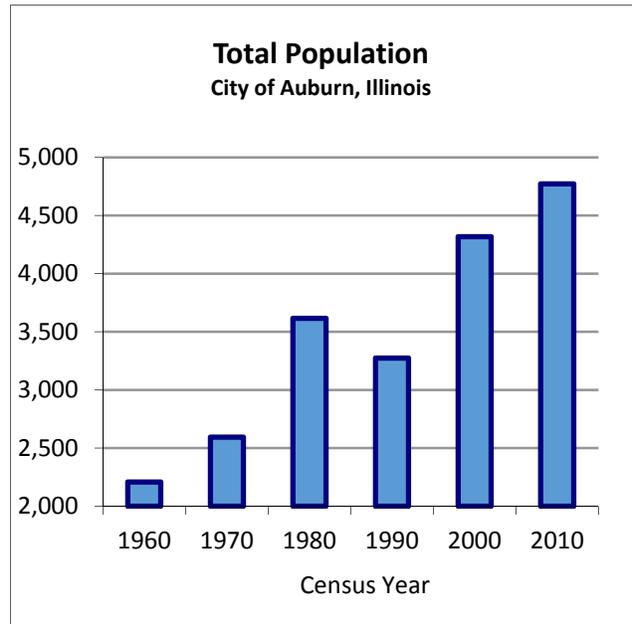


Figure 4. City of Auburn Population.

Therefore, the City proposes to use tax increment financing to encourage the rehabilitation, preservation and redevelopment of residential properties, as well as encourage some limited amount of new residential development, which will help to increase population, encourage residential growth to support new retail trade thresholds, and stabilize future school enrollments

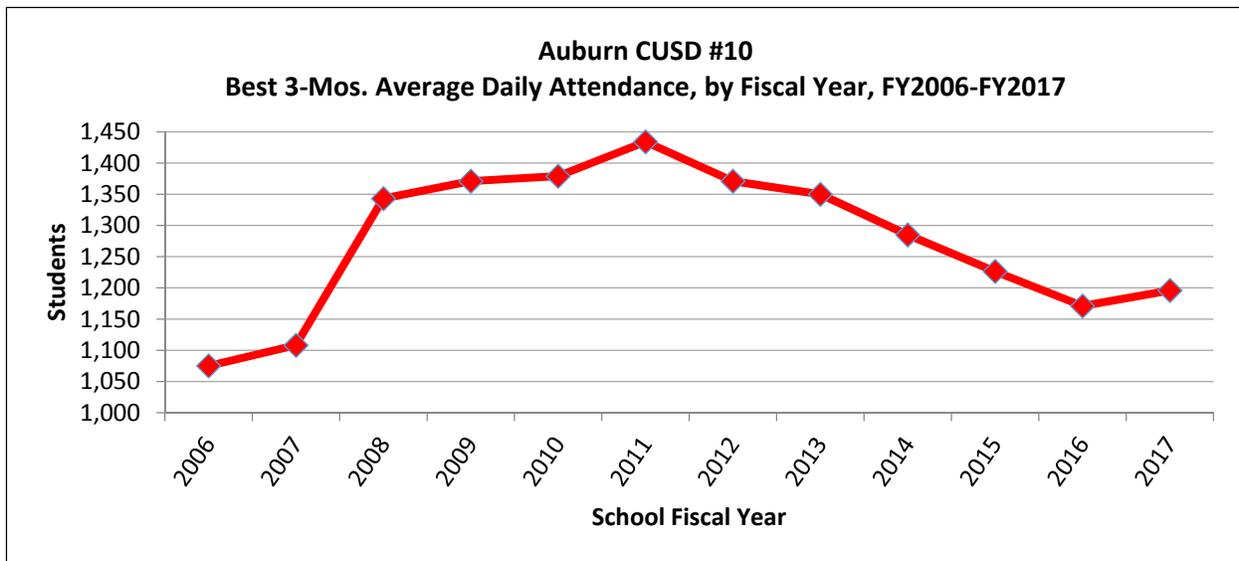


Figure 5. Average Daily Attendance by School District Fiscal Year, 2006-2017.

## Retail Trade

The total retail sales generated in the City of Auburn in calendar year 2015 were \$24,370,482, as reported by the Illinois Department of Revenue. The City's total retail sales increased by nearly \$4.0 million between 2000 and 2015. However, in terms of real, inflation-adjusted dollars, the City's total retail sales have actually declined by \$1.8 million over this 15-year period (*Figure 6*).

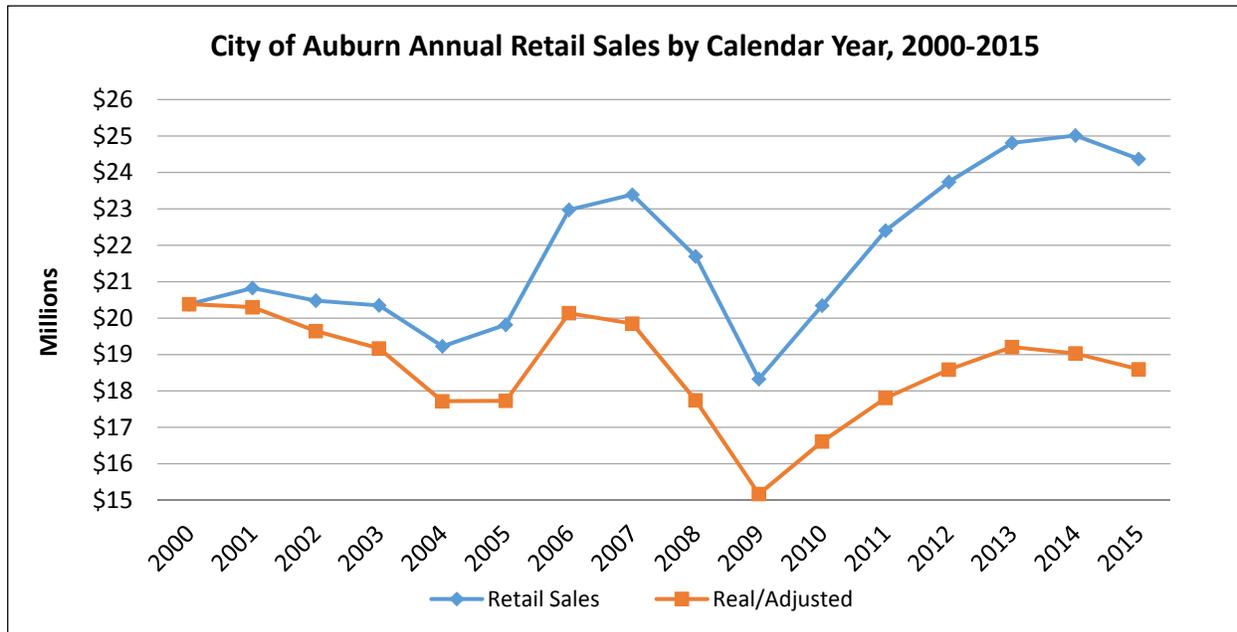


Figure 6. City of Auburn Annual Retail Sales by Calendar Year, 2000 -2015.

The City of Auburn receives \$1.00 in municipal sales tax for every \$100 of retail sales. Therefore, retail sales tax represents a vital source of revenue, with which the City is able to fund public services and facilities for its residents. Therefore, in an effort to encourage new economic vitality throughout the community, the City of Auburn proposes to use tax increment financing to establish itself as a more robust retail center by aggressively stimulating commercial/retail development within the Redevelopment Project Area. By attracting new private investment and improving infrastructure within a designated Redevelopment Project Area, the City intends to:

- create new employment opportunities;
- further increase local population at a manageable rate;
- increase the real estate tax assessment base within the Redevelopment Project Area;
- generate additional retail sales tax revenues for the City and the County; and
- ultimately improve the overall quality of life for its residents.

## SECTION II. REDEVELOPMENT GOALS AND OBJECTIVES

### *Redevelopment Goals and Objectives*

As previously stated, the City intends to use the Auburn TIF District to redevelop property that is currently underutilized for commercial, commercial/retail, light industrial and to a lesser extent residential development in an effort to increase population, improve employment opportunities, expand and diversify the local real estate tax base, manage growth and increase the overall quality of life for its residents. This Redevelopment Plan will allow the City to alleviate and/or remove blighting conditions such as the lack of adequate public infrastructure, increase Auburn's overall competitiveness in the region and institute public policies that are more conducive to business development.

All of the property within the redevelopment project area will substantially benefit by a series of public and private redevelopment projects made possible with tax increment financing. The Redevelopment Project Area is not otherwise reasonably expected to substantially improved or be further developed without the use of tax increment financing.

The Auburn TIF District Redevelopment Plan includes, but is not limited to, the following general long-term goals and objectives:

1. Eliminate or reduce those conditions which qualify the Redevelopment Project Area as a Combination of Blighted and Conservation Areas; and
2. Facilitate the construction, improvement and maintenance of public infrastructure and other capital projects which the City finds is in furtherance of this Redevelopment Plan or necessary to encourage new commercial, industrial and residential development; and
3. Maintain and/or expand local public facilities to meet increased service delivery demands as population growth occurs; and
4. Construct, improve, upgrade and maintain storm water drainage and sanitary sewer lines and related infrastructure throughout the Redevelopment Project Area; and
5. Construct, improve, upgrade and maintain antiquated and/or inadequate water lines and mains, as well as water storage facilities and related distribution systems; and
6. Construct, improve, upgrade and maintain streets, amenities relating to information technology, street lighting, landscaping, curbs, alleys, parks, public green space, recreational amenities, sidewalks, bike paths and other pedestrian walkways throughout the Redevelopment Project Area to ensure efficient transportation and circulation within the Auburn community; and
7. Encourage private investment for commercial and industrial rehabilitation/renovation projects within the Redevelopment Project Area through the use of financial incentives offered by tax increment financing; and

8. Encourage private investment for residential rehabilitation/renovation projects within the Redevelopment Project Area through the use of financial incentives offered by tax increment financing; and
9. Enhance the tax base for the City and other taxing districts through coordinated comprehensive planning efforts by either the public or private sectors to improve essential infrastructure, develop vacant properties, and upgrade/redevelop existing buildings; and
10. Foster entrepreneurship and develop new commercial, industrial, and residential space which complies with City zoning and land use ordinances, increases assessed valuations and enhances the real estate tax base for the City, thereby also creating high-quality employment opportunities within the Auburn community; and
11. Encourage the development of additional, new residential choices for retired persons and elderly residents over the next 20 years; and
12. Encourage new residential development which will thereby help to adequately increase the City's population, maintain a high quality housing stock, expand the overall tax base of the community, maintain local school enrollments, and raise local economic thresholds to levels necessary to support new commercial retail development; and
13. Attract new retail/commercial businesses and tourism development while also vigorously reinvesting in existing properties within the Redevelopment Project Area to encourage business retention, so as to increase retail business activity that will generate new local retail sales tax revenue for the City, other taxing bodies and the State of Illinois; and
14. Generally adhere to and periodically update a Comprehensive Plan which provides policy guidelines for land use, planning, zoning, transportation, housing, municipal growth, quality of life and related issues; and
15. Undertake redevelopment projects which will further improve the overall quality of life, health and well-being of the Auburn community.

### ***Planning Process and Calendar***

A variety of policies, programs, and strategies are often used to promote economic development in a community. This Redevelopment Plan provides a preliminary review of the uses and application of tax increment financing (TIF) as well as the extent to which certain properties within the City of Auburn qualify for designation as a TIF Redevelopment Project Area (the "Area").

The Tax Increment Allocation Redevelopment Act of 65 ILCS 5/11-74.4 *et. seq.* (the "Act") requires a municipality to follow certain procedures in establishing a TIF District. The proposed TIF District must contain several specific statutory characteristics which qualify the property as a TIF District. These characteristics and definitions as set forth below determine whether the area is Blighted, Conservation, a combination of both Blighted and Conservation Areas, or an Industrial Park Conservation Area (*see Appendix B*).

The process to establish a TIF District is initiated by the municipality (*see Appendix C*). This process includes: establishing an Interested Parties Registry, setting a date and providing notice for

an initial Public Meeting to all taxing districts, residents and taxpayers in the proposed Area; holding a Public Meeting; determining the qualifications of the redevelopment project area; drafting a Redevelopment Plan; establishing a date, place and time for a Public Hearing; sending notification of the Public Hearing to all taxing districts, registrants of the interested parties registry and the Illinois Department of Commerce and Economic Opportunity (DCEO) with an invitation to attend and provide comments; convening a Joint Review Board consisting of a representative selected by each community college district, local elementary school district, high school district or each local community unit school district, park district, library district, county, a representative of the municipality and a public member; publishing a notice twice before the Public Hearing in a newspaper of general circulation in the community; mailing of the notice of the Public Hearing to all taxpayers and residents in the proposed Area; mailing of the notice of the Public Hearing to residential addresses within 750 feet of the proposed Area; and approving final ordinances: (1) approving the Redevelopment Plan and Projects; (2) designating the Redevelopment Project Area; and (3) adopting Tax Increment Allocation Financing for the Area.

The City of Auburn engaged Jacob & Klein, Ltd. and The Economic Development Group, Ltd. on July 7, 2014 to assist the City with preparing and establishing the Auburn TIF District Redevelopment Plan, Area and Projects.

A review of the qualifications of the proposed Area was completed which evaluated the potential TIF District based upon statutory definitions and determined that there is sufficient evidence for the TIF District to be classified as a combination of both Blighted (improved/vacant) and Conservation (improved) Areas. Upon reviewing the proposed Redevelopment Plan and accepting the findings herein, the City Council may proceed in preparing a Redevelopment Plan and moving forward with the process for establishing the tax increment financing district.

The procedural timeline for completing certain activities relating to the establishment of the Auburn TIF District is as follows:

Establish Interested Parties Registry by Ordinance.....	February 16, 2016
Public Meeting Mailing.....	February 26, 2016
Public Meeting.....	March 15, 2016
Submit Draft Redevelopment Plan to City .....	December 9, 2016
Set date for Public Hearing by Ordinance.....	December 19, 2016
Certified Mailings to Taxing Districts .....	December 21, 2016
Certified Mailings to Taxpayers & Resident Mailing.....	December 29, 2016
750' Residential & IPR Mailings.....	January 6, 2017
JRB Meeting.....	January 10, 2017
First Publication of Notice of Public Hearing.....	January 19, 2017
Second Publication of Notice of Public Hearing .....	January 26, 2017
Public Hearing .....	February 6, 2017
Approve Final Ordinances to Establish TIF District.....	February 20, 2017

**SECTION III.  
DESCRIPTION AND QUALIFYING CHARACTERISTICS OF  
PROPOSED REDEVELOPMENT PROJECT AREA**

***Description of Proposed Redevelopment Project Area***

Pursuant to the Act, the proposed Auburn TIF District Redevelopment Project Area (the “Area”) includes only those contiguous parcels of real property and improvements thereon which would be substantially benefitted by a redevelopment project. Also, pursuant to the Act, the Area is not less in the aggregate than 1½ acres.

The proposed Auburn TIF District Redevelopment Project Area is configured to encourage a combination of industrial, commercial and residential development/redevelopment projects and is illustrated on the attached Proposed Boundary Map (**Exhibit 1**) and legally described in the attached Proposed Legal Description (**Exhibit 2**).

The Auburn TIF District includes properties within the City which have been neglected and have not benefitted from coordinated planning efforts by either the public or private sectors. As evidenced by the qualifying characteristics presented in this Section, both vacant and improved properties within the proposed Redevelopment Project Area would substantially benefit by a series of proposed public and/or private redevelopment projects. Therefore, the City finds that the Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the proposed TIF District Redevelopment Plan.

***Qualifying Characteristics of Proposed Redevelopment Project Area***

The proposed Auburn TIF District Area as a whole includes characteristics which qualify the Area as a combination of “Blighted” and “Conservation” Areas, as defined in the Tax Increment Allocation Redevelopment Act [TIF Act] (65 ILCS 5/11-74.4 et. seq.). **The terms “Blighted” and “Conservation” when applied to improved or vacant properties are statutory definitions, not common ideas of those terms.** The Statutory definitions which have been applied and used in this section are presented in **Appendix B**.

A summary of the City’s findings is as follows:

Total Number of Parcels (improved and vacant).....	520
Total Number of Qualifying Parcels (improved and vacant) .....	424
<b>Total Percentage of Parcels (improved and vacant)</b>	
<b>which Qualify under the Act .....</b>	<b>81.5%</b>

**CONCLUSION: Within the proposed Auburn TIF District there are 520 vacant and improved parcels, 81.5% of which qualify under the TIF Act as a combination of Blighted and Conservation Areas.**

## Qualifying Characteristics of Improved Parcels

Total Number of Improved Parcels.....	374
Total Number of Improved Parcels which Qualify under the Act .....	283
<b>Total Percentage of <u>Improved</u> Parcels which Qualify under the Act .....</b>	<b>75.7%</b>

Of All Improved Parcels:

Total “Blighted” .....	23
Total Number of Structures and Site Improvements .....	543
Number of Structures over 35 Years of Age .....	374
<b>Total Percentage of Structures over 35 Years of Age.....</b>	<b>68.9%</b>
Total “Conservation” .....	281
Total Number Conservation, but Not Blighted .....	260

The following qualifying characteristics are present in the **structures** and **site improvements** within the improved portion of the proposed Auburn TIF District (Note: If a parcel of property exhibits an individual characteristic more than once it is counted only once in the summary below):

Number showing signs of Dilapidation .....	20
Number showing signs of Obsolescence.....	5
Number showing signs of Deterioration .....	346
Number showing signs of Code Violations .....	2
Number showing signs of Illegal Uses.....	0
Number showing signs Excessive Vacancy.....	14
Number which Lack Sanitary Facilities.....	0
Number with Inadequate Utilities .....	178
Number subject to Overcrowding.....	37
Number used for Deleterious Uses .....	2
Number with EPA Issues .....	0
Number showing Lack of Planning.....	365
Number subject to Declining/Static EAV .....	374



*Indications of aging, deteriorated structures and public infrastructure are evident throughout the Auburn redevelopment project area.*

**CONCLUSION:** The applicable characteristics of Blight and Conservation were found reasonably distributed throughout the 374 improved parcels, 75.7% of which qualify as a Blighted or Conservation Area within the proposed Redevelopment Project Area.

## Qualifying Characteristics of Vacant Parcels

Total Number of Vacant Parcels .....	146
Total Number of Vacant Parcels which Qualify under the Act.....	141
<b>Total Percentage of <u>Vacant</u> Parcels which Qualify under the Act.....</b>	<b>96.6%</b>

### Of All Vacant Parcels:

*The first set of characteristics which apply to vacant land require any two of the following for qualification as a blighted area:*

Number subject to Obsolete Platting .....	46
Number subject to Diversity of Ownership .....	0
Number subject to Tax Delinquencies .....	0
Number subject to Deterioration of Adjacent Properties .....	107
Number subject to EPA Issues .....	0
Number subject to Declining/Static EAV.....	146

*An additional list of characteristics applied to vacant land requires only one of the following for qualification as a blighted area:*

Number containing an Unused Quarry, Mine or Strip Mine Pond ( <i>Exhibit 4</i> ).....	3
Number containing an Unused Railroad or Railroad Right-of-way.....	0
Number subject to Chronic/Contribute to Flooding within same watershed ( <i>Exhibit 3</i> ).....	13
Number with Disposal Site .....	1
Number which were Blighted before becoming Vacant.....	11

Within this Area there are vacant tracts that have been used for commercial agricultural purposes within five (5) years prior to the designation of the Redevelopment Project Area. Pursuant to Section 11-74.4-3(v), the City finds such parcels have been previously subdivided; subdivided according to the Plat Act; or divided into three (3) or more smaller tracts between 1950 and 1990. Pursuant to the Act and prior to designation of the Area, thirteen (13) of the vacant parcels as indicated above were found to exhibit surface water that discharges from those areas and contributes to flooding within the same watershed (see *Exhibit 3*). The redevelopment projects proposed in this Plan will provide for facilities or improvements to contribute to the alleviation of all or part of such flooding. The City has developed comprehensive ordinances and will further design necessary criteria requiring redevelopment projects to provide facilities and improvements to control surface water discharge and alleviate the risk of flooding within the same watershed. The creation of a TIF District is therefore essential for providing a means by which the City and Private Developers may feasibly address normal/routine infrastructure requirements and also complete extraordinary storm water control measures throughout the Redevelopment Project Area. *Exhibit 4* illustrates the general location of past underground mining operations, which may also require further research and remediation prior to the redevelopment of certain vacant tracts within the Auburn TIF District.

**CONCLUSION: Of the 146 vacant parcels surveyed within the proposed Auburn TIF District, 96.6% qualify as a Blighted Area. All of the vacant parcels will contribute to the effectiveness of the TIF District as a whole and are necessary either as potential development locations or to ensure contiguity within the TIF District.**

## Equalized Assessed Valuation (EAV) of the Redevelopment Project Area

One of the qualifying characteristics for both “Blighted” and “Conservation” parcels is the lack of growth in *equalized assessed value* of properties included in the Redevelopment Project Area.

The total estimated equalized assessed valuation (before exemptions) of the City of Auburn in tax year 2015 payable 2016 is **\$60,041,000**. The total estimated equalized assessed valuation (before exemptions) of parcels studied for the entire proposed TIF District Redevelopment Project Area in tax year 2015 payable 2016 is **\$12,631,730**. Therefore, the total estimated EAV of the balance of the City (outside of the proposed Area) is **\$47,409,270**.

The TIF Act stipulates that improved or vacant properties may satisfy one of the characteristics of a “Blighted” or “Conservation” Area if:

- (1) the total equalized assessed valuation of the proposed redevelopment project area decreased for three of the last five years; or
- (2) the total equalized assessed valuation of the proposed redevelopment project area is increasing at an annual rate which is less than the balance of the municipality for three of the last five calendar years; or
- (3) the total equalized assessed valuation of the proposed redevelopment project area increased at an annual rate which was less than the annual Consumer Price Index (CPI) for All Urban Consumers for three of the last five years.

As evidenced by *Figure 7* below, the growth in equalized assessed valuation of the proposed Redevelopment Project Area satisfies characteristics “Two (2)” and “Three (3)” listed above, because the annual changes in assessment of the Area increased at an annual rate which was less than the annual growth of the balance of the City EAV in five of the last five years; and it increased at an annual rate which was less than the annual growth in CPI in four of the last five years.

**CONCLUSION: Pursuant to the Act, the equalized assessed valuation of the Area assists in qualifying the proposed Auburn TIF District as a combination of “Blighted” and “Conservation” Areas.**

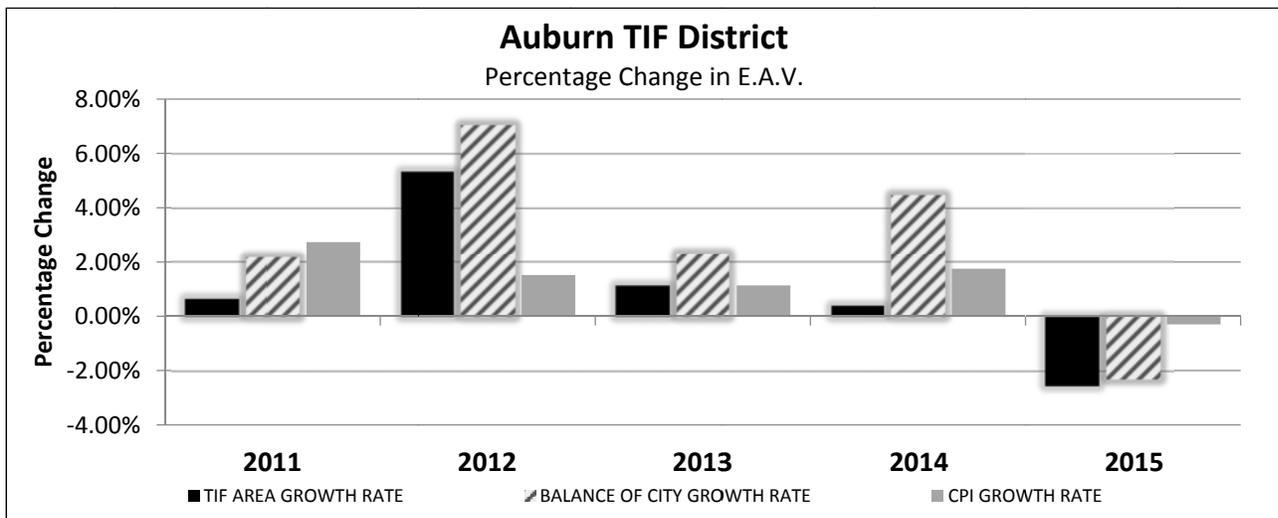
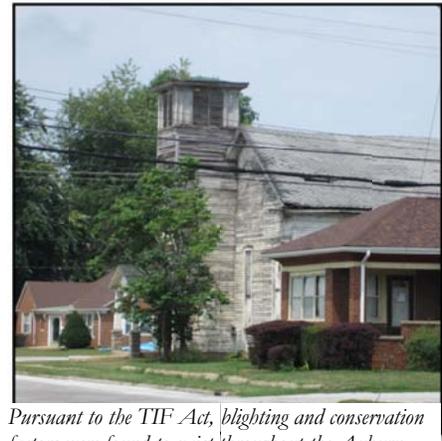


Figure 7. Auburn TIF District EAV, 2011-2015.

## Summary of TIF Qualification Characteristics

The following is a summary of relevant qualification findings as it relates to the potential designation of the proposed Redevelopment Project Area (Area) by the City as a Tax Increment Financing (TIF) District. The findings herein pertain to the Proposed Redevelopment Project Area:

1. Pursuant to the Act, the proposed Redevelopment Project Area (Area) includes only those contiguous parcels of real property and improvements thereon which would be substantially benefitted by a redevelopment project; and the Area is greater than 1½ acres in size.
2. The Redevelopment Project Area qualifies as a combination of “Blighted” and “Conservation” Areas. The qualifying characteristics as documented herein are present throughout the Redevelopment Project Area, are present to a meaningful extent and are evenly distributed throughout the Redevelopment Project Area as follows:
  - a. Within the Auburn TIF District there are 520 parcels that were surveyed as vacant or improved, 81.5% of which qualify under the TIF Act either as a combination of Blighted [improved/vacant] and Conservation [improved] Areas.
  - b. The applicable characteristics of Blight and Conservation were found reasonably distributed throughout the proposed TIF District as a whole. Of the 374 improved parcels, 75.7% qualify as a Blighted or Conservation Area.
  - c. Of the 146 vacant parcels included in the Area, 96.6% qualify as a Blighted Area. Thirteen (13) of the vacant parcels are subject to chronic flooding or contribute to flooding within the same watershed (see **Exhibit 3**). The improvements provided for in this Redevelopment Plan will help to alleviate part or all of this flooding.
  - d. The lack of growth in equalized assessed valuation of the proposed Area assists in qualifying the TIF District as a combination of Blighted and Conservation Areas.
3. The proposed Redevelopment Project Area has not benefitted from coordinated planning efforts by either the public or private sectors. There is a need to focus on redevelopment efforts relating to infrastructure, property reuse, and the improvement of existing buildings. The Proposed Redevelopment Project Area would not be subject to redevelopment without the investment of public funds, including tax increments.
4. All property in the proposed Redevelopment Project Area would substantially benefit by a series of proposed redevelopment projects (public and private).
5. Portions of the proposed Redevelopment Project Area may be suitable for redevelopment (public and private) for modern and more intensive mixed use if funding can be established to acquire and clear necessary properties, and to put in place appropriate incentives to overcome market impediments.



*Pursuant to the TIF Act, blighting and conservation factors were found to exist throughout the Auburn redevelopment project area.*

**SECTION IV.  
DESIGNATED AND ANTICIPATED PUBLIC AND PRIVATE PROJECTS  
FOR PROPOSED REDEVELOPMENT PROJECT AREA**

*Public Redevelopment Projects*

The City intends to address the conditions which qualify the Redevelopment Project Area as a combination of Blighted and Conservation Areas. The Redevelopment Project Area has infrastructure inadequacies and will require improvements throughout the life of the TIF District as projected below. The City expects that the implementation of the public projects provided herein will help address current needs and attract new private investment within the Redevelopment Project Area.

*The Designated and Anticipated TIF Eligible Public Redevelopment Project Cost Obligations are as follows:*

1. Public works construction, improvements, upgrades and maintenance or resurfacing of streets, roads, alleys, parking lots and sidewalks, including labor, equipment, parts and materials .....\$4,500,000
2. Public works construction, improvements, upgrades and maintenance of sanitary sewer lines, pump and lift stations, treatment plant facilities (*i.e., on a prorata basis if not within the TIF District boundary*), manholes and related facilities, including labor, equipment, parts and materials .....\$6,500,000
3. Public works construction, improvements, upgrades and maintenance of water mains and related lines and hydrants, storage and treatment facilities including labor, equipment, parts and materials .....\$5,300,000
4. Storm sewer drainage infrastructure, including the construction, improvements, upgrades and maintenance of retention ponds and detention basins, including labor, equipment, parts and materials .....\$3,250,000
5. Public works or improvements related to utilities, including, but not limited to, gas, electric, cable and telecommunication infrastructure, including labor, equipment, parts and materials.....\$1,000,000
6. Public property assembly costs relating to acquisition of land and buildings, demolition, site improvements and clearing and grading of land .....\$2,500,000
7. Rehabilitation, construction/reconstruction, repairs and maintenance of public facilities, including labor, equipment, parts and materials.....\$5,800,000
8. Removal and remediation of environmental contaminants and physical impediments to redevelopment.....\$1,000,000
9. TIF District-related marketing, signage, website, lighting.....\$500,000
10. Construction, improvements, upgrades and maintenance of public parks, trails, green space and urban forestry improvements .....\$1,250,000

- 11. Costs relating to rehabilitation and revitalization of commercial corridors including, but not limited to redevelopment loans, grants, reimbursements and combinations thereof .....\$300,000
- 12. Costs relating to neighborhood rehabilitation and redevelopment projects including, but not limited to, redevelopment loans, grants, reimbursements and combinations thereof .....\$200,000
- 13. Staff and professional service including, but not limited to engineering, architectural, planning (including updates of City’s Comprehensive Plan), legal, financial, accounting, marketing, training, continued education, economic development services and TIF-related public administration necessary for the implementation of the TIF Redevelopment Plan and Projects.....\$2,750,000
- 14. Public safety, fire and rescue and other emergency services training, facilities, equipment and personnel necessary to promote and protect the health, safety, morals and welfare of the public within the Redevelopment Project Area .....\$800,000
- 15. Costs relating to job training and retraining, including “welfare to work” programs implemented by businesses located within the Redevelopment Project Area.....\$150,000
- 16. Public Infrastructure within contiguous TIF Districts (if any).....\$250,000
- 17. Capital Costs/reimbursements to other taxing districts.....\$8,100,000

**TOTAL DESIGNATED & ANTICIPATED PUBLIC PROJECT COSTS..... \$44,150,000**

***Private Redevelopment Projects***

The City believes the Redevelopment Project Area will not be developed without the use of tax increment financing. Therefore, the City plans to offer incentives to potential Developers in order to encourage commitments for new private investment during the life of the TIF District.

*The Designated and Anticipated TIF Eligible Private Redevelopment Project Cost Obligations are as follows:*

- 1. **Commercial Business Office Complex** .....\$700,000  
This project consists of a business center containing a series of units used primarily for commercial office space. The total investment is projected to be \$3.5 million, including \$700,000 of TIF eligible project costs.
- 2. **Commercial/Retail Facility I**.....\$400,000  
This project consists of a general merchandise retail facility requiring a total investment of \$2 million, including \$400,000 of TIF eligible project costs.

3. **Commercial/Retail Facility II**.....\$200,000  
This project consists of a general merchandise retail facility requiring a total investment of \$1 million, including \$200,000 of TIF eligible project costs.
4. **Commercial/Retail Strip Development**.....\$1,200,000  
This project includes a row of individual outlets offering retail products and services. The estimated total investment is \$4.5 million, including \$1.2 million of TIF eligible project costs.
5. **Commercial Rehabilitation Project I**.....\$150,000  
This project consists of the rehabilitation and renovation of a retail merchandise facility within the Auburn TIF District requiring a total investment of \$250,000, including \$150,000 of TIF eligible project costs.
6. **Commercial Rehabilitation Project II**.....\$250,000  
This project consists of the rehabilitation and renovation of a retail merchandise facility within the Auburn TIF District requiring a total investment of \$600,000, including \$250,000 of TIF eligible project costs.
7. **Commercial Rehabilitation/Renovation Projects** .....\$1,125,000  
The equivalent of fifteen (15) projects involving facade renovations, structural rehabilitation/expansion and other repairs to existing commercial buildings and facilities within the proposed Redevelopment Project Area are anticipated. Each project is valued at approximately \$150,000, including up to \$75,000 of matching TIF eligible project costs, and projected to be completed between 2020 and 2034. The cumulative result of these projects will increase the total equalized assessed valuation within the Auburn TIF District by more than \$750,000 when completed.
8. **Motel/Hotel Project**.....\$2,000,000  
This project includes a 75+ room boutique hotel including small meeting/conference facilities. This hotel is expected to employ approximately 34 persons and will require a total private investment of approximately \$8 million, including \$2 million of TIF eligible project costs.
9. **Commercial Restaurant Project I** .....\$100,000  
A restaurant is projected to be constructed (or renovated within an existing building) within the Auburn TIF District. The restaurant is expected to employ approximately two supervisory employees and 30-40 food and food service workers. The project is projected to require an investment of \$600,000 to construct, including \$100,000 of eligible project costs.
10. **Commercial Restaurant Project II** .....\$225,000  
A restaurant is projected to be constructed (or renovated within an existing building) within the Auburn TIF District. The restaurant is expected to employ approximately two supervisory employees and 30-40 food and food service workers. The project is projected to require an investment of \$1.5 million to construct, including \$225,000 of eligible project costs.
11. **Commercial Restaurant Project III**.....\$900,000  
A new restaurant facility is projected to be constructed within the Auburn TIF District. The restaurant is expected to employ approximately two supervisory employees and 30-40 food

and food service workers. The project is estimated to require a total investment of \$4.5 million, including \$900,000 of TIF eligible project costs.

12. **Residential Rehabilitation/Renovation Projects** .....\$480,000  
The equivalent of twenty-four (24) projects involving exterior siding, roof or other structural repairs to existing residential buildings within the proposed Redevelopment Project Area are anticipated. Each project is valued at approximately \$40,000 and projected to be completed between 2018 and 2029. The cumulative result of these projects will increase the total equalized assessed valuation within the Auburn TIF District by more than \$320,000 when completed.
13. **New Residential Development Project**.....\$1,800,000  
This project consists of approximately twenty-four (24) single-family homes on parcels located within the Auburn TIF District. Phased in over a period of six (6) years, the development is projected to offer homes with average market values of \$260,000. Total private investment is projected to exceed \$6.2 million, including approximately \$1,800,000 of TIF eligible project costs.
14. **Residential Duplex Project**.....\$800,000  
This project consists of twenty (20) duplex units with average fair market values of \$120,000. Total investment is projected at \$2.4 million, including \$800,000 of eligible project costs.
15. **Assisted/Supportive Living Facility** .....\$2,000,000  
The demand for senior housing often exists for elderly residents with low, fixed incomes. A facility located on approximately six acres with projected capacity for 68 private pay units located within the Auburn TIF District is projected to require an investment of \$8 million, including \$2 million of eligible project costs.
16. **Townhouse/Apartment Complex** .....\$450,000  
This project consists of a 20 unit townhouse/apartment facility with average fair market values of \$150,000. Total investment is projected at \$3 million, including \$450,000 of TIF eligible project costs.
17. **Light Industrial/Commercial Project I** .....\$275,000  
This project includes construction or renovation of a 15,000 square foot manufacturing facility employing more than 3 people and requiring a total private investment of more than \$1.8 million, including \$275,000 of TIF eligible project costs.
18. **Light Industrial/Commercial Project II**.....\$180,000  
This project includes a second 15,000 square foot manufacturing facility employing more than 3 people and requiring a total private investment of at least \$1.2 million, including \$180,000 of TIF eligible project costs.
19. **Light Industrial Project III**.....\$1,500,000  
A large 100,000 square foot manufacturing/warehouse distribution facility employing more than 75 people and requiring a total private investment of approximately \$14 million, including \$1,500,000 of TIF eligible project costs.

**TOTAL DESIGNATED & ANTICIPATED PRIVATE PROJECT COSTS ..... \$14,735,000**

**SECTION V.  
SOURCES OF FUNDS TO PAY TIF ELIGIBLE PROJECT COSTS**

The City may enter into Redevelopment Agreements with Developers through which the City can utilize a portion of the Real Estate Tax Increments generated from these projects to reimburse Developers for a portion or all of their TIF eligible private project costs as provided in the Act per Section 65 ILCS 5/11-74.4-3(q). The City further plans to use a portion of any Real Estate Tax Increment generated for TIF eligible public project costs as well. The City may also use Municipal Sales Taxes or any other sources of funds it may lawfully pledge.

<b>Anticipated and Projected Private Redevelopment Projects</b>	<b>Years Completed</b>	<b>Total Projected Investment</b>	<b>Projected Cumulative Real Estate Tax Increment</b>	<b>Anticipated TIF Eligible Project Costs</b>
Commercial Business Office Complex	2020	\$3,500,000	\$1,830,333	\$700,000
Commercial/Retail Facility I	2017	\$2,000,000	\$1,241,660	\$400,000
Commercial/Retail Facility II	2022	\$1,000,000	\$460,857	\$200,000
Commercial/Retail Strip Development	2019	\$4,500,000	\$2,497,205	\$1,200,000
Commercial Rehabilitation Project I	2018	\$250,000	\$146,889	\$150,000
Commercial Rehabilitation Project II	2019	\$600,000	\$332,961	\$250,000
Commercial Rehabilitation/Renovations	2020-2034	\$2,250,000	\$722,397	\$1,125,000
Motel/Hotel Project	2022	\$8,000,000	\$3,686,858	\$2,000,000
Commercial Restaurant Project I	2019	\$600,000	\$332,961	\$100,000
Commercial Restaurant Project II	2021	\$1,500,000	\$737,396	\$225,000
Commercial Restaurant Project III	2023	\$4,500,000	\$1,938,239	\$900,000
Residential Rehabilitation/Renovations	2018-2029	\$960,000	\$293,253	\$480,000
New Residential Development Project	2019-2024	\$6,240,000	\$2,770,643	\$1,800,000
Residential Duplex Projects	2018-2022	\$2,400,000	\$1,068,102	\$800,000
Assisted/Supportive Living Facility	2018	\$8,000,000	\$4,700,448	\$2,000,000
Townhouse/Apartment Complex	2021	\$3,000,000	\$1,474,792	\$450,000
Light Industrial/Commercial Project I	2018	\$1,800,000	\$1,057,601	\$275,000
Light Industrial/Commercial Project II	2020	\$1,200,000	\$627,543	\$180,000
Light Industrial Project III	2022	\$14,000,000	\$6,452,001	\$1,500,000
<b>TOTALS:</b>		<b>\$66,300,000</b>	<b>\$32,372,138</b>	<b>\$14,735,000</b>
NOTE: See <i>Exhibit 5</i> for Examples of TIF District Projections relating to these projects.				

***TIF Financing Summary***

<u>Total Designated &amp; Anticipated TIF Eligible Public Project Costs</u> within the Redevelopment Project Area.....	\$44,150,000
<u>Total Designated &amp; Anticipated TIF Eligible Private Project Costs</u> within the Redevelopment Project Area.....	\$14,735,000
<u>Total Designated &amp; Anticipated TIF Eligible Project Costs (Public &amp; Private).....</u>	\$58,885,000

Designated and Anticipated Annual TIF Administration Fee (plus CPI and Costs) ..... \$3,500-\$24,000  
*(Fees and costs of annual administration of the redevelopment project will be paid in part by the Developers on a proportionate basis as increment is generated. Such fees and costs will initially be paid from the increment before the Developers receive their reimbursements.)*

All project cost estimates are in year 2016 dollars. In addition to the public and private project costs listed below, any developer notes or bonds issued to finance a Project may include an amount sufficient to pay interest, as well as customary and reasonable charges associated with the issuance of such obligations and provide for capitalized interest and reserves as may be reasonably required.

Adjustments to the designated and anticipated line item (public and private) costs provided in this Redevelopment Plan are expected. Each individual project cost and the resulting tax revenues will be re-evaluated as each project is considered for public financing under provisions of the Act.

The totals of line items set forth in this Redevelopment Plan are not intended to place a total limit on the described expenditures or intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the Area, provided the total amount of payment for all eligible redevelopment project costs, public and private, shall not exceed the amount set forth herein or as adjusted in the future. Adjustments may be made to the designated and anticipated line items within the total, either increasing or decreasing line item costs for redevelopment.

By adoption of this Redevelopment Plan, the City may, without further formal statutory approval, increase the total limit or any line item by the increase in the Consumer Price Index (currently All Urban Consumers, Chicago-Gary-Kenosha), plus five percent (5%), as permitted by the TIF Act.

The potential Public and Private developments included herein are not assured to occur but include the types and scopes of projects that are reasonable expectations. The actual reimbursements may be for other projects and costs not specifically anticipated in this list. Types of projects, investments and eligible project costs may be re-allocated from time to time by the City Council upon adoption of written Redevelopment Agreements with private developers.

***Present and Projected Tax Increment***

The projected increases in equalized assessed valuation (EAV) for the Auburn TIF District are as follows:

1. Total Projected Private Investment.....\$66,300,000
2. Projected Cumulative Real Estate Tax Increment  
Generated over 23 Years .....\$32,372,138
3. Base Year (2015) EAV of Redevelopment Project Area *(before exemptions)* .....\$12,631,730
4. Estimated Potential Increase in EAV .....\$21,836,000
5. Total Estimated EAV of the Redevelopment Project Area  
after Redevelopment Projects are Completed (*line 3 plus line 4*).....\$34,467,730

### ***Assessment of Financial Impact***

New economic development is not expected to occur within the City at this location without creation of the Auburn TIF District Redevelopment Project Area. Without tax increment financing, the overlapping taxing districts are not expected to experience any significant increase in real estate tax revenue from the proposed Redevelopment Project Area.

Using real estate tax rates from **tax year 2015 payable 2016** and assuming an increase in real estate development of \$300,000 or a \$100,000 *increase in equalized assessed valuation*, the projected annual financial impact on the taxing bodies which levy taxes in the TIF District are as follows:

<b>Taxing Districts Listed on Tax Bill</b>	<b>2015 Payable 2016 Real Estate Tax Rate</b>	<b>Projected Annual Impact (Dollars) for each \$100,000 Increase in EAV</b>
Sangamon County	0.7546%	\$754.60
Auburn Township	0.1068%	\$106.80
Auburn Township Road & Bridge	0.3277%	\$327.70
Auburn Unit School District #10 <sup>1</sup>	4.2785%	\$4,278.50
Auburn Fire District	0.1332%	\$133.20
Lincoln Land Community College #526	0.5021%	\$502.10
City of Auburn	0.3540%	\$354.00
TOTALS	6.4569%	\$6,456.90

### ***Anticipated Measures to Address Financial Impact***

All taxing districts that may be affected by the TIF District continue to receive a proportionate share of real estate tax revenue derived from the initial equalized assessed value of the parcels within the redevelopment project area as provided in Section 65 ILCS 5/11-74.4-8(a) of the Act, which states:

*“That portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the redevelopment project area shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.”*

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<sup>1</sup> As the Auburn TIF District relates to Auburn C.U.S.D. #10, the actual impact to is less than the perceived loss, as the TIF Act and the Illinois School Code contain provisions which require the Illinois State Board of Education to ignore increases in assessed valuation within a TIF District when calculating the School State Aid Formula. As excerpted from the Act (65 ILCS 5/11-74.4-8), Tax Increment Allocation Financing, in reference to the impact on Schools, states as follows:

*“No part of the current equalized assessed valuation of each property in the redevelopment project area attributable to any increase above the total initial equalized assessed value, or the total initial equalized assessed value as adjusted, of such properties shall be used in calculating the general State school aid formula, provided for in Section 18-8 of the School Code, until such time as all redevelopment project costs have been paid as provided for in this Section.”*

Following the receipt of new real estate tax increment each year, the City shall annually authorize by Ordinance an amount of TIF Surplus Funds that is equivalent to not less than five percent (5.0%) of the annual real estate tax increment generated by Auburn TIF District. Such Surplus Funds shall be returned to the Sangamon County Treasurer and Collector for redistribution on a pro-rata basis to the affected local taxing bodies which levied a tax during the related tax year.

The City may enter into Intergovernmental Agreements with taxing districts at any time during the life of the TIF District, provided TIF funds are available and additional impacts, if any, occur as a result of development within the Auburn Redevelopment Project Area. If any portion of the City's TIF funds are paid to another taxing body as a reimbursement for additional capital costs that are incurred because of the Auburn TIF District, the taxing district shall be required to provide the City with an accounting of such capital costs as part of an ongoing impact analysis.

### ***Ongoing Reporting and Accountability***

The City will notify all of the overlapping taxing districts of any proposed expansion or future amendments of the Auburn TIF District Redevelopment Project Area, Plan and Projects as required by the Act.

The City shall file TIF District Annual Reports with the Office of the Illinois Comptroller and in accordance with the requirement of the Act.

Pursuant to Section 5/11-74.4-5 (e) of the Act, the Joint Review Board will review the effectiveness and the status of the redevelopment project area following the end of each of the City's fiscal years during the life of the Auburn TIF District. The Joint Review Board includes representatives of the taxing districts as designated by the Act that have the authority to directly levy taxes on the property within the redevelopment project area at the time that the TIF District is approved.



*Pictured above is the Auburn Public Library and Auburn City Hall next door. If TIF Funds are generated and available, the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4 et. seq.) and the Auburn TIF District Redevelopment Plan provide the City of Auburn with the authority to assist other taxing bodies "to the extent the City by written agreement accepts and approves all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project".*

## SECTION VI. OTHER STATUTORY REQUIREMENTS

***General Land Uses.*** The general uses of the land within the Auburn TIF District Redevelopment Project Area shall conform to the existing and future land uses as well as current and future zoning and subdivision codes of the City of Auburn.

***Certification of No Displacement of Residential Units.*** The City of Auburn hereby certifies that the Redevelopment Plan will not result in the displacement of residents from ten or more inhabited residential units. However, the Redevelopment Project Area does contain more than 75 inhabited residential units.

***Eminent Domain.*** The City of Auburn hereby declares that the qualifying characteristics of blighted and conservation areas as provided herein for the purpose of establishing the Auburn TIF District Redevelopment Project Area as a combination of "Blighted" and "Conservation" Areas pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4 *et. seq.*) shall not be used by the City for the purpose of exercising its authority under the Eminent Domain Act (735 ILCS 30/1-1-1 *et. seq.*), if such authority is ever exercised.

***Commitment to Fair Employment.*** The City of Auburn will comply with fair employment practices and an Affirmative Action Plan in the implementation of this Redevelopment Plan and Projects.

***Provisions for Amending the Auburn TIF District Redevelopment Plan.*** The Redevelopment Plan may be amended in accordance with the Tax Increment Allocation Redevelopment Act and other applicable City Ordinances.

***Additional Changes Relating to Establishment of Auburn TIF District:*** Pursuant to Section 5/11-74.4-5 of the Act, the City may make changes in the Redevelopment Plan, Projects and Area any time prior to the adoption by the City of an ordinance approving the Redevelopment Plan. Prior to the adoption of such ordinance, and at any time during the life of the TIF District, the City will: **1.)** complete the annexation of any parcels within the proposed redevelopment project area that are not already within the City of Auburn; and **2.)** exclude from the redevelopment project area any parcel(s) for which any member of the corporate authority, or an employee or consultant of the City involved in the planning and preparation of the Redevelopment Plan, Area or Project directly or indirectly owns or controls an interest - unless said individual chooses to disclose such an interest and refrain from any further official involvement in regard to the redevelopment plan, projects and Area pursuant to Section 5/11-74.4-4(n) of the Act.

***Term of the Auburn TIF District Redevelopment Plan and Projects.*** The estimated date of completion of the Auburn TIF District Redevelopment Plan and District is December 31 of the year in which payment is made to the City Treasurer with respect to ad valorem taxes levied in the 23<sup>rd</sup> calendar year after the year in which the ordinances approving the TIF District Redevelopment Plan and Projects is adopted by the City Council. The City intends to utilize the incremental revenues generated in the 23<sup>rd</sup> year of the TIF District and received by the City in the following 24<sup>th</sup> year for those projects included in the Redevelopment Plan.

***Nature and Term of Bonds or Notes.*** The City may utilize a “pay-as-you-go” approach to financing private eligible project costs. The City may issue bonds or other obligations to fund public infrastructure or other eligible project costs. Such obligations would not exceed 20 years in length or the term of the District, whichever is less. The City may also issue revenue bonds, notes or other obligations to fund private eligible project costs as well which would also be limited to 20 years in length. The repayment of debt service of these obligations would be limited to the increments generated as permitted by the Act or other pledged funds authorized by the City.

***Contiguous Redevelopment Project Areas.*** Subsequent to the creation of the Auburn TIF District Redevelopment Project Area, the City may establish other TIF Districts which are contiguous to the Auburn TIF District. It is hereby contemplated that in any such contiguous TIF Districts, eligible redevelopment project costs may be paid or reimbursed from increment generated within the Auburn TIF District and that increment generated within any such contiguous TIF Districts may be used to pay or reimburse eligible project costs within the Auburn TIF District.

## SECTION VII. CONCLUSION

The City of Auburn, Sangamon County, Illinois has determined that in order to promote the health, safety, morals, and welfare of the public, blighted conditions need to be eradicated, conservation measures instituted, and that redevelopment within the proposed Auburn TIF District should be undertaken. In order to remove and alleviate adverse conditions, it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts by the development or redevelopment of the Area..

The City finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and that the area would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

The Mayor and City Council hereby conclude that it is in the best interest of the City and that the citizens of Auburn will benefit by the adoption of this Auburn Tax Increment Financing (TIF) District Redevelopment Project Area, Plan and Projects.

## CITY OF AUBURN, ILLINOIS

By: \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / 2017  
Mayor

Attest: \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / 2017  
City Clerk

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## SECTION VIII. EXHIBITS

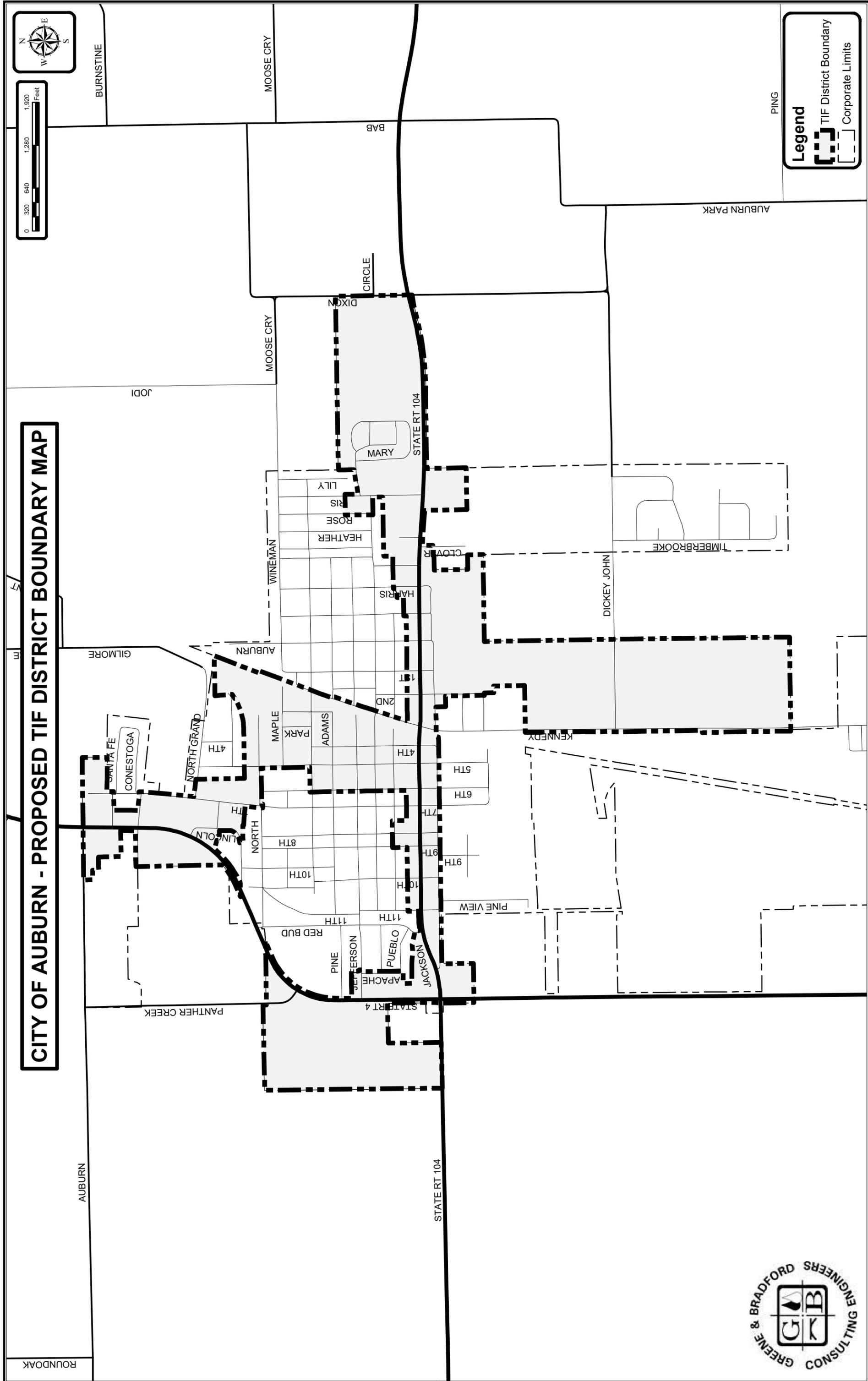
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**EXHIBIT 1**

**AUBURN TIF DISTRICT  
BOUNDARY MAP**

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# CITY OF AUBURN - PROPOSED TIF DISTRICT BOUNDARY MAP



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## EXHIBIT 2

### AUBURN TIF DISTRICT LEGAL DESCRIPTION

Parts of Sections 2,3,9,10, 11 and 15 in Township 13 North, Range 6 West of the Third Principal Meridian; described more particularly as follows: Beginning at the Southwest Corner of the Southeast Quarter of the Northeast Quarter of the aforementioned Section 9, thence North along the Quarter, Quarter Section Line to the North Section Line of Section 9, thence East along the Section Line to the East Right-of-Way Line of Illinois Route 4, thence Southwesterly along said Right-of-Way Line to the South Line of Dumbravas Pine-Grove Subdivision, thence Easterly along said Line to the East Line of Lot 24 of Western Acres Plat V, thence South along said Lot Line to the North Right-of-Way Line of Jefferson Street, thence East along said Right-of-Way Line 25 feet, thence South perpendicular to the North Right-of-Way Line of Jefferson Street to the South Right-of-Way Line of Jefferson Street, thence West along said Right-of-Way Line to the beginning of a 25 foot radius curve, thence along said curve to the East Right-of-Way Line of Apache Road, thence South along said Right-of-Way Line extended to the North Line of Lot 22 of Western Acres 2nd Plat, thence West along the North Line of Lots 22 and 25 a distance of 185 feet, thence South along the West Line of the East 125 feet of Lot 25 of Western Acres 2nd Plat to the South Line of said Lot 25, thence Easterly along the South Line of Lots 25,22,21,20,19,18,17,16,15,14 to the West Right-of-Way Line of Cheyenne Drive, thence Easterly perpendicular to the West Right-of-Way Line of Cheyenne Drive to the East Right-of-Way Line of Cheyenne Drive, thence Southerly along said East Right-of-Way Line to the beginning of a 25 foot radius curve, thence along said curve to the North Right-of-Way Line of Jackson Street (Illinois Route 104), thence East along said Right-of-Way Line to the West Right-of-Way Line of 11th Street, thence North along said Right-of-Way Line to an extension of the North Right-of-Way Line of a 16 foot Alley running through Block 3 of Wheeler Estate 3rd Addition, thence East along said Right-of-Way Line extended to the West Right-of-Way Line of 9th Street, thence North along said Right-of-Way Line to the North Right-of-Way Line of Monroe Street, thence East to the East Right-of-Way line of a 20 foot Alley running along the West Line of Block 5 of Kessler's Addition, thence South along said Right-of-Way Line to the North Right-of-Way Line of a 16 foot Alley running through Block 5 of Kessler's Addition, thence East along said Right-of-Way Line to the West Right-of-Way Line of 6th Street, thence North along said Right-of-Way Line to the North Right-of-Way Line of Washington Street, thence East along said Right-of-Way Line to the West Right-of-Way Line of 5th Street, thence North along said Right-of-Way Line to the South Right-of-Way Line of North Street, thence West along said Right-of-Way Line to the West Right-of-Way Line of 7th Street, thence Northeasterly along said Right-of-Way Line to the former North Right-of-Way Line of the Illinois Terminal Railroad, thence West along said Right-of-Way Line to the South Right-of-Way Line of Lincoln Street, thence North perpendicular to the South Right-of-Way Line of Lincoln Street to the North Right-of-Way Line of Lincoln Street, thence Northeasterly along said Right-of-Way Line to the East Line of Hart's Addition, thence North along said Line to the South Line of Lot 31 of Hart's Addition, thence West along said Lot Line to the Centerline of a vacated Alley lying West of Lots 31 of Hart's Addition, thence North 48 feet along said Line, thence Northwesterly to the Easterly Right-of-Way Line of Illinois Route 4, thence Southwesterly along said Right-of-Way Line to the North Line of Lincoln Street, thence West along said Right-of-Way Line to the Westerly Right-of-Way Line of Illinois Route 4, thence Northeasterly along said Right-of-Way Line to the West Line of Lots 59-69 of Hart's Addition, thence North along said Line to the North Right-of-Way Line of Trojan Road, thence East along said Right-of-Way Line to the West Right-of-Way Line of Illinois Route 4, thence

North along said Right-of-Way Line to the North Line of Lot 6 of Hart's Addition, thence West along said Lot Line to the East Line of Auburn Hills Plat 1, thence North along said Line to the North Line of Lot 103 of Auburn Hills Plat 1, thence West along said Lot Line extended to the West Right-of-Way Line of Gridiron Lane, thence North along said Right-of-Way Line to the South Line of Lot 115 of Auburn Hills Plat 1, thence West along said Lot Line to the West Line of said Lot 115, thence North along said Lot Line extended to the North Right-of-Way Line of Auburn Road, thence East along said Right-of-Way Line to the East Right-of-Way Line of 5th Street, thence South along said Right-of-Way line to the North Line of Conestoga Trace 2nd Addition, thence West along Conestoga Trace 2nd Addition to the Northeast corner of Conestoga Trace Subdivision, thence West along the North Line of said Subdivision to the East Right-of-Way Line of 7th Street, thence along said Right-of-Way Line to the South Right-of-Way Line of Senseney Avenue extended, thence West along said Right-of-Way Line to the East Right-of-Way Line of a 16 foot Alley running through Block 3 of Senseney and Everhart's Acre Tract Addition, thence South along said Right-of-Way Line to the North Right-of-Way Line of Trojan Road, thence Easterly along said Right-of-Way line to the East Right-of-Way Line of 7th Street, thence Southerly along said Right-of-Way Line to the North Right-of-Way Line of North Grand Avenue, thence Easterly along said Right-of-Way Line to the East Right-of-Way Line extended of the Alley running parallel to the West Line of Lots 1 through 13 of John L. Buck's Addition, thence South along said Right-of-Way Line to the former North Line of the Illinois Terminal Railroad, thence East along said Right-of-Way Line to the South Right-of-Way Line of Interurban Street, thence North perpendicular to the South Right-of-Way Line of Interurban Street to the North Right-of-Way Line of Interurban Street, thence East along said Right-of-Way Line to the West Right-of-Way Line of a 16 foot Alley running along the East Line of Block 1 of High School Addition, thence North along said Right-of-Way Line to a Line parallel to and 91.09 feet South of the South Right-of-Way Line of North Grand Avenue, thence East along said Line extended to the East Right-of-Way Line of the Union Pacific Railroad, thence Southwesterly along said Right-of-Way Line to the South Line of the aforementioned Section 3, thence East along said Section Line to the Easterly Right-of-Way Line of Kennedy Road, thence Southwesterly along said Right-of-Way Line to the North Right-of-Way Line of a 16 foot Alley running through Blocks 13,14 and 15 of Wineman's 2nd Addition, thence East along said Right-of-Way Line extended to the West Right-of-Way Line of Springfield Street, thence North along said Right-of-Way Line to a Line parallel to and 198.64 feet North of the North Right-of-Way Line of Illinois Route 104, thence East along said Line to the West Line of an Alley running along the West Line of Sunnyside Addition, thence North along said Right-of-Way Line to an extension of the North Line of Lot 119 of Sunnyside Addition, thence East along said Line to the West Right-of-Way Line of Harris Street, thence North along said Right-of-Way Line to an extension of the North Right-of-Way Line of Monroe Street, thence East along said Right-of-Way Line to the West Line of Lot 4 of Meadow Brook Commons, thence North along said Lot Line to the South Line of Meadow Brook Plat 29, thence East along said Line extended to the West Right-of-Way Line of Iris Street, thence North along said Right-of-Way Line to the beginning of a 25 foot radius curve, thence along said curve to the South Right-of-Way Line of East Madison Street, thence West along said Right-of-Way Line to an extension of the West Right-of-Way Line of Rose Drive, thence North along said Right-of-Way Line to an extension of the North Right-of-Way Line of 11.9 foot wide Alley running along the North Line of Meadow Brook Plat 32, thence East along said Right-of-Way Line extended to the East Right-of-Way Line of Iris Street, thence South along said Right-of-Way Line to the North Right-of-Way Line of Eastland Drive, thence Northeasterly along said Right-of-Way Line to the East Line of the Northwest Quarter of the aforementioned Section 11, thence North along said Quarter Section Line to the North Line of the South Half of the Northeast Quarter of the aforementioned Section 11, thence East along said Quarter, Quarter Section Line to the West Right-of-Way Line of Dixon Road, thence South along said Right-of-Way Line to the South Right-

of-Way of Illinois Route 104, thence West along said Right-of-Way Line to the East Line of the Southwest Quarter of the aforementioned Section 11, thence South along said Quarter Section Line to an extension of the South Right-of-Way Line of Daisy Lane, thence West along said Right-of-Way Line to the West Line of the East 182.50 feet of Meadow Brook Plat 16, thence North along the line parallel to Iris Street and 182.50 feet West extended to the South Right-of-Way Line of Illinois Route 104, thence West along said Right-of-Way Line to the beginning of a 25 foot radius curve, thence along said curve to the East Right-of-Way Line of Clover Lane, thence South along said Right-of-Way Line to a line parallel with and 16.81 feet North of the North Line of the Northeast Quarter, of the Southwest Quarter of the aforementioned Section 11, thence West along said Line to the West Line of the Northeast Quarter of the Southwest Quarter of the aforementioned Section 11, thence South along said Quarter, Quarter Section Line to the North Line of the Northeast Quarter, of the Southwest Quarter of the aforementioned Section 11, thence West along said line a distance of 218 feet, thence South parallel with the East Line of the Northwest Quarter of the Southwest Quarter of the aforementioned Section 11 a distance of 500 feet, thence East parallel to the Quarter Section Line a distance of 218 feet to the East Line of the Northwest Quarter of the Southwest Quarter of the aforementioned Section 11, thence South along said Quarter, Quarter Section Line to the South Line of the North 730 feet of the West Half of the Southwest Quarter of the aforementioned Section 11, thence West along said Line to the Northeast corner of the aforementioned Section 10, thence South along said East Line to the Northeast corner of the aforementioned Section 15, thence South along the East Line of the aforementioned Section 15 to the South Line of the Southeast Quarter of the Northwest Quarter of the aforementioned Section 15 thence West along said Quarter Section Line to the West Right-of-Way Line of Kennedy Road, thence North along said Right-of-Way Line to the South Line of the Northeast Quarter of the Southeast Quarter of the aforementioned Section 10, thence East along said Quarter, Quarter Section Line to a Line parallel to and 660 feet East of the West Line of the Northeast Quarter of the Southeast Quarter of the aforementioned Section 10, thence North along said Line to a Line 130.65 feet North of and parallel to the South Line of Lot 5 of Devos Addition, thence West along said Line to the East Line of Lot 4 of Devos Addition, thence North along said Lot Line to the South Right-of-Way Line of Harrison Street, thence West along said Right-of-Way Line to the West Right-of-Way Line of 2nd Street extended, thence North along said Right-of-Way Line to a line parallel to and 140 feet South of the South Right-of-Way Line of Van Buren Street, thence West along said Line to a line parallel to and 160 feet West of the West Right-of-Way Line of 2nd Street, thence North along said Line to the South Right-of-Way Line of Van Buren Street, thence West along said Line to a Line parallel to and 467.5 feet East of the East Right-of-Way Line of Illinois Route 4, thence South along said Line to a Line parallel to and 467.5 feet South of the South Right-of-Way Line of Van Buren Street, thence West along said Line to the West Right-of-Way Line of Illinois Route 4, thence North along said Right-of-Way Line to a line parallel to and 787.25 feet North of the North Right-of-Way Line of Illinois Route 104, thence West along said Line to a Line parallel to and 597.96 feet West of the West Right-of-Way Line of Illinois Route 4, thence South along said Line to the South Line of the Northeast Quarter of the aforementioned Section 9, thence West along said Line to the point of beginning.

*Prepared by Greene & Bradford Engineering, September 14, 2016*

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**EXHIBIT 3**

**ENGINEER'S OPINION ON FLOODING ON VACANT TRACTS**

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## BENTON & ASSOCIATES, INC.

Consulting Engineers / Land Surveyors

1970 West Lafayette Avenue • Jacksonville IL 62650  
Voice 217-245-4146 • Fax 217-245-4149

Robert H. Benton, PE  
Reginald H. Benton, PE, SE  
William J. Sleeman, PE  
Jamie L. Headen, PE

June 9, 2016, 2016

Ms. Barb Stamer, Mayor  
City of Auburn  
324 West Jefferson  
Auburn, IL 62615

RE: TIF Drainage Assessment  
Auburn, IL

Dear Mayor Stamer:

The City of Auburn has requested Benton & Associates, Inc. to provide a flooding/drainage opinion for specific vacant land that is being considered by the City to be included in a proposed TIF District.

This flooding/drainage opinion is based on the following items:

1. Site visit to review drainage patterns.
2. Review of USDA quad maps showing contours of the area.
3. Review of Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM).
4. Discussion of drainage issues with City Staff.

Attached are the following Exhibits:

- Exhibit 1 – Overall map showing each parcel being studied and approximate 100 year flood plain.
- Exhibits 2-9 – Detailed area of each area being studied with observed flow patterns.
- Exhibit 10 – FEMA Flood Insurance Rate Map, East side of Auburn.
- Exhibit 11 – FEMA Flood Insurance Rate Map, West side of Auburn.

All of the areas being studied except for Areas C, D and E ultimately drain to Sugar Creek by way of road side ditches, city storm sewers or drainage swales. Areas C, D and E drain directly into Panther Creek. Both creeks are shown on the FEMA Flood Insurance Rate Maps have mapped flood plains. Panther Creek's flood plain is mapped as Zone A and Sugar Creek is mapped as Zoned AE.

**Drainage Area A:** This area consists of vacant farm/cultivated ground. Property to the north is also vacant farm/agriculture ground, to the east is Drainage Area B which is also vacant farm/agriculture ground. The property to the south is single family residential and to the property to the west is developed with apartments. The drainage flow for this parcel generally flows to the southeast until it reaches the single family property and then drains east along a small berm that protects the property to the south. This parcel also is downstream to surface water runoff from the adjacent north property. Storm water from Drainage Area A ultimately does contribute to flooding within the same watershed, specifically the area that is west of the rail road tracks approximately 0.5 miles downstream and just north of Veterans Park.

**Drainage Area B:** This area consists of vacant farm/cultivated ground. Property to the north is also vacant farm/agriculture ground, to the west is Drainage Area A which is also vacant farm/agriculture ground. The property to the south is single family residential and to the property to the east is farm/agriculture ground. The drainage flow for this parcel generally flows to the southeast until it reaches the single family property and then drains east along a small berm that protects the property to the south. This parcel also is downstream to surface water runoff from the adjacent north property. Storm water

from Drainage Area B ultimately does contribute to flooding within the same watershed, specifically the area that is west of the rail road tracks approximately 0.5 miles downstream and just north of Veterans Park.

**Drainage Area C:** This area consists of vacant farm/cultivated ground. Property to the north and west is also vacant farm/agriculture ground. East of the property is Illinois Route 4 and Panther Creek Road and south is Illinois Route 104. Nestled in the south east corner of the property is a single family home. The east and southern edges of the drainage area, approximately fifty feet, drain towards the highways. The vast majority of the property drains towards the center of the property into a grass drainage swale that drains to the north west into Panther Creek. Storm water from Drainage Area C ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone A that is just downstream.

**Drainage Area D:** This area consists of vacant farm/cultivated ground. Property to the south is Drainage Area E which is also vacant farm/agriculture ground. To the west is an agricultural commercial business, to the north is West Van Buren Street and to the east is a power distribution yard. The property drains toward the north west corner. This parcel also is downstream to surface water runoff from the adjacent Drainage Area E. Storm water runoff from this drainage area continues west along West Van Buren Street to the intersection of Illinois Routes 4 and 104 which will flood during heavy rainfall events. Storm water from Drainage Area D ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone A that is approximately 0.9 miles downstream.

**Drainage Area E:** This area consists of vacant farm/cultivated ground. Property to the south is also vacant farm/cultivated ground. To the west is an agricultural commercial business, to the north is Area D which is also vacant farm/agriculture ground and to the east is an abandon rail road track bed/berm. The property drains toward the north west corner into Drainage Area D. This parcel also is downstream to surface water runoff from the adjacent property to the south. Storm water runoff from this drainage area continues through Drainage Area D and west along West Van Buren Street to the intersection of Illinois Routes 4 and 104 which will flood during heavy rainfall events. Storm water from Drainage Area E ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone A that is approximately 0.9 miles downstream.

**Drainage Area F:** This area consists of vacant farm/cultivated ground. The property is bordered on the south by Dickey John Road, the west by South Kennedy Street and the north by East Van Buren Street. There is a residential subdivision notched out in the northwest quadrant and the property to the east is vacant farm/cultivated ground. Part of the north east end of the property is adjacent to Drainage Area G which is also vacant farm cultivated ground. The drainage for this property is divided into four areas, towards the south west corner, the north west corner, the south east corner and the north east corner. During heavy rain events the drainage to the north west corner will pond until the road culvert can catch up. All surface water runoff from Drainage Area F enters road ditches and city storm sewers and eventually drains into Sugar Creek. Storm water from Drainage Area F ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone AE that is approximately 1.2 miles downstream for the south half of the parcel and 1.3 miles downstream for the north half of the parcel.

**Drainage Area G:** This area consists of vacant farm/cultivated ground. The property is bordered on the south by vacant farm/cultivated ground, the west by Drainage Area F also vacant farm/cultivated ground, the north by East Van Buren Street. There is a commercial/industrial area notched out in the north east quadrant and the property to the east is residential subdivision. The drainage for this property is predominantly to the north east corner of the parcel which will pond water during heavy rain events. All surface water runoff from Drainage Area G enters road ditches and city storm sewers and eventually drains into Sugar Creek. Storm water from Drainage Area G ultimately does contribute to flooding within

the same watershed, specifically the area that is in Zone AE that is approximately 1.2 miles downstream of the parcel.

**Drainage Area H:** This area consists of vacant farm/cultivated ground. The property is bordered on the west side by Kennedy Street and the north side by tributary to Sugar Creek. The property to the east and south is also vacant farm/cultivated. The property drains to the north east or west corners of the property leading directly into a tributary to Sugar Creek. Storm water from Drainage Area H ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone AE that is just downstream of the parcel to the north and south.

**Drainage Area I and K:** Drainage areas I and K are adjacent and similar to each other and will be discussed here as one drainage area. This area consists vacant farm/cultivated ground. The property is bordered on the west by a grass athletic type field for use by the church that is located immediately to the west, north by Illinois Route 104, to the east by Drainage Areas J and L which are vacant farm/cultivated ground and to the south by vacant farm/cultivated ground. The property drains towards the north east into roadside ditches for Illinois Route 104 then through ditches into Sugar Creek. This property also accepts surface water from the property from the south. Storm water from Drainage Area I and K ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone AE that is approximately 0.6 miles downstream of the parcel.

**Drainage Area J and L:** Drainage areas J and L are adjacent and similar to each other and will be discussed here as one drainage area. This area consists of vacant farm/cultivated ground. The property is bordered to the north by Illinois Route 104, to the east and south by vacant farm/cultivated ground. Property to the west is Drainage Area I and J which consists of vacant farm/cultivated ground. The property drains towards the north east into roadside ditches for Illinois Route 104 then through ditches into Sugar Creek. This property also accepts surface water from the property from the south. Storm water from Drainage Area I and K ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone AE that is approximately 0.5 miles downstream of the parcel.

**Drainage Area M:** This area consists of vacant farm/cultivated ground. Illinois Route 104 borders the property to the south. West of the property is a senior housing facility, north is vacant farm/cultivated ground and east is a residential subdivision and commercial business. The property surface drainage is divided into two areas. The east approximately sixty percent of the area drains into a grass swale in the center of the area then north towards a tributary to Sugar Creek. The west approximately sixty percent of the area drains into a grass swale in the western side of the area then north towards a tributary to Sugar Creek. Storm water from Drainage Area M ultimately does contribute to flooding within the same watershed, specifically the area that is in Zone AE that is approximately 1,000 feet downstream of the parcel.

**City Code/Ordinance:** The City of Auburn Municipal Code, Appendix D – Flood Damage Prevention discusses the requirements associated with property development and the prevention of excess storm water runoff and to reduce the chances of damages caused by flooding.

**Summary:** All of the drainage areas discharge surface water and contribute to flooding within their respective watersheds and discharge to areas that are classified as Zone A or AE on FEMA's Flood Insurance Rate Maps. Some of the areas as discussed above contribute to local flooding and/or ponding of water during high rain events.

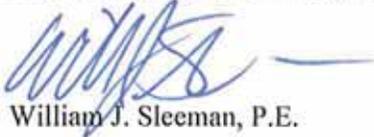
It is our recommendation that as areas are developed within the TIF district as well as other areas within the City limits, steps should be taken to enforce the City Code/Ordinance to help alleviate current and future flooding by reducing storm water runoff within the water shed of such development. Best

Management Practices for reducing storm water runoff include storm water detention/retention facilities or other methods of slowing down the runoff as it leaves the proposed areas.

If you have any questions, please do not hesitate to contact me at 217-245-4146.

Sincerely,

BENTON & ASSOCIATES, INC.

A handwritten signature in blue ink, appearing to read 'WJS', followed by a horizontal line.

William J. Sleeman, P.E.

Enclosures

Cc: Rod Johnson, Alderman  
Steve Kline, TIF Consultant (via email)

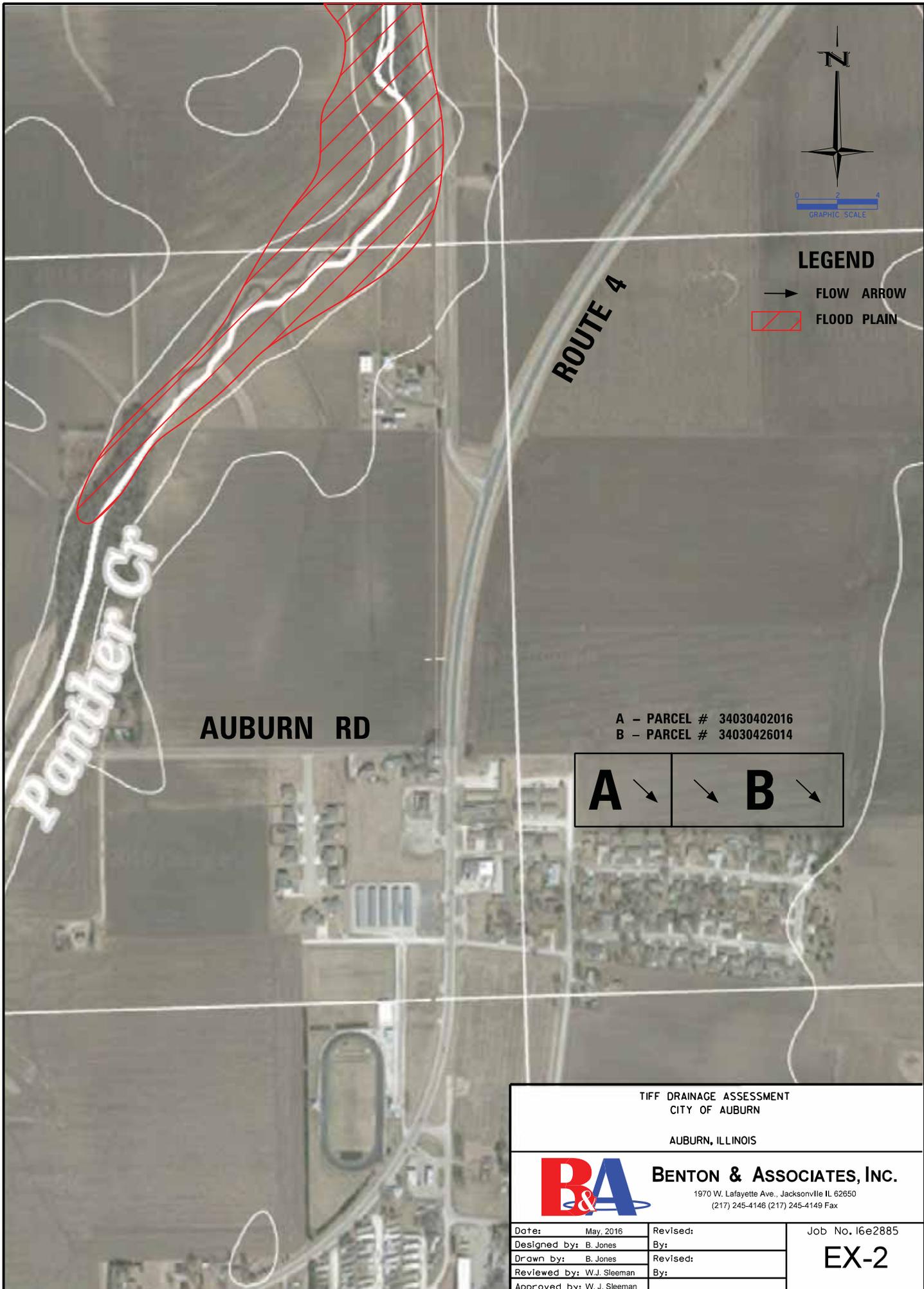
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**LEGEND**

- FLOW ARROW
- FLOOD PLAIN

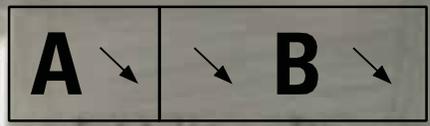


**AUBURN RD**

**ROUTE 4**

**Panther Cr**

A - PARCEL # 34030402016  
 B - PARCEL # 34030426014



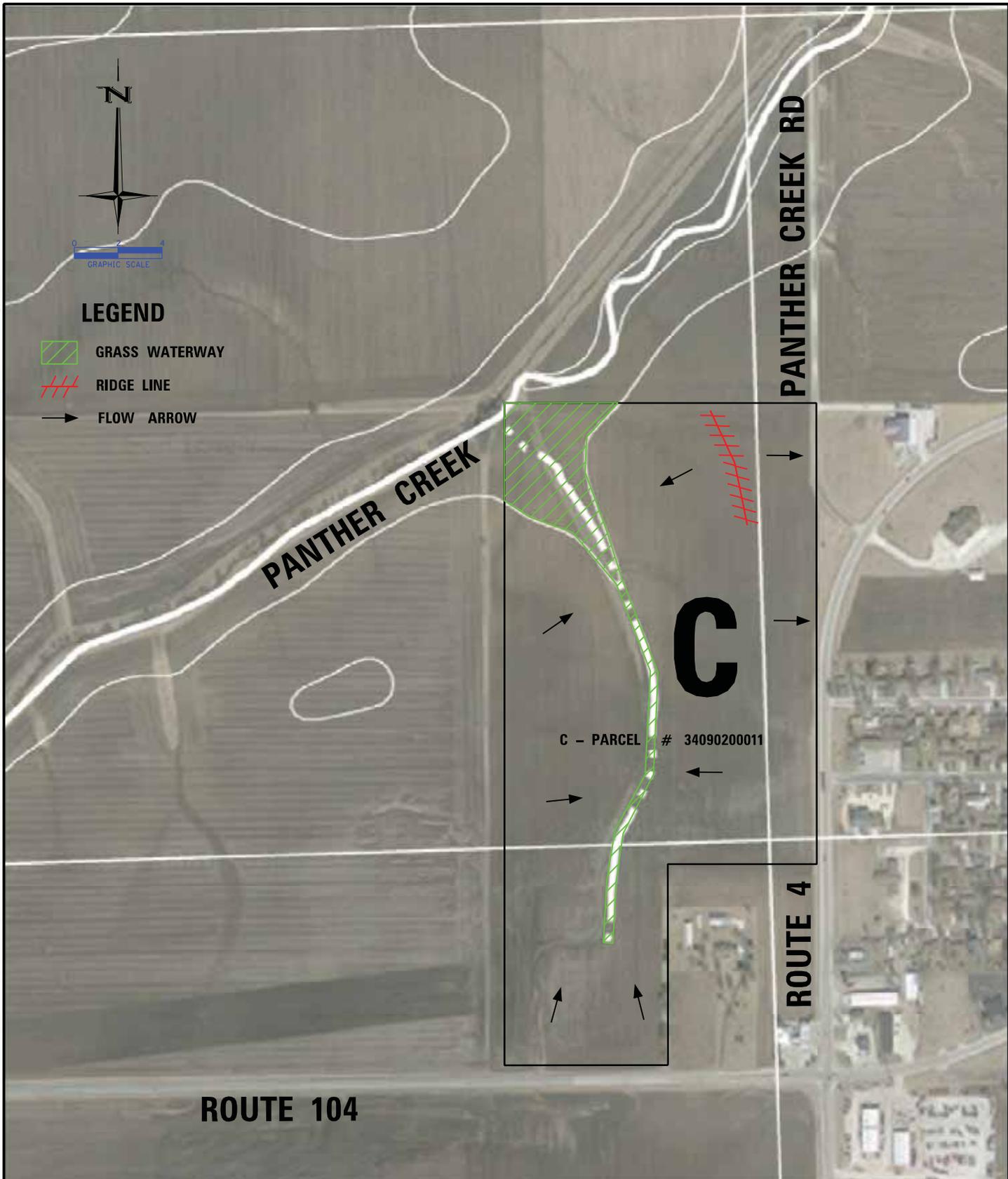
TIFF DRAINAGE ASSESSMENT CITY OF AUBURN  AUBURN, ILLINOIS		
<b>BENTON &amp; ASSOCIATES, INC.</b> <small>1970 W. Lafayette Ave., Jacksonville IL 62650          (217) 245-4146 (217) 245-4149 Fax</small>		
Date: May, 2016 Designed by: B. Jones Drawn by: B. Jones Reviewed by: W.J. Sleeman Approved by: W. J. Sleeman	Revised: By: Revised: By:	Job No. 16e2885  <h1 style="margin: 0;">EX-2</h1>

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 5/25/2016



**LEGEND**

-  GRASS WATERWAY
-  RIDGE LINE
-  FLOW ARROW



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5/25/2016

**ROUTE 104**

**PANTHER CREEK RD**

**ROUTE 4**

**PANTHER CREEK**

**C**

C - PARCEL # 34090200011

TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN  
AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**  
1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date: May, 2016	Revised:	Job No. 16e2885 <b>EX-3</b>
Designed by: B. Jones	By:	
Drawn by: B. Jones	Revised:	
Reviewed by: W.J. Sleeman	By:	
Approved by: W. J. Sleeman		



**LEGEND**

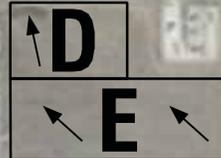
→ **FLOW ARROW**

**ROUTE 4**

**W. JEFFERSON ST.**

**W. VAN BUREN ST.**

**ROUTE 104**



D - PARCEL # 34100300010  
E - PARCEL # 34100300014

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bjones

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5/25/2016

TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN

AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**

1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May, 2016	Revised:	
Designed by:	B. Jones	By:	
Drawn by:	B. Jones	Revised:	
Reviewed by:	W.J. Sleeman	By:	
Approved by:	W. J. Sleeman		

Job No. 16e2885

**EX-4**



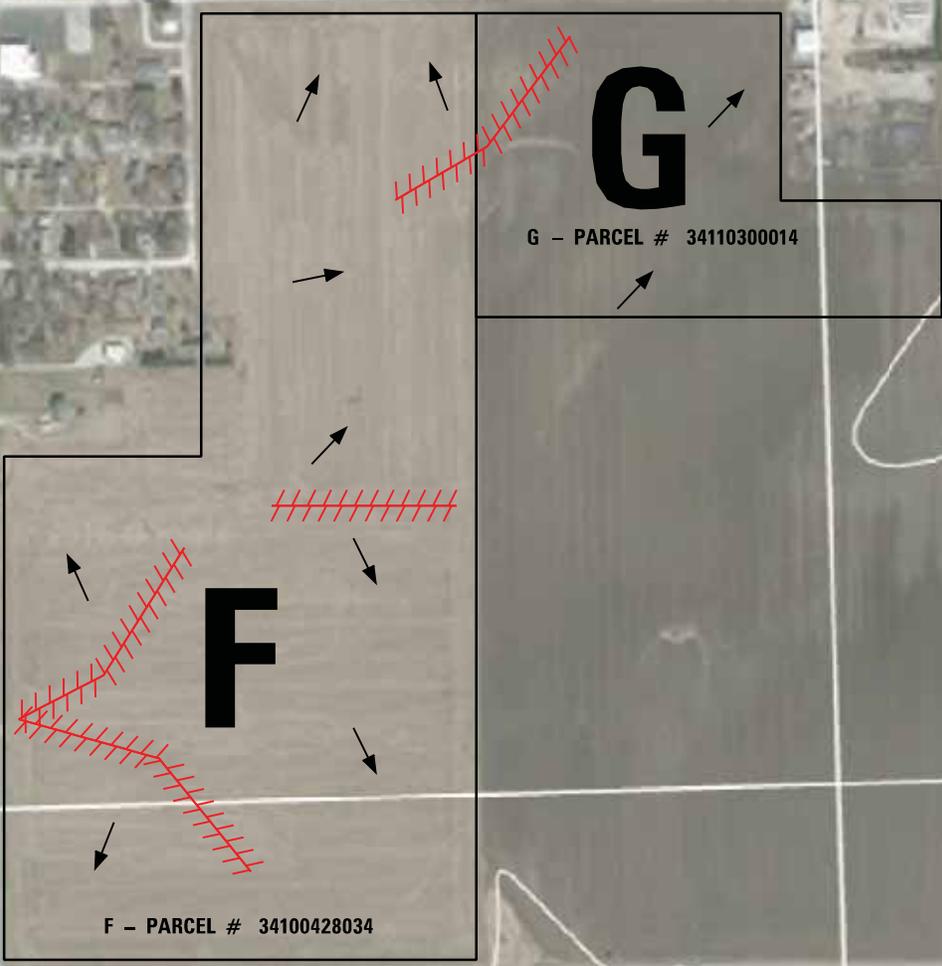
**LEGEND**

-  RIDGE LINE
-  FLOW ARROW
-  FLOOD PLAIN

**ROUTE 104 / E. JACKSON ST.**

**S. KENNEDY ST.**

**DICKEY JOHN RD.**



TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN  
  
AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**  
1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May, 2016	Revised:	
Designed by:	B. Jones	By:	
Drawn by:	B. Jones	Revised:	
Reviewed by:	W.J. Sleeman	By:	
Approved by:	W. J. Sleeman		

Job No. 16e2885  
**EX-5**

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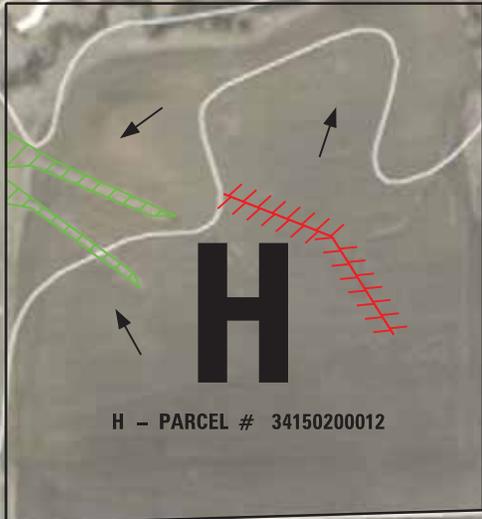


DICKEY JOHN RD.

**LEGEND**

-  RIDGE LINE
-  FLOW ARROW
-  FLOOD PLAIN

KENNEDY ST.



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TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN

AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**

1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May, 2016
Designed by:	B. Jones
Drawn by:	B. Jones
Reviewed by:	W.J. Sleeman
Approved by:	W. J. Sleeman

Revised:	
By:	
Revised:	
By:	

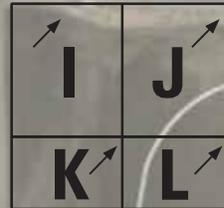
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**EX-6**

# Auburn

**ROUTE 104**

**S. CLOVER LN.**



- I - PARCEL # 34110328003
- J - PARCEL # 34110329001
- K - PARCEL # 34110327005
- L - PARCEL # 34110329002



**LEGEND**

→ FLOW ARROW

TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN

AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**

1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May 2016	Revised:	
Designed by:	B. Jones	By:	
Drawn by:	B. Jones	Revised:	
Reviewed by:	W.J. Sleeman	By:	
Approved by:	W. J. Sleeman		

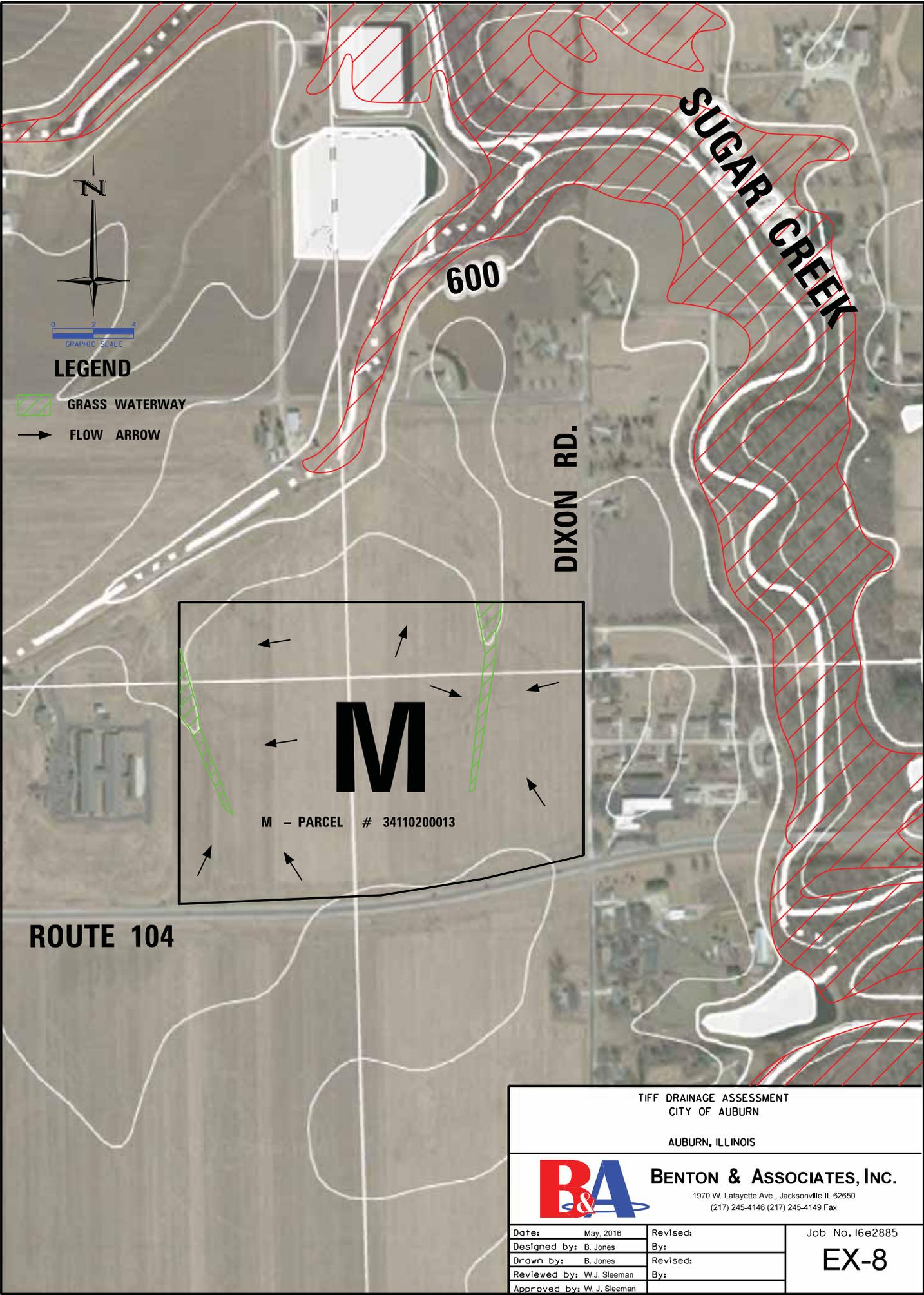
Job No. 16e2885

**EX-7**



**LEGEND**

-  GRASS WATERWAY
-  FLOW ARROW



P:\16e2885\Design\Auburn Exhibit -8.dgn

6.0960' / in.

JHENSLEY-WIN7

bjones

8:54:09 AM

5/25/2016

TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN

AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**

1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May, 2016
Designed by:	B. Jones
Drawn by:	B. Jones
Reviewed by:	W.J. Sleeman
Approved by:	W. J. Sleeman

Revised:	
By:	
Revised:	
By:	

Job No. 16e2885

**EX-8**



N. 7TH ST.

N GRAND AVE.

INTERURBAN ST.



N - PARCEL # 34030476027  
O - PARCEL # 34030479003

**Auburn**

TIFF DRAINAGE ASSESSMENT  
CITY OF AUBURN

AUBURN, ILLINOIS



**BENTON & ASSOCIATES, INC.**  
1970 W. Lafayette Ave., Jacksonville IL 62650  
(217) 245-4146 (217) 245-4149 Fax

Date:	May, 2016	Revised:	
Designed by:	B. Jones	By:	
Drawn by:	B. Jones	Revised:	
Reviewed by:	W.J. Sleeman	By:	
Approved by:	W. J. Sleeman		

Job No. 16e2885

**EX-9**





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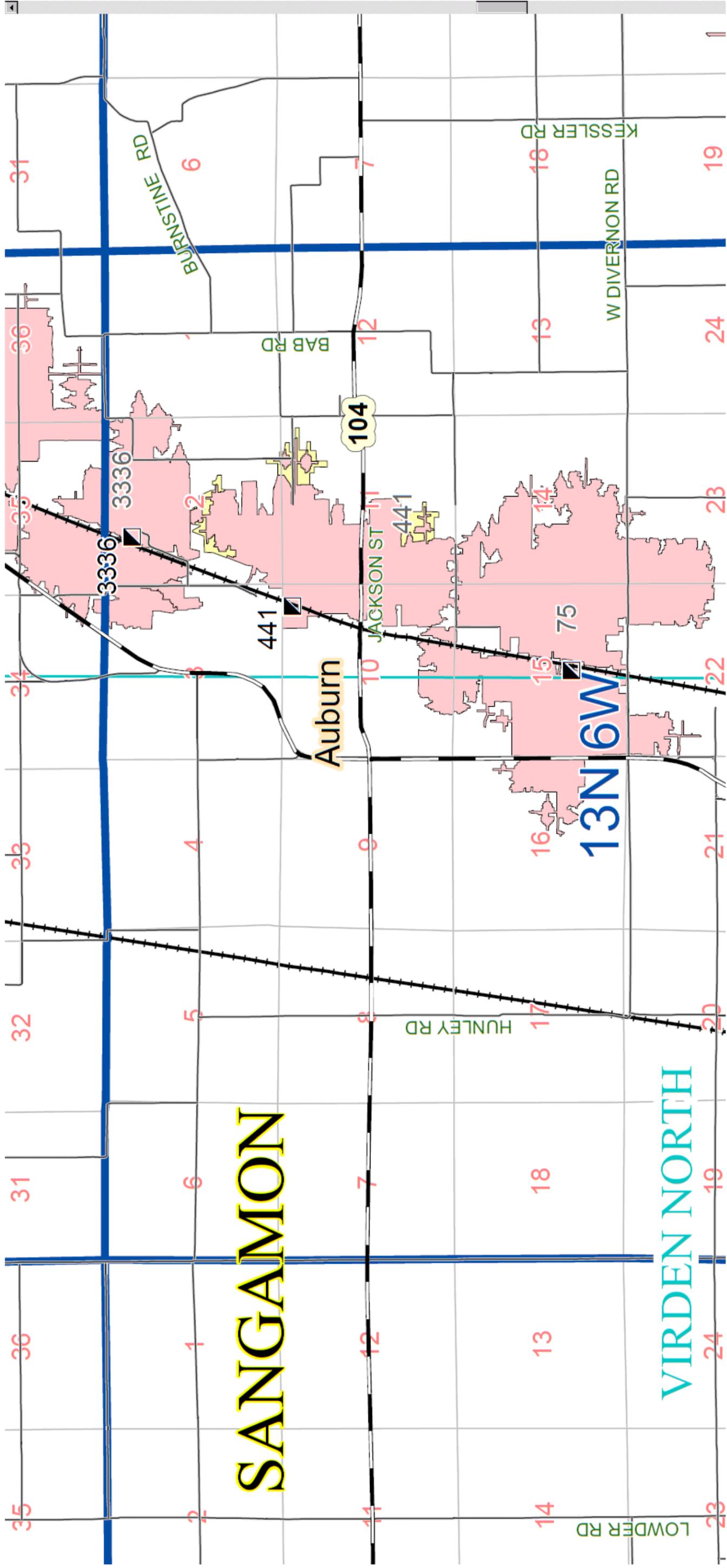
**EXHIBIT 4**

**ISGS MAP – SANGAMON COUNTY, ILLINOIS  
Auburn, IL (excerpt)**

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ISGS Map – Sangamon County, Illinois  
Auburn, IL (excerpt)

Source: <http://isgs.illinois.edu/sites/isgs/files/maps/coal-maps/mines-series/mines-maps/pdf-files/mines-map-sangamon.pdf>



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## EXHIBIT 5

### EXAMPLE TIF DISTRICT PROJECTIONS

**NOTE:** The following TIF Projections are examples based on estimates and do not represent an offer, financial advice or acceptance of any terms relating to redevelopment projects or agreements.

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# EXHIBIT 5 (A)

## CITY OF AUBURN TIF DISTRICT

### PROPOSED COMMERCIAL PROJECTS

Inflation Rate: 2.0%  
Total Tax Rate: 6.4569%

12/5/2016

TIF FORMED

Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Commercial Business Office Complex				Built	Assessed	\$75,331	\$76,837	\$78,374	\$79,941	\$81,540	\$83,171	\$84,834	\$86,531
Commercial/Retail Facility I	Built	Assessed	\$43,046	\$43,907	\$44,785	\$45,681	\$46,594	\$47,526	\$48,477	\$49,446	\$50,435	\$51,444	\$52,473
Commercial/Retail Facility II						Built	Assessed	\$21,523	\$21,953	\$22,393	\$22,840	\$23,297	\$23,763
Commercial/Retail Strip Development			Built	Assessed	\$96,854	\$98,791	\$100,766	\$102,782	\$104,837	\$106,934	\$109,073	\$111,254	\$113,479
Commercial Rehabilitation Project I		Built	Assessed	\$5,381	\$5,488	\$5,598	\$5,710	\$5,824	\$5,941	\$6,060	\$6,181	\$6,304	\$6,430
Commercial Rehabilitation Project II			Built	Assessed	\$12,914	\$13,172	\$13,436	\$13,704	\$13,978	\$14,258	\$14,543	\$14,834	\$15,131
Commercial Rehab/Renovation Projects				Built	Assessed	\$3,228	\$6,521	\$9,880	\$13,306	\$16,801	\$20,365	\$24,001	\$27,710
Motel/Hotel Project					Built	Assessed	\$172,184	\$175,628	\$179,140	\$182,723	\$186,377	\$190,105	\$193,907
Restaurant Project I			Built	Assessed	\$12,914	\$13,172	\$13,436	\$13,704	\$13,978	\$14,258	\$14,543	\$14,834	\$15,131
Restaurant Project II					Built	Assessed	\$32,285	\$32,930	\$33,589	\$34,261	\$34,946	\$35,645	\$36,358
Restaurant Project III							Built	Assessed	\$96,854	\$98,791	\$100,766	\$102,782	\$104,837
Assisted/Supportive Living Facility		Built	Assessed	\$172,184	\$175,628	\$179,140	\$182,723	\$186,377	\$190,105	\$193,907	\$197,785	\$201,741	\$205,776
<b>Total Real Estate Tax Increment</b>			<b>\$43,046</b>	<b>\$221,472</b>	<b>\$348,582</b>	<b>\$434,113</b>	<b>\$478,308</b>	<b>\$684,810</b>	<b>\$798,588</b>	<b>\$817,788</b>	<b>\$837,372</b>	<b>\$857,348</b>	<b>\$877,723</b>
<b>Cumulative R. E. Tax Increment</b>			<b>\$43,046</b>	<b>\$264,518</b>	<b>\$613,100</b>	<b>\$1,047,213</b>	<b>\$1,525,521</b>	<b>\$2,210,330</b>	<b>\$3,008,918</b>	<b>\$3,826,706</b>	<b>\$4,664,078</b>	<b>\$5,521,426</b>	<b>\$6,399,150</b>

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Commercial Business Office Complex	\$88,262	\$90,027	\$91,827	\$93,664	\$95,537	\$97,448	\$99,397	\$101,385	\$103,413	\$105,481	\$107,591	\$109,742	<b>\$1,830,333</b>
Commercial/Retail Facility I	\$53,522	\$54,593	\$55,685	\$56,798	\$57,934	\$59,093	\$60,275	\$61,480	\$62,710	\$63,964	\$65,243	\$66,548	<b>\$1,241,660</b>
Commercial/Retail Facility II	\$24,238	\$24,723	\$25,218	\$25,722	\$26,236	\$26,761	\$27,296	\$27,842	\$28,399	\$28,967	\$29,546	\$30,137	<b>\$460,857</b>
Commercial/Retail Strip Development	\$115,749	\$118,064	\$120,425	\$122,834	\$125,290	\$127,796	\$130,352	\$132,959	\$135,618	\$138,331	\$141,097	\$143,919	<b>\$2,497,205</b>
Commercial Rehabilitation Project I	\$6,559	\$6,690	\$6,824	\$6,961	\$7,100	\$7,242	\$7,387	\$7,534	\$7,685	\$7,839	\$7,996	\$8,155	<b>\$146,889</b>
Commercial Rehabilitation Project II	\$15,433	\$15,742	\$16,057	\$16,378	\$16,705	\$17,039	\$17,380	\$17,728	\$18,082	\$18,444	\$18,813	\$19,189	<b>\$332,961</b>
Commercial Rehab/Renovation Projects	\$31,492	\$35,351	\$39,286	\$43,300	\$47,395	\$51,571	\$55,831	\$60,178	\$64,612	\$69,134	\$73,744	\$78,442	<b>\$722,397</b>
Motel/Hotel Project	\$193,907	\$197,785	\$201,741	\$205,776	\$209,891	\$214,089	\$218,371	\$222,738	\$227,193	\$231,737	\$236,372	\$241,099	<b>\$3,686,858</b>
Restaurant Project I	\$15,433	\$15,742	\$16,057	\$16,378	\$16,705	\$17,039	\$17,380	\$17,728	\$18,082	\$18,444	\$18,813	\$19,189	<b>\$332,961</b>
Restaurant Project II	\$37,085	\$37,826	\$38,583	\$39,355	\$40,142	\$40,945	\$41,763	\$42,599	\$43,451	\$44,320	\$45,206	\$46,110	<b>\$737,396</b>
Restaurant Project III	\$106,934	\$109,073	\$111,254	\$113,479	\$115,749	\$118,064	\$120,425	\$122,834	\$125,290	\$127,796	\$130,352	\$132,959	<b>\$1,938,239</b>
Assisted/Supportive Living Facility	\$209,891	\$214,089	\$218,371	\$222,738	\$227,193	\$231,737	\$236,372	\$241,099	\$245,921	\$250,840	\$255,856	\$260,973	<b>\$4,700,448</b>
<b>Total Real Estate Tax Increment</b>	<b>\$898,506</b>	<b>\$919,705</b>	<b>\$941,328</b>	<b>\$963,383</b>	<b>\$985,879</b>	<b>\$1,008,825</b>	<b>\$1,032,230</b>	<b>\$1,056,874</b>	<b>\$1,081,732</b>	<b>\$1,107,010</b>	<b>\$1,132,719</b>	<b>\$1,158,865</b>	<b>\$18,628,203</b>
<b>Cumulative R. E. Tax Increment</b>	<b>\$7,297,656</b>	<b>\$8,217,361</b>	<b>\$9,158,689</b>	<b>\$10,122,071</b>	<b>\$11,107,950</b>	<b>\$12,116,774</b>	<b>\$13,149,004</b>	<b>\$14,201,878</b>	<b>\$15,275,810</b>	<b>\$16,371,220</b>	<b>\$17,488,539</b>	<b>\$18,628,203</b>	

Real Estate Assumptions	Business Office Complex	Comm/Retail Facility I	Comm/Retail Facility II	Comm/Retail Strip Dev.	Comm Rehab Project I	Comm Rehab Project II	Comm Rehab/Renovations	Motel/Hotel Project	Restaurant Project I	Restaurant Project II	Restaurant Project III	Assisted/Supp Living Facility	TOTALS
Total Projected Market Value	\$3,500,000	\$2,000,000	\$1,000,000	\$4,500,000	\$250,000	\$600,000	\$2,250,000	\$8,000,000	\$600,000	\$1,500,000	\$4,500,000	\$8,000,000	\$36,700,000
Increase in EAV	\$1,166,667	\$666,667	\$333,333	\$1,500,000	\$83,333	\$200,000	\$750,000	\$2,666,667	\$200,000	\$500,000	\$1,500,000	\$2,666,667	\$12,233,333
Real Estate Tax Increment	\$75,331	\$43,046	\$21,523	\$96,854	\$5,381	\$12,914	\$48,427	\$172,184	\$12,914	\$32,285	\$96,854	\$172,184	\$789,894
Estimated Eligible Project Costs	\$700,000	\$400,000	\$200,000	\$1,200,000	\$150,000	\$250,000	\$1,125,000	\$2,000,000	\$100,000	\$225,000	\$900,000	\$2,000,000	\$9,250,000

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# EXHIBIT 5 (B)

## CITY OF AUBURN TIF DISTRICT

### PROPOSED RESIDENTIAL REHABILITATION/RENOVATION PROJECTS

12/5/2016

TIF FORMED

Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Built in 2018		Built	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901
Built in 2019			Built	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864
Built in 2020				Built	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827
Built in 2021					Built	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791
Built in 2022						Built	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756
Built in 2023							Built	Assessed	\$0	\$0	\$0	\$0	\$1,722
Built in 2024								Built	Assessed	\$0	\$0	\$0	\$0
<b>Total Real Estate Tax Increment</b>								<b>\$1,722</b>	<b>\$3,478</b>	<b>\$5,270</b>	<b>\$7,097</b>	<b>\$8,961</b>	<b>\$10,862</b>
<b>Cumulative R.E. Tax Increment</b>								<b>\$1,722</b>	<b>\$5,200</b>	<b>\$10,469</b>	<b>\$17,566</b>	<b>\$26,527</b>	<b>\$37,388</b>

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Built in 2018-2023	\$11,079	\$11,300	\$11,526	\$11,757	\$11,992	\$12,232	\$12,477	\$12,726	\$12,981	\$13,240	\$13,505	\$13,775	\$185,978
Built in 2024	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$1,978	\$2,017	\$2,058	\$2,099	\$2,141	\$23,093
Built in 2025	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$1,978	\$2,017	\$2,058	\$2,099	\$20,953
Built in 2026	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$1,978	\$2,017	\$2,058	\$18,854
Built in 2027	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$1,978	\$2,017	\$16,796
Built in 2028	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$1,978	\$14,778
Built in 2029	Assessed	\$0	\$0	\$0	\$0	\$1,722	\$1,756	\$1,791	\$1,827	\$1,864	\$1,901	\$1,939	\$12,801
<b>Total Real Estate Tax Increment</b>	<b>\$12,801</b>	<b>\$14,778</b>	<b>\$16,796</b>	<b>\$18,854</b>	<b>\$20,953</b>	<b>\$23,093</b>	<b>\$23,555</b>	<b>\$24,026</b>	<b>\$24,507</b>	<b>\$24,997</b>	<b>\$25,497</b>	<b>\$26,007</b>	<b>\$293,253</b>
<b>Cumulative R.E. Tax Increment</b>	<b>\$50,189</b>	<b>\$64,967</b>	<b>\$81,763</b>	<b>\$100,617</b>	<b>\$121,570</b>	<b>\$144,663</b>	<b>\$168,218</b>	<b>\$192,245</b>	<b>\$216,752</b>	<b>\$241,749</b>	<b>\$267,246</b>	<b>\$293,253</b>	

Real Estate Assumptions		TOTALS
Total Projected Investment	\$40,000	\$960,000
Increase in EAV	\$13,333	\$320,000
Real Estate Tax (Per Home)	\$861	\$20,662

Variables	
Inflation Rate	2.0%
Total Tax Rate	6.4569%

Estimated Eligible Project Costs: \$480,000

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# EXHIBIT 5 (C)

## CITY OF AUBURN TIF DISTRICT

### PROPOSED NEW RESIDENTIAL PROJECT

12/5/2016	TIF FORMED												
Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Built in 2019			Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109	\$22,552	\$23,003	\$23,463	\$23,932	\$24,411
Built in 2020				Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109	\$22,552	\$23,003	\$23,463	\$23,932
Built in 2021					Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109	\$22,552	\$23,003	\$23,463
Built in 2022						Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109	\$22,552	\$23,003
Built in 2023							Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109	\$22,552
Built in 2024								Built	Assessed	\$20,834	\$21,251	\$21,676	\$22,109
Total Real Estate Tax Increment					\$20,834	\$42,085	\$63,761	\$85,871	\$108,422	\$131,425	\$134,054	\$136,735	\$139,469
Cumulative R.E. Tax Increment					\$20,834	\$62,919	\$126,681	\$212,551	\$320,974	\$452,399	\$586,452	\$723,187	\$862,656

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Built in 2019	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$28,601	\$29,173	\$29,756	\$30,352	\$30,959	\$537,176
Built in 2020	\$24,411	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$28,601	\$29,173	\$29,756	\$30,352	\$506,218
Built in 2021	\$23,932	\$24,411	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$28,601	\$29,173	\$29,756	\$475,866
Built in 2022	\$23,463	\$23,932	\$24,411	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$28,601	\$29,173	\$446,110
Built in 2023	\$23,003	\$23,463	\$23,932	\$24,411	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$28,601	\$416,937
Built in 2024	\$22,552	\$23,003	\$23,463	\$23,932	\$24,411	\$24,899	\$25,397	\$25,905	\$26,423	\$26,951	\$27,490	\$28,040	\$388,336
Total Real Estate Tax Increment	\$142,259	\$145,104	\$148,006	\$150,966	\$153,985	\$157,065	\$160,206	\$163,411	\$166,679	\$170,012	\$173,413	\$176,881	<b>\$2,770,643</b>
Cumulative R.E. Tax Increment	\$1,004,915	\$1,150,019	\$1,298,025	\$1,448,991	\$1,602,976	\$1,760,041	\$1,920,248	\$2,083,658	\$2,250,337	\$2,420,349	\$2,593,762	<b>\$2,770,643</b>	

Real Estate Assumptions	TOTALS	
Market Value per Home	\$260,000	\$6,240,000
Increase in EAV	\$86,667	\$2,080,000
Homestead Exemption	\$6,000	\$144,000
Real Estate Tax (Per Home)	\$5,209	\$125,006
Built in 2019	4	
Built in 2020	4	
Built in 2021	4	
Built in 2022	4	
Built in 2023	4	
Built in 2024	4	
<b>Total Homes Built</b>	<b>24</b>	

Variables	
Inflation Rate	2.0%
Total Tax Rate	6.4569%

Estimated Eligible Project Costs: \$1,800,000

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# EXHIBIT 5 (D)

## CITY OF AUBURN TIF DISTRICT

### PROPOSED RESIDENTIAL DUPLEX PROJECTS

12/5/2016

TIF FORMED

Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Built in 2018		Built	Assessed	\$8,781	\$8,957	\$9,136	\$9,319	\$9,505	\$9,695	\$9,889	\$10,087	\$10,289	\$10,495
Built in 2019			Built	Assessed	\$8,781	\$8,957	\$9,136	\$9,319	\$9,505	\$9,695	\$9,889	\$10,087	\$10,289
Built in 2020				Built	Assessed	\$8,781	\$8,957	\$9,136	\$9,319	\$9,505	\$9,695	\$9,889	\$10,087
Built in 2021					Built	Assessed	\$8,781	\$8,957	\$9,136	\$9,319	\$9,505	\$9,695	\$9,889
Built in 2022						Built	Assessed	\$8,781	\$8,957	\$9,136	\$9,319	\$9,505	\$9,695
Total Real Estate Tax Increment				\$8,781	\$17,738	\$26,875	\$36,193	\$45,699	\$46,613	\$47,545	\$48,496	\$49,466	\$50,455
Cumulative R.E. Tax Increment				\$8,781	\$26,520	\$53,394	\$89,588	\$135,286	\$181,899	\$229,444	\$277,940	\$327,405	\$377,861

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Built in 2018	\$10,704	\$10,919	\$11,137	\$11,360	\$11,587	\$11,819	\$12,055	\$12,296	\$12,542	\$12,793	\$13,049	\$13,310	\$239,723
Built in 2019	\$10,495	\$10,704	\$10,919	\$11,137	\$11,360	\$11,587	\$11,819	\$12,055	\$12,296	\$12,542	\$12,793	\$13,049	\$226,413
Built in 2020	\$10,289	\$10,495	\$10,704	\$10,919	\$11,137	\$11,360	\$11,587	\$11,819	\$12,055	\$12,296	\$12,542	\$12,793	\$213,365
Built in 2021	\$10,087	\$10,289	\$10,495	\$10,704	\$10,919	\$11,137	\$11,360	\$11,587	\$11,819	\$12,055	\$12,296	\$12,542	\$200,572
Built in 2022	\$9,889	\$10,087	\$10,289	\$10,495	\$10,704	\$10,919	\$11,137	\$11,360	\$11,587	\$11,819	\$12,055	\$12,296	\$188,030
Total Real Estate Tax Increment	\$51,464	\$52,493	\$53,543	\$54,614	\$55,706	\$56,821	\$57,957	\$59,116	\$60,298	\$61,504	\$62,734	\$63,989	\$1,068,102
Cumulative R.E. Tax Increment	\$429,325	\$481,818	\$535,361	\$589,975	\$645,682	\$702,502	\$760,459	\$819,576	\$879,874	\$941,378	\$1,004,113	\$1,068,102	

Real Estate Assumptions	TOTALS	
Projected Market Value per Unit	\$120,000	\$2,400,000
Increase in EAV	\$40,000	\$800,000
Homestead Exemption	\$6,000	\$120,000
Real Estate Tax	\$2,195	\$43,907
Estimated Eligible Project Costs	\$800,000	

Variables	
Inflation Rate	2.0%
Total Tax Rate	6.4569%

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# EXHIBIT 5 (E)

## CITY OF AUBURN TIF DISTRICT

### PROPOSED TOWNHOUSE/APARTMENT COMPLEX PROJECTS

12/5/2016

TIF FORMED

Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Townhouse/Apartment Complex					Built	Assessed	\$64,569	\$65,860	\$67,178	\$68,521	\$69,892	\$71,289	\$72,715
Total Real Estate Tax Increment							\$64,569	\$65,860	\$67,178	\$68,521	\$69,892	\$71,289	\$72,715
Cumulative R.E. Tax Increment							\$64,569	\$130,429	\$197,607	\$266,128	\$336,020	\$407,309	\$480,024

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Townhouse/Apartment Complex	\$74,169	\$75,653	\$77,166	\$78,709	\$80,283	\$81,889	\$83,527	\$85,197	\$86,901	\$88,639	\$90,412	\$92,220	\$1,474,792
Total Real Estate Tax Increment	\$74,169	\$75,653	\$77,166	\$78,709	\$80,283	\$81,889	\$83,527	\$85,197	\$86,901	\$88,639	\$90,412	\$92,220	\$1,474,792
Cumulative R.E. Tax Increment	\$554,194	\$629,847	\$707,013	\$785,722	\$866,005	\$947,894	\$1,031,421	\$1,116,619	\$1,203,520	\$1,292,159	\$1,382,572	\$1,474,792	

Real Estate Assumptions	
Total Projected Market Value	\$3,000,000
Increase in EAV	\$1,000,000
Real Estate Tax	\$64,569
Estimated Eligible Project Costs	\$450,000

Variables	
Inflation Rate	2.0%
Total Tax Rate	6.4569%

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## EXHIBIT 5 (F)

### CITY OF AUBURN TIF DISTRICT

#### PROPOSED LIGHT INDUSTRIAL PROJECTS

12/5/2016

TIF FORMED

Calendar Year of Receipts	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Light Industrial/Commercial Project I		Built	Assessed	\$38,741	\$39,516	\$40,307	\$41,113	\$41,935	\$42,774	\$43,629	\$44,502	\$45,392	\$46,300
Light Industrial/Commercial Project II				Built	Assessed	\$25,828	\$26,344	\$26,871	\$27,408	\$27,957	\$28,516	\$29,086	\$29,668
Light Industrial Project III						Built	Assessed	\$301,322	\$307,348	\$313,495	\$319,765	\$326,161	\$332,684
<b>Total Real Estate Tax Increment</b>				<b>\$38,741</b>	<b>\$39,516</b>	<b>\$66,134</b>	<b>\$67,457</b>	<b>\$370,128</b>	<b>\$377,531</b>	<b>\$385,081</b>	<b>\$392,783</b>	<b>\$400,638</b>	<b>\$408,651</b>
<b>Cumulative R. E. Tax Increment</b>				<b>\$38,741</b>	<b>\$78,258</b>	<b>\$144,392</b>	<b>\$211,849</b>	<b>\$581,977</b>	<b>\$959,507</b>	<b>\$1,344,588</b>	<b>\$1,737,371</b>	<b>\$2,138,009</b>	<b>\$2,546,661</b>

Calendar Year of Receipts	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	TOTALS
Light Industrial/Commercial Project I	\$47,226	\$48,170	\$49,133	\$50,116	\$51,118	\$52,141	\$53,184	\$54,247	\$55,332	\$56,439	\$57,568	\$58,719	<b>\$1,057,601</b>
Light Industrial/Commercial Project II	\$30,261	\$30,866	\$31,484	\$32,113	\$32,756	\$33,411	\$34,079	\$34,761	\$35,456	\$36,165	\$36,888	\$37,626	<b>\$627,543</b>
Light Industrial Project III	\$339,338	\$346,124	\$353,047	\$360,108	\$367,310	\$374,656	\$382,149	\$389,792	\$397,588	\$405,540	\$413,651	\$421,924	<b>\$6,452,001</b>
<b>Total Real Estate Tax Increment</b>	<b>\$416,824</b>	<b>\$425,161</b>	<b>\$433,664</b>	<b>\$442,337</b>	<b>\$451,184</b>	<b>\$460,208</b>	<b>\$469,412</b>	<b>\$478,800</b>	<b>\$488,376</b>	<b>\$498,144</b>	<b>\$508,106</b>	<b>\$518,269</b>	<b>\$8,137,144</b>
<b>Cumulative R. E. Tax Increment</b>	<b>\$2,963,485</b>	<b>\$3,388,646</b>	<b>\$3,822,309</b>	<b>\$4,264,647</b>	<b>\$4,715,831</b>	<b>\$5,176,038</b>	<b>\$5,645,450</b>	<b>\$6,124,250</b>	<b>\$6,612,626</b>	<b>\$7,110,769</b>	<b>\$7,618,876</b>	<b>\$8,137,144</b>	

Real Estate Assumptions	Light Industrial I	Light Industrial II	Light Industrial III	TOTALS
Total Projected Market Value	\$1,800,000	\$1,200,000	\$14,000,000	\$17,000,000
Increase in EAV	\$600,000	\$400,000	\$4,666,667	\$5,666,667
Real Estate Tax Increment	\$38,741	\$25,828	\$301,322	\$365,891
Estimated Eligible Project Costs	\$275,000	\$180,000	\$1,500,000	\$1,955,000

Variables	
Inflation Rate	2.0%
Total Tax Rate	6.4569%

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## SECTION IX. APPENDICES

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**APPENDIX A.**

**AUBURN COMPREHENSIVE PLAN 2016**

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## APPENDIX B.

### TAX INCREMENT FINANCING TERMS AND DEFINITIONS

The City of Auburn is establishing the TIF District pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4 *et. seq.*). Certain terms are used in this Redevelopment Plan which are defined in the Tax Increment Allocation Redevelopment Act. The following terms shall mean:

**Municipality:** An incorporated City, Village or Town in the State of Illinois.

**Redevelopment Project Area:** An area designated by the municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

**Redevelopment Plan:** The comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area.

**Redevelopment Project:** Any public and private development project in furtherance of the objectives of a redevelopment plan.

**Redevelopment Project Costs:** Redevelopment Project Costs include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

- A. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after the effective date of this amendatory Act of the 91st General Assembly, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

- B. The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;
- C. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;
- D. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;
- E. Costs of the construction of public works or improvements;
- F. Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;
- G. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
- H. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan/project;
- I. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law or in order to satisfy subparagraph (7) of subsection (n);
- J. Payment in lieu of taxes are those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of the tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area;
- K. Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37,

3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

- L. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that: 1) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act; 2) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; 3) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; 4) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.

**Taxing Districts:** Counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

**Taxing Districts' Capital Costs:** Those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

**Obligations:** Bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

**Labor Surplus Municipality:** A municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. If unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal County in which the municipality is located.

**Industrial Park Conservation Area:** An area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

**Vacant Land:** Any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have

been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act.

For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

**Blighted Area:** Any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where: If improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (I) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

- A. Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.
- B. Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.
- C. Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.
- D. Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.
- E. Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.
- F. Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

- G. Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.
- H. Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (I) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.
- I. Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.
- J. Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.
- K. Environmental clean-up. The redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.
- L. Lack of community planning. The redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet

contemporary development standards, or other evidence demonstrating an absence of effective community planning.

- M. The total equalized assessed value of the redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

If vacant, the sound growth of the redevelopment project area is impaired by a combination of two or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

- a. Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.
- b. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.
- c. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.
- d. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.
- e. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.
- f. The total equalized assessed value of the redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United

States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

If vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

- a. The area consists of one or more unused quarries, mines, or strip mine ponds.
- b. The area consists of unused railyards, rail tracks, or railroad rights-of-way.
- c. The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.
- d. The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.
- e. Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.
- f. The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

**Conservation Area:** Any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the factors listed above for “Blighted Improved Areas” is detrimental to the public safety, health, morals or welfare and such an area may become a Blighted Area.

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## APPENDIX C.

### INTRODUCTION TO TAX INCREMENT FINANCING

The search for innovative local financing for economic development is a constant challenge for most cities, towns, and villages throughout the country. For many communities, particularly those in rural areas, Tax Increment Financing (TIF) is often the only locally controlled mechanism available for stimulating new investment, economic growth, and a better quality of life.

TIF in Illinois establishes a geographic boundary (i.e., a district or redevelopment project area) for which new private investment is encouraged. To facilitate new investment, a City, Town or Village may issue debt instruments to finance specific public sector improvements that will enable the redevelopment of deteriorated, blighted, or other conservation areas within its corporate limits. By making public improvements, the municipality may invite new private investment so that the expected increase in property tax revenues (i.e., the increment) can be captured to amortize the public facility debt. Sometimes a municipality chooses to use TIF on a pay-as-you-go basis whereby revenue is spent as it is collected. In either case, it is expected that new investment in a designated redevelopment area will stimulate a resurgence of population, employment, and assessed valuation throughout the entire community.

It should be noted that **TIF does not raise property taxes and it does not create a new tax or a new taxing district.** Only an increased assessment or an overall increase in tax rates can raise taxes. TIF is merely used to reallocate increased property tax revenues created by increased assessed valuation that is realized after a TIF District is established. A TIF District may last for up to 23 years unless the municipality chooses a shorter period. The advantage of TIF for the municipality is that it is able to preserve a property tax base during the life of the TIF District that will pay for the basic public services the TIF redevelopment area already receives. New incremental property tax revenue helps pay for the infrastructure necessary for stimulating additional private-sector investment.

In 1977, the Illinois Legislature passed the "Tax Increment Allocation Redevelopment Act," now recorded as 65 ILCS 5/11-74.4 et seq. The TIF Act recognizes that in many municipalities of the State blighted and conservation areas exist which need to be developed or redeveloped to eliminate those conditions or prevent them from occurring. The Act further declares that prevention or eradication of these conditions by private and public redevelopment projects is essential to the public interest.

In *City of Canton v. Crouch*, 79 Ill. 2d 356 (1980) the Illinois Supreme Court, approving the use of TIF, stated: "*Stimulation of economic growth and removal of economic stagnation are also objectives which enhance the public [good].*"

#### *How Does TIF Work?*

Tax Increment Financing is a powerful tool that enables municipalities to self-finance its redevelopment programs. TIF funds can pay for public improvements and other economic development incentives using the increased property tax revenue the improvements help generate. Everyone pays their taxes within a TIF District. However, a TIF District does not generate tax revenues by increasing tax rates. Rather, TIF generates revenues by allowing the municipality to

capture, temporarily, the new tax revenues generated by the enhanced valuation of properties resulting from the various redevelopment projects. The overall process for creating a TIF District includes:

1. The City identifies an economically stagnant or physically declining area and determines that private investment in the area is not likely to occur at a reasonable rate if no public investment is forthcoming.
2. Having completed studies and plans and conducted public hearings as called for by state law, the City creates a new TIF District.
3. The County Clerk certifies the total equalized assessed valuation of property in the redevelopment project area as of the date the TIF District is created. All property taxes arising from this certified initial valuation, or "base value," continue to be paid to existing taxing bodies within the TIF District. Any incremental taxes arising from increases in property values after this point are re-allocated and set aside for "public and private redevelopment project costs" within the designated redevelopment project area.

Within a TIF District, all overlapping taxing districts continue to receive property taxes levied on the base equalized assessed valuation (EAV) of properties within the project area. The City also has the authority to enter into Intergovernmental Agreements to address any additional financial impact the TIF District may pose.

4. The City makes public improvements and provides other assistance intended to spur private development within the TIF District. To defray the cost, the City can sell bonds secured by the incremental taxes the improvements will generate or reimburse certain public and private development costs using a *pay-as-you-go* approach.
5. After 23 years, all obligations must be paid off and the TIF District is dissolved. All taxes then generated on the new assessed valuation are distributed to the taxing bodies. The TIF District may be ended earlier than 23 years if there are no remaining obligations for which real estate tax increment has been previously committed.

A TIF District's revenues ("tax increment") come from the increased assessed value of property and improvements within the District. Once a TIF District is established, the "base" assessed value is determined. As vacant land and dilapidated properties develop with TIF assistance, the equalized assessed valuation (EAV) of those properties increases. New property taxes resulting from the increased assessed valuation above the base value create an incremental increase in tax revenues generated within the TIF District.

The "tax increment" created between the "baseline" and the new EAV is captured, deposited into a special City TIF account and used solely for economic development. The real estate tax increment can be used as a source of revenue to reimburse certain costs for public and private projects either by issuing TIF bonds or by reimbursing developers on a "pay-as-you-go" basis. All of the other taxing bodies continue to receive real estate tax revenue from the base assessed valuation, so there is no loss of revenue to those local taxing bodies. For additional information, visit [www.tifillinois.com](http://www.tifillinois.com).

The maximum life of a TIF District is 23 years. When the TIF expires and the town's investments in both public and private redevelopment projects within the TIF redevelopment area are fully repaid, property tax revenues are again shared by all the taxing bodies. All taxing bodies then share the expanded tax base – the growth which would not have been possible without the utilization of Tax Increment Financing.

#### *How Long Does it Take to Create a TIF District?*

Typically the process for establishing a TIF District requires 6-8 months to complete. The length of time required to create a TIF District depends on several factors such as the municipality's ability to complete necessary annexations and the availability of local property tax data, historical records, maps, and other planning documents. Once the calendar is set for the Public Hearing, statutory guidelines determine the earliest date when the TIF District may be created.

There are many opportunities for public participation during the process of creating and operating a TIF District. A written Redevelopment Plan must be available for public review at least 45 days prior to a Public Hearing. The Public Hearing offers the community a chance to raise questions, voice concerns, and learn about the goals and objectives driving the redevelopment effort before the District is created.

#### *What Conditions Qualify an Area to be a TIF District?*

In addition to being located within the municipal boundaries or annexed to the municipality, the TIF Act includes three sets of conditions for qualifying an area as a TIF District:

- Blighted Conditions – examples include dilapidation, obsolescence, deterioration, inadequate utilities, declining assessed valuations.
- Conservation Conditions – at least 50% of the structures in the proposed redevelopment area are 35 years of age or older.
- Industrial Park Conservation Conditions – based on a relatively high unemployment rate.

#### *How Can TIF District Funds Be Used?*

When the Illinois General Assembly adopted the Illinois Tax Increment Allocation Redevelopment Act (ILCS 65 5/11-74.4 *et. seq.*) in 1977, it granted municipalities the power and authority to address the adverse conditions of blighted and conservation areas within their jurisdictions by undertaking redevelopment projects that were essential to the public interest. TIF can be used to fund a variety of public improvements and other investments that are indeed essential to a successful redevelopment program, including:

- Area-wide public infrastructure improvements such as road and sidewalk repairs, utility upgrades, water and sewer projects.
- Acquisition, clearance and other land assembly and site preparation activities.
- Rehabilitation of older, deteriorating or obsolescent buildings.
- Correction or mitigation of environmental problems and concerns.
- Job training, workforce readiness and other related educational programs.
- Incentives to retain or attract private development.

*For more information about Tax Increment Financing, please contact:*

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