FY 2014 ANNUAL TAX INCREMENT FINANCE REPORT



Name of Municipality: United City of Yorkville		Reporting F	iscal Year:		2014	
County:		Kendall	Fiscal Year	End:		04 / 30 / 2014
Unit Code:		047/035/30				
	p. 6	TIF Administra	ator Contact Info	ormation		
First Name:	Rob		Last Name:	Fredrickson		
Address:	800 Game	Farm Road	Title:	Finance Director		
Telephone:	630-553-8	534	City:	Yorkville	Zip:	60560
Mobile	815-274-9	223	E-mail	rfredrickson@yorkvi	ille.il.us	
Mobile	fi.		Best way to	X Email		Phone
Provider	Verizon		contact	Mobile		Mail
is complete [65 ILCS 5/1	and accura	te at the end of this reporting Fis sea.1 Or the Industrial Jobs Re	scal year under tl	he Tax Increment Allo	cation Red	
Written sign	ature of TIF	Administator		/ Dáte		

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

FILL OUT ONE FOR <u>EACH</u> TIF DISTICT				
Name of Redevelopment Project Area	Date Designated	Date Terminated		
United City of Yorkville				
Tax Increment Financing Redevelopment				
Project Area - Downtown Yorkville	6/13/2006			
	E .			
,				

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

SECTION 2 [Sections 2 through 5 must be completed for <u>each</u> redevelopment project area listed in Section 1.] FY 2014

Name of Redevelopment Project Area:	Downtown Yorkville
Primary Use of Redevelopment Project Area*:	Commercial
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopme	nt Project Area designated? (check one):
Tax Increment Allocation Redevelopment Actx Industri	al Jobs Recovery Law

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

^{*} Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2014

TIF NAME: Downtown Yorkville

Fund Balance at Beginning of Reporting Period

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)

\$ 216,937

(476,971)

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Repo	rting Year	Cum	ulative*	% of Total
Property Tax Increment	\$	52,811	\$	430,859	99%
State Sales Tax Increment					0%
Local Sales Tax Increment					0%
State Utility Tax Increment					0%
Local Utility Tax Increment					0%
Interest	\$	50	\$	4,155	1%
Land/Building Sale Proceeds					0%
Bond Proceeds					0%
Transfers from Municipal Sources					0%
Private Sources					0%
2013 TAP Grant	\$	184	\$	184	0%
Total Amount Democited in Consist Tou Allegation	popul	-	ileu wi	nere 'Reportir	ig rear is
Total Amount Deposited in Special Tax Allocation			1		
Fund During Reporting Period	\$	53,045			
Cumulative Total Revenues/Cash Receipts			\$	435,198	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	\$	46,953			
Distribution of Surplus]		
Total Expenditures/Disbursements	\$	46,953			
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	\$	6,092			
FUND BALANCE, END OF REPORTING PERIOD* * if there is a positive fund balance at the end of the reporting period, you must	\$ complet	223,029 e Section 3.3] 3		

FY 2014

TIF NAME: Downtown Yorkville

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

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

FOR AMOUNTS >\$10.000 SECTION 3.2 B MUST BE COMPLETED

FOR AMOUNT	FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED		
Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year	
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)			
Legal Services	4,812		
Auditing Services - TIF Compliance Report	250		
JRB Packet Postage	8		
Engineering Services	7,591		
Title Services	151		
		\$ 12,812	
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		Ψ 12,012	
Yorkville River Night	1,200		
AMOY Kayak Event	332		
Summer Solstice	294		
Property assembly, demolition, site preparation and environmental site improvement costs.		\$ 1,826	
Subsection (q)(2), (o)(2) and (o)(3)			
4. Coate of salashilitation, sanagerization, sanage as samadaling of aviating public as private buildings.		\$ -	
Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)			
		\$ -	
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)	00.000		
IL Route 47 Expansion	20,000		
		\$ 20,000	
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY			
		\$ -	

SECTION 3.2 A	
PAGE 2	
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7)	
and (o)(12)	
	\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)	
· · · · · · · · · · · · · · · · · · ·	
	\$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)	*
5.7 pp10704 dapital cools. Subcoolion (4)(1) and (6)(6)	
	-
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing	
projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY	
	\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)	
	\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)	
	\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other	Ψ
taxing bodies. Subsection (q)(10) and (o)(12)	
	¢

SECTION 3.2 A		
PAGE 3		
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
Developer Incentive	12,315	
		\$ 12,315
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		-
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
·		
		\$ -
	·	
TOTAL ITEMIZED EXPENDITURES		\$ 46,953

FY	2	01	14

TIF	NAME:	Downtown	Yorkville
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List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

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

Name	Service	А	mount
Imperial Investments	Developer Incentive	\$	12,315
State of Illinois Treasurer - c/o IDOT	IL Rte 47 Expansion	\$ \$	20,000
-			

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

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

FY 2014

TIF NAME: Downtown Yorkville

FUND BALANCE, END OF REPORTING PERIOD		\$ 223,029
	Amount of Original	Amount Designated
1. Description of Debt Obligations	ioduanod	Amount Designated
The second secon		
Total Amount Designated for Obligations	\$ -	\$ -
Total Amount Designated for Obligations	\$ -	-
2. Description of Project Costs to be Paid		
IL Rte 47 Expansion Project		\$ 200,000
Imperial Investments Redevelopment Agreement Phase 1 (est.)		\$ 500,000
		_
Total Amount Designated for Project Costs		\$ 700,000
TOTAL AMOUNT DESIGNATED		\$ 700,000
		/
SURPLUS*/(DEFICIT)		\$ (476,971)

^{*} NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

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

FY 2014

TIF NAME: Downtown Yorkville

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

__X___ No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	
Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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

FY 2014

TIF NAME: Downtown Yorkville

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

Check here if <u>NO</u> projects were undertaken by the Mu	nicipality W	/ithin the Redeve	elopment Project Area:	
ENTER total number of projects undertaken by the Mu and list them in detail below*.			·	1
TOTAL:	11/	71/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to
Private Investment Undertaken (See Instructions)	\$	8,000,000	\$ -	\$ 8,000,000
Public Investment Undertaken	\$	36,378	*	\$ 524,063
Ratio of Private/Public Investment		219 21/23		15 13/49
Project 1: *IF PROJECTS ARE LISTED NUMBER M		NTERED AROV	=	
Landscaping		NI ENED ABOV	=	
Private Investment Undertaken (See Instructions)	\$		\$ -	\$ -
Public Investment Undertaken	\$	24,063	\$ -	\$ 24,063
Ratio of Private/Public Investment		0	Ψ	0
Due to at 0.				
Project 2:				
Imperial Investments - Phase 1 est.	•	0.000.000	Φ.	¢ 0,000,000
Private Investment Undertaken (See Instructions)	\$	8,000,000	\$ -	\$ 8,000,000
Public Investment Undertaken	\$	12,315		\$ 500,000
Ratio of Private/Public Investment		649 43/70		16
Project 3:				
Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0
Project 4:				
Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0
Project 5:				
Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0
Project 6:				
Private Investment Undertaken (See Instructions)				
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0
		-	!	

PAGE 2

	PAGE 2	
Project 7:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 8:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 9:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 10:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 11:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 12:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 13:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 14:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	
Project 15:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0 0	

PAGE 3

	PAGE 3	
Project 16:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Project 17:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Project 18:		
Troject to.		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Project 19:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
D. J. J. O.	\neg	
Project 20:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken	+	
Ratio of Private/Public Investment	0	0
radio of Fritato, Fabric III Vocation	ŭ ļ	
Project 21:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Project 22:		
Drivete lavoreter and the deptetors (Co. depterostions)		
Private Investment Undertaken (See Instructions) Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Italio of Frivate/Fublic Investment	0	
Project 23:		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0
Project 24:		
Delicate las codes out lindouteless (Ossalis statistics)	 	
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken Ratio of Private/Public Investment	0	0
Natio of Frivate/Fublic investment	J 0	J U
Project 25:		
.,		
Private Investment Undertaken (See Instructions)		
Public Investment Undertaken		
Ratio of Private/Public Investment	0	0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of complete TIF report

SECTION 6

FY 2014

TIF NAME: Downtown Yorkville

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

Year redevelopment

project area was			Rep	orting Fiscal Year
designated	Base EAV			EAV
6/13/2005	\$	5,745,902	\$	6,170,819

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

__X___ The overlapping taxing districts did not receive a surplus.

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

SECTION 7

Provide information about job creation and retention

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

SECTION 8

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

Optional Documents	Enclosed	
Legal description of redevelopment project area		previously provided
Map of District		previously provided



United City of Yorkville 800 Game Farm Road Yorkville, Illinois, 60560 Telephone: 630-553-4350

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Gary J. Golinski, Mayor of the United City of Yorkville, Kendall County, Illinois, certify that the City has complied with all of the requirements of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1 *et seq*. during the fiscal year ending April 30, 2013, in connection with the administration of the Downtown Tax Increment Financing District.

Gary Jl Golfnksi, Mayor

LAW OFFICE KATHLEEN FIELD ORR & ASSOCIATES

53 West Jackson Blvd. Suite 964 Chicago, Illinois 60604 (312)382-2113 (312)382-2127 facsimile

KATHLEEN FIELD ORR kfo@kfoassoc.com

October 21, 2014

Judy Baar Topinka, State Comptroller Office of the State Comptroller Local Government Division 100 West Randolph Street, Suite 15-500 Chicago, Illinois 60601-3252

Re: Downtown Tax Increment Finance Redevelopment Project Area for the Fiscal Year Ending April 30, 2014

Dear Sir:

I, Kathleen Field Orr, am the City Attorney for the United City of Yorkville, Kendall County, Illinois, and acted as special "TIF" Counsel throughout the fiscal year covered by the referenced Report.

I have reviewed all of the information provided by the City Administration and I find that the United City of Yorkville, Illinois, has complied with all of the applicable provisions of the Illinois Tax Increment Allocation Redevelopment Act.

Very truly yours,

KATHLEEN FIELD ORR & ASSOCIATES

KATHLEEN FIELD ORR

KFO/kms

Activities StatementDowntown Yorkville

The Downtown TIF district was created in 2006 to help facilitate mixed use development in the downtown area. Over the last three fiscal years, the City has entered into several agreements with Imperial Investments for the redevelopment of several buildings in the downtown area. This proposed mixed use development has resulted in several new store fronts being added to the downtown, including Rowdy's Bar & Grill, Mongolian 211 and an additional restaurant (Barley Fork) currently under construction.

Construction continued in fiscal year 2014 on the IL Route 47 expansion, which is a joint project between the City and the Illinois Department of Transportation. This project will include various roadway and infrastructure (water, sanitary sewer, storm sewer) improvements on Route 47, from just south of Kennedy Road through its intersection with IL Route 71. The cost of the project that is applicable to the Downtown TIF district is approximately \$200,000. In addition, the City continued its engineering study regarding the remediation of a brownfield site and neared completion of a new parking lot in the downtown area.

UNITED CITY OF YORKVILLE KENDALL COUNTY, ILLINOIS

ORDINANCE NO. 2013-38

AN ORDINANCE APPROVING THE THIRD AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR THE DOWNTOWN YORKVILLE REDEVELOPMENT PROJECT AREA (Imperial Investments, LLC)

Passed by the City Council of the United City of Yorkville, Kendall County, Illinois This 11th day of June 2013

Published in pamphlet form by the authority of the Mayor and City Council of the United City of Yorkville, Kendall County, Illinois on July 18, 2013.

Ordinance No. 2013-38

AN ORDINANCE APPROVING THE THIRD AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR THE DOWNTOWN YORKVILLE REDEVELOPMENT PROJECT AREA (Imperial Investments, LLC)

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, et seq., as from time to time amended (the "TIF Act"), the Mayor and City Council of the United City of Yorkville (collectively, the "Corporate Authorities") entered into an Redevelopment Agreement for the Downtown Yorkville Project Area (the "Original Agreement") with Imperial Investments, LLC (the "Developer") in order to induce the development and redevelopment of certain properties within the Yorkville Downtown Redevelopment Project Area; and,

WHEREAS, on January 8, 2013, the Original Agreement was amended by a First Amendment to add additional projects and provide additional incentives; and,

WHEREAS, on April 9, 2013 the Amended Agreement was further amended by a Second Amendment to include the Developer's proposal to redevelop, rehabilitate and renovate the Bank Property and the Parking Lot and the City agreed to commit additional incentives; and,

WHEREAS, the Developer has submitted an additional proposal to undertake additional improvements including the partial demolition of the Pump House, construction of a pedestrian walkway and green area in the area demolished and the placement of a new façade on the remaining portion of the Pump House with the City to commit additional incentives all as contained in the Third Amendment to the Redevelopment Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the United City of Yorkville, Kendall County, Illinois, as follows:

Section 1. The above recitals are incorporated and made a part of this Ordinance as though fully set forth in this section.

Section 2. That the THIRD AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR THE DOWNTOWN YORKVILLE REDEVELOPMENT PROJECT AREA (Imperial Investments, LLC), attached hereto as Exhibit A and made a part hereof by reference, is hereby approved, and the Mayor and City Clerk are hereby authorized and directed to execute said agreement on behalf of the United City of Yorkville.

Section 3. This Ordinance shall be in full force and effect upon its passage, approval, and publication in pamphlet form as provided by law.

Passed by the City Counci	l of the United City of Yorkville, Kendal	l County,
Illinois this day of	UNE , 2013.	
	DEPUTY CITY CLERK	imo
	DEPUTY CITY CLERK	\bigcirc
ROSE ANN SPEARS	DIANE TEELING	_
KEN KOCH Y	JACKIE MILSCHEWSKI	<u> </u>
CARLO COLOSIMO \dot{y}	JOEL FRIEDERS	/
CHRIS FUNKHOUSER	LARRY KOT	-
Approved by me, as May	yor of the United City of Yorkville, K	endall County,
Illinois, this <u>/8</u> day of <u>JUL</u>	Y2013. Hary / No	lish
	MAYOR (

THIRD AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR THE DOWNTOWN YORKVILLE REDEVELOPMENT PROJECT AREA

(Imperial Investments, LLC)

THIS THIRD AMENDMENT (the "Third Amendment") to the Redevelopment Agreement for the Downtown Yorkville Project Area dated April 23, 2012, as amended January 8, 2013 and on April 9, 2013, by and between the United City of Yorkville, Kendall County, Illinois, a municipal corporation (hereafter the "City") and Imperial Investments, LLC, an Illinois limited liability company (hereafter the "Developer") is dated as of June 18, 2013.

WITNESSETH:

WHEREAS, by Ordinance No. 2006-46 adopted by the Mayor and City Council of the City (the "Corporate Authorities"), the Downtown Yorkville Tax Increment Financing Redevelopment Project and Plan (hereinafter the "Redevelopment Plan") was approved, which project and plan covered some of the oldest properties of the City constituting a significant portion of the City's historic Downtown; and,

WHEREAS, by Ordinance No. 2006-47 and No. 2006-48 adopted by the Corporate Authorities on June 13, 2006, the City designated approximately 200 acres containing 114 buildings as a "redevelopment project area" ("Yorkville Downtown Redevelopment Project Area") and adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (hereinafter referred to as the "Act"); and,

WHEREAS, as authorized by the TIF Act, on April 23, 2013, pursuant to Ordinance No. 2012-06, the Corporate Authorities entered into the Redevelopment Agreement for the Downtown Yorkville Project Area (the "Original Agreement") with the Developer in order to

induce the development and redevelopment of certain properties within the Yorkville Downtown Redevelopment Project Area; and,

WHEREAS, pursuant to the Original Agreement, the City agreed to reimburse the Developer for Redevelopment Project Costs as specifically identified therein for the following four (4) Projects:

- 1. Cobblestone Bakery, Project No. 1;
- 2. Follies Theater, Project No. 2;
- 3. Follies Box Office, Project No. 3; and,
- 4. Van Emmon Apartments, Project No. 4; and,

WHEREAS, on January 8, 2013, the Original Agreement was amended to add the following additional redevelopment projects (the "Additional Projects") and provide additional incentives as set forth in the First Amendment to the Original Agreement:

- 1. 209 South Bridge Street;
- 2. The parking lot immediately to the north of 209 Bridge Street;
- 3. 213 South Bridge Street; and,
- 4. An expansion of the Cobblestone Bakery Project No. 1; and,

WHEREAS, on April 9, 2013, the Original Agreement was again amended to include new redevelopment projects at 102 E. Van Emmon Street (the "Bank Property") and a parking lot located at the northeast corner of West Van Emmon Street and the west alley (the "Parking Lot"); and,

WHEREAS, the Developer's proposal to the City to redevelop, rehabilitate, and renovate the Bank Property and the Parking Lot (collectively, the "Third Redevelopment Phase") was

approved and the City agreed to commit additional incentives for this Third Redevelopment Phase, all as set forth in the Second Amendment to the Original Agreement;

WHEREAS, once again the Developer has submitted a proposal to the City to undertake additional improvements to the Redevelopment Project Area including the demolition of a portion of the structure which houses City utilities (the "Pump House") located on parcel number 02-32-283-008; the construction of a pedestrian walkway and green area where the portion of the Pump House had stood (the "Public Area"); and, the placement of new façade on the remaining Pump House (collectively, the "Fourth Redevelopment Phase"); and,

WHEREAS, in order to induce the Developer to continue with the Projects approved in the Original Agreement, the Additional Projects, the Third Redevelopment Phase and the Fourth Redevelopment Phase, the City designated a portion of the commercial area of the Yorkville Downtown Redevelopment Project Area as a "Business District" in accordance with the Business District Development and Redevelopment Act (65 ILCS 5/11-74.3 et seq.) (the "Business District Act"), on January 8, 2013; and,

WHEREAS, pursuant to the Business District Act, once a business district is designated, the Corporate Authorities may impose a retailers' occupation tax, service occupation tax, and a hotel operators' occupation tax in an amount not to exceed one percent (1%) to pay costs to be incurred in connection with the planning, execution and implementation of the goals and objectives as set forth in the business district plan, and the Corporate Authorities have, in fact, imposed a retailers' occupation tax and a service occupation tax of one percent (1%) in the business district; and,

WHEREAS, the City desires the Developer to proceed with the Projects as stated in the Original Agreement, the Additional Projects, the Third Redevelopment Phase and the Fourth Redevelopment Phase and is, therefore, willing to commit additional incentives available pursuant to the Act and the Business District Act in order to induce the Developer to proceed, all as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the parties agree as follows:

Section 1. Incorporation. The representations and recitations set forth in the preambles hereto are material to this Third Amendment and are hereby incorporated into and made a part of this Third Amendment as though fully set forth in this Section I and said representations and recitations constitute the understandings of the City and the Developer.

Section 2. The Imperial Investment Additional Improvements to the Redevelopment Project Area.

A. Feasibility Study.

1. The Developer shall undertake a study to determine if it is financially feasible as well as practical to relocate the unsightly electrical, cable and telephone lines located between the west alley at the northeast corner of W. Van Emmon Street and 101 W. Van Emmon, as depicted on Exhibit A hereto to an underground location (the "Feasibility Study"). Upon completion of this Feasibility Study, the Developer covenants and agrees to submit said Study to the City and to consult with the City on the costs and viability of the underground relocation of all utility lines.

The Developer agrees to advance all necessary funds required to complete
the Feasibility Study, the cost of which is Redevelopment Project Costs which
shall be reimbursable as provided in Section 4 below.

B. Demolition of a Portion of the Pump House; Construction of a Public Area; and, Construction of new Façade to the Pump House and.

- 1. On or before October 31, 2014, the Developer covenants and agrees to demolish and reconstruct a portion of the Pump House in order to construct a Public Area as depicted on *Exhibit B* attached hereto and made a part hereof in accordance with final plans approved by the City. The Developer further covenants and agrees to undertake the construction of the Public Area after receipt of all required approvals and permits. Notwithstanding the aforesaid covenants and agreements in this paragraph, it is understood that should such undertakings be considered by either party to be a burden based on cost and/or construction issues either party will have the right to cancel and terminate this portion of the Fourth Development Phase.
- 2. The Developer covenants and agrees to advance all funds necessary to complete the foregoing, the costs of which are Redevelopment Project Costs under the Act, which costs shall be reimbursable as provided in Section 4 below.

C. New Pump House Façade.

1. The Developer further agrees to construct a new façade on the remaining portion of the Pump House after approval of the façade design and materials by the City Administrator. The Façade is defined as the entire exterior four (4) walls

including but not limited to the materials that make up the the walls, for example brick, concrete, wood or any other building products and also included shall be windows doors and associated trim items, finishes such as but not limited to paint or stucco as well as exterior trim products and gutters as they may exist or be further added to the Pump House. The work to be performed as a part of this said section and Amendment by the developer will be memorialized and finalized per drawings and specifications and shall supersede any and all other documents based costs and expenses other than the cost and expenses as discussed and agreed to as stated within the accepted bid. The Developer further and agrees to obtain any approvals and permits as may be required to construct such façade.

2. The Developer covenants and agrees to advance all funds necessary to complete the construction of the new façade, the cost of which is a Redevelopment Project Cost under the Act, which cost shall be reimbursable as provided in Section 4 below.

Section 3. Developer's Obligations as a Condition Precedent to the City's Commitment.

- A. In the event the projects as described in Section 2 above are determined to be feasible, the Developer agrees to complete such projects on or before December 31, 2014, in a good and workmanlike manner and in accordance with all permits and approvals. It is further understood by the parties hereto that any one of the projects as stated in Section 2 above may be abandoned for reasons of feasibility without affecting the other projects.
- B. The Developer shall not be eligible for reimbursement for any of the costs incurred for any item identified in Section 2 unless and until all of such undertakings are completed in accordance with all permits and approvals.

Section 4. Obligations and Commitments of the City.

A. The City hereby grants the Developer such easement and license rights and privileges in and to the real estate and the Pump House owned by the City as deemed necessary to undertake all of the projects to the Redevelopment Project Area as stated in Section 2 above. The term of such easement and license shall cease upon approval by the City of such projects as evidenced in writing by the City Engineer.

- B. So long as no notice pursuant to Section 20 of the Original Agreement has been issued and remains uncured, the City shall reimburse the Developer for "Redevelopment Project Costs" as follows:
 - 1. The City agrees to reimburse the Developer for fifty percent (50%) of the cost of the Feasibility Study to be undertaken by the Developer as provided in Section 2.A.1. above, payable upon receipt of paid invoice or invoices as an eligible Redevelopment Project Cost from funds deposited into the STAF (as established by Ordinance No. 2006-48), Redevelopment Project Costs and STAF being terms defined in the Original Agreement. If sufficient funds are not available in the STAF, reimbursement shall be made to the Developer from future deposits into the STAF.
 - 2. The City shall reimburse the Developer from the STAF, the cost to be incurred for the new façade on the Pump House but only if the plan is approved by the City Administrator and the cost is less than \$20,000. In the event the cost of such façade is more than \$20,000, the plan and cost shall be presented to the Corporate Authorities for approval. If approved, the Developer shall be reimbursed from the STAF upon completion and presentation of paid invoices for such façade improvements. If sufficient

funds are not available in the STAF, reimbursement to the Developer shall be made from future deposits into the STAF.

3. The City agrees to reimburse the Developer for costs it incurs in connection with the demolition of a portion of the Pump House, in accordance with the procedures provided in Section 4 of the Original Agreement and Section 4 of the amendment to the Original Agreement dated April 9, 2013, from the Imperial Investment Sub-Account of the STAF.

Section 5. Undertakings on the Part of Developer.

- A. The Developer covenants and agrees that the Fourth Redevelopment Phase of the Redevelopment Project Area could result in an additional investment in the Yorkville Downtown Redevelopment Project Area.
- B. The Developer hereby covenants and agrees to promptly pay, as the same become due, any and all taxes and governmental charges of any kind that may at any time be assessed with regard to its operation including all real estate taxes assessed against the Imperial Investment Projects, the Additional Projects, the Third Redevelopment Phase, the Fourth Redevelopment Phase or any other location owned or controlled by the Developer.
- C. The Developer hereby grants the City a temporary construction easement over the property depicted on *Exhibit C* attached hereto and made a part hereof in order to permit the City to undertake certain improvements to the Redevelopment Project Area.
- D. The Developer herby grants an exclusive permanent Retaining Wall Easement and Public Utility and Drainage Easement as depicted on said *Exhibit C* attached hereto in order to serve properties within the Redevelopment Project Area. The Developer agrees to execute the

Grant of Easement (*Exhibit C*) and to permit the recordation thereof with the Kendall County Recorder of Deeds.

Section 6. Term. Section 7 of the Original Agreement is amended to state that unless earlier terminated pursuant to Section 20 of the Original Agreement, the term of this Redevelopment Agreement shall commence on the date of execution and end December 31, 2029, regarding the City's obligation to deposit Incremental Taxes into the Imperial Sub-Account and December 31, 2036, with regard to the City's obligation to deposit BD Taxes, into the Imperial Investment Sub-Account.

Section 7. All other provisions of the Original Agreement; as amended January 8, 2013 and April 9, 2013, by this Amendment one hereby affirmed as in full force and effect.

Section 8. Counterparts. This Amendment Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to the Redevelopment Agreement to be executed by their duly authorized officers on the above date at Yorkville, Illinois.

United City of Yorkville, an Illinois municipal corporation

By:

Mayor

Attest:

DE PUTY City Clerk

Attest:

IMPERIAL INVESTMENTS, LLC, an Illinois

liability company

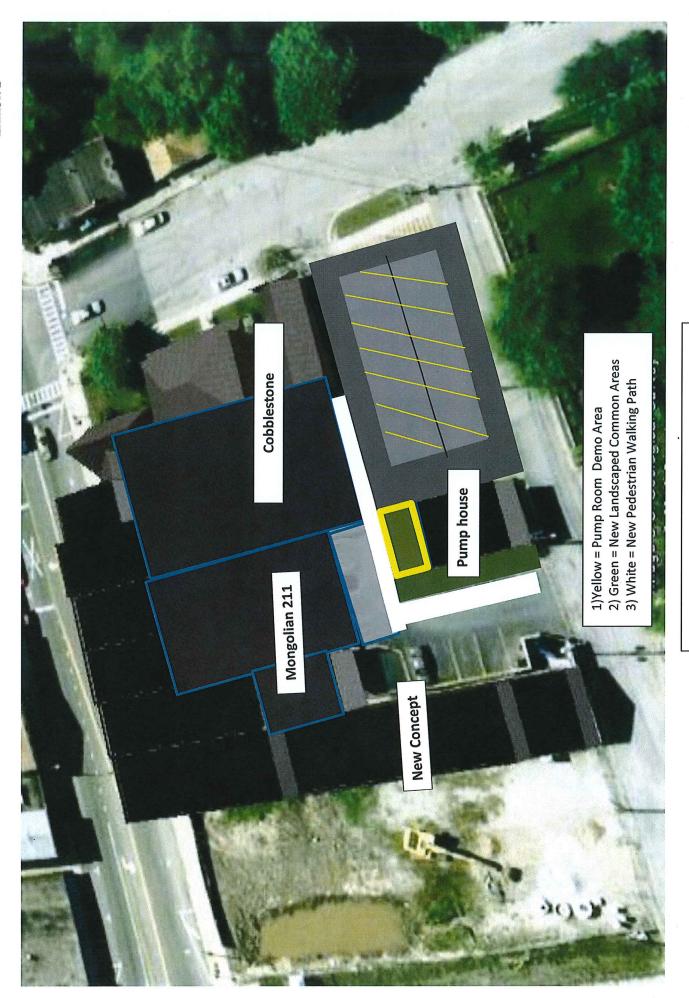
By:

President

1 thru 6 represents existing Utility Poles and lines to be removed.

KEY

Dark Blue Dashed Line Represents new subsurface utility lines to be run from North side of West Alley and Hydraulic to South sided of West Alley and Van Emmon.



Imperial Investments Courtyard Diagram

LEGAL DESCRIPTIONS PIN 02-32-287-002

PUBLIC UTILITY AND DRAINAGE EASEMENT AND RETAINING WALL EASEMENT

THE WESTERLY 15.00 FEET OF LOT 5, AS MEASURED NORMAL TO THE WEST LINE THEREOF, IN BLOCK 28 OF THE ORIGINAL TOWN OF YORKVILLE, KENDALL COUNTY, ILLINOIS.

TEMPORARY CONSTRUCTION EASEMENT

THE NORTHERLY 15.00 FEET OF LOTS 5, 6 AND THE WEST HALF OF VACATED JEFFERSON STREET, AS MEASURED NORMAL TO THE NORTH LINE THEREOF, IN BLOCK 28 OF THE ORIGINAL TOWN OF YORKVILLE, KENDALL COUNTY, ILLINOIS

G:\Public\Yorkville\2010\YO1001 Rt. 47 Off-Street Parking Improvements\Legals

201300011178

DEBBIE GILLETTE KENDALL COUNTY, IL

RECORDED: 5/30/2013 10:38 AM PLAT: 88.00 RHSPS FEE: 10.00 PAGES: 2 FF 20-428



201300011178 DEBBIE GILLETTE

KENDALL COUNTY, IL RECORDED: 5/30/2013 10:38 AM

PLAT: 88.00 RHSPS FEE: 10.00

#30-427

GRANT OF EASEMENT

UNITED CITY OF YORKVILLE KENDALL COUNTY, ILLINOIS

SEE ATTACHED LEGAL DESCRIPTION

40 FEET

PUBLIC UTILITY AND DRAINAGE EASEMENT AND RETAINING WALL MAINTENANCE EASEMENT HEREBY GRANTED

MAIN STREET

VAN EMMON STREET TEMPORARY CONSTRUCTION EASEMENT HEREBY GRANTED P.I.H. 02-32-287-002 LOT 4 LOT 5 固 ₩ ¥ 1 ACA 15.00

STATE OF ILLINOIS)

THIS IS TO CERTIFY THAT WE, THE UNDERSIGNED, ARE THE RECORD OWNER'S OF THE PROPERTY DEPICTED HEREON, AND DO HEREBY CONSENT TO THE GRANT OF EASEMENTS DEFICITED HEREON.

DATED THIS 12 DAY OF APRIL

Tallef son

STATE OF ILLINOIS)

I, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE AFORESAID COUNTY AND STATE, DO HEREBY CERTIFY THAT THE FORECOING SIGNATOR OF THE OWNER'S CERTIFICATE IS PERSONALLY KNOWN TO ME TO BE THE SAME PERSON HINDS NAME IS SUBSCRIBED TO THE FORECOING INSTRUMENT, AND THAT SAID INDIVIDUAL APPEARED AND DELIVERED SAID INSTRUMENT AS A FREE AND VOLUNTARY ACT FOR THE USES AND PURPOSES THEREIN SET FORTH IN THE AFORESAID INSTRUMENT.

GIVEN UNDER MY HAND AND NOTARIAL SEAL THIS 12 DAY OF APRIL Steven D. Anderson

AFFIX SEAL

OFFICIAL SEAL STEVEN D ANDERSON Notary Public - State of Illinois My Commission Expires May 4, 2015

PUBLIC UTILITY AND DRAINAGE EASEMENT

THE UNITED CITY OF YORKVILLE, IT'S SUCCESSORS, LICENSEES AND ASSIGNS, ARE HEREBY GIVEN EASEMENT RIGHTS TO ALL PLATTED EASEMENTS DESIGNATED PUBLIC UTILITY AND DRAINAGE EASEMENT OR PULGOE. SAD EASEMENTS SHALL BE USED SOLELY TO INSTALL, OPERATE, MAINTAIN AND REMOVE FROM TIME TO TIME UNDERGROUND FACILITIES AND APPURTENANCES USED IN CONNECTION MITH THE WATER, SANITARY SEWER OR STORM DRAINAGE SYSTEMS OF THE UNITED CITY OF YORKVILLE, EXCEPT THAT THE EASEMENTS MAY BE GRADED AS SWALES TO RECEIVE LOCAL SURFACE DRAINAGE. NO PERMANENT BULIDING OR THEES SHALL BE PLACED ON SAID EASEMENT, BUT SAME MAY BE USED FOR GARDENS, SHRUBS, LANDSCAPING AND OTHER PURPOSES THAT DO NOT THEN OR LATER INTERFERE WITH HE AFORESAD USES OR RIGHTS HEREIN GRANTED, FULLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXPENSES OF ITS EASEMENT RIGHTS GRANTED HEREIN, THE CITY SHALL RESTORE THE CITY IN THE EXPENSES OF ITS EASEMENT RIGHTS GRANTED HEREIN, THE CITY SHALL RESTORE THE CITY IN THE WORK, EXCEPT THAT ANY THEE REQUIRING REMOVAL MILL BE REPLACED WITH A 3-1/2* MINIMUM CALIPER TIRE OF LIKE SPECIES. THE OWNER SHALL HAVE NO PERSONAL OR FINANCIAL OBLIGATION TO RESTORE SAID PROPERTY.

RETAINING WALL EASEMENT

THE UNITED CITY OF YORKVILLE, IT'S SUCCESSORS, LICENSEES AND ASSIGNS, ARE HEREBY GIVEN EASEMENT RIGHTS TO ALL PLATIED EASEMENTS DESIGNATED RETAINING WALL EASEMENT'S SUID EASEMENTS DESIGNATED RETAINING WALL EASEMENT'S SUID EASEMENT SHALL BE USED SOLELY TO INSTALL, MAINTAIN AND REMOVE FROM TIME TO TIME A RETAINING WALL ON THE ADJACENT LOT, NO PERMANENT BUILDING OR TREES SHALL BE PLACED ON SAID EASEMENT, BUT SAME MAY BE USED FOR GARDENS, SHRUBS, ANDSCAPING AND OTHER PURPOSES THAT DO NOT THEN OR LATER INTERFERE WITH THE AFORESAID USES OR RIGHTS HEREIN GRANTED. FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXEMPLISE OF ITS ASSEMBLY RIGHTS GRANTED. FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXPENSES OF ITS ASSEMBLY RIGHTS GRANTED. FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXPENSES OF ITS ASSEMBLY RIGHTS GRANTED. FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXPENSES OF ITS ASSEMBLY RIGHTS GRANTED. FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXPENSES OF ITS ASSEMBLY RIGHTS AND ASSEMBLY RIG

TEMPORARY CONSTRUCTION EASEMENT

THE UNITED CITY OF YORKYILLE, IT'S SUCCESSORS, LICENSEES AND ASSIGNS, ARE HEREBY CIVEN EASEMENT RIGHTS TO ALL PLATTED EASEMENTS DESIGNATED TEMPORARY CONSTRUCTION EASEMENT OR T.C.E.' SAID EASEMENT SHALL BE USED SOLELY TO CONSTRUCT UTILITIES, THE SIDEWALK, RETAINING WALLS, DRIVEWAY IMPROVEMENTS, GRADING AND ASSOCIATED IMPROVEMENTS WITH THE ROUTE 47 OFF-STREET PARKING LOT.

FOLLOWING ANY WORK TO BE PERFORMED BY THE CITY IN THE EXERCISE OF ITS EASEMENT RIGHTS GRANTED HEREIN, THE CITY SHALL RESTORE THE SURFACE OF THE PROPERTY TO A CONDITION ESTABLE OF THE PROPERTY TO A CONDITION OF THE THAN THAT WHICH EXISTED PRIOR TO THE WORK, EXCEPT THAT ANY TREE REQUIRING REMOVAL WILL BE REPLACED WITH A 3-1/2" MINIMUM CAUPER TREE OF LIKE SPECIES. THE OWNER SHALL HAVE NO PERSONAL OR FINANCIAL GELIGATION TO RESTORE SAID PROPERTY.

SAID EASEMENT SHALL EXPIRE UPON COMPLETION OF CONSTRUCTION ACTIVITIES OR NO LATER THAN JANUARY 1, 2015

STATE OF ILLINOIS) COUNTY OF KANE)

THIS IS TO CERTIFY THAT ENGINEERING ENTERPRISES, INC. HAS PREPARED THIS GRANT OF EASEMENT AS SHOWN BY THE ANNEXED PLAT WHICH IS A TRUE AND CORRECT REPRESENTATION OF SAID PROPERTY, FOR THE USES AND PURPOSES DESCRIBED HEREIN. ALL DISTANCES SHOWN ARE IN FEET AND DECIMALS THEREOF.

GIVEN UNDER MY HAND AND SEAL AT SUGAR GROVE, ILLINOIS,

PROFESSIONAL LAND SURVEYOR 13581 EXP-11-30-14

ENGINEERING ENTERPRISES INC.
PROFESSIONAL DESIGN FIRM # 184-002003
EXP-04-30-13





Engineering Enterprises, Inc. CIVIL ENGINEERS & LAND SURVEYORS
52 Wheeler Road
Sugar Grove, Illinois 60554
630.466.6700 / www.eelweb.com

FY 2013 Annual Joint Review Board for TIF Districts Tuesday, November 26, 2013 2:00 p.m.

Yorkville City Hall Conference Room 800 Game Farm Road, Yorkville, IL 60560

Committee Members in Attendance:

Dean Romano, Asst. Supt. for Finance & Operations – Yorkville CUSD #115

City Officials in Attendance:

Bart Olson, City Administrator – United City of Yorkville Rob Fredrickson, Finance Director - United City of Yorkville Kathleen Field Orr, City Attorney – Kathleen Field Orr & Associates

Other Attendees:

No other attendees

Elect Public Member

There was no public member present so City Attorney Orr stated they would forego it.

Elect Chair Person

Administrator Olson made a motion to elect Mr. Romano as Chairperson. Mr. Romano seconded; the motion was carried and Mr. Romano is the Chairperson.

Mr. Romano took roll and called the meeting to order. He opened the annual meeting by asking for approval of the minutes from the last meeting (November 27, 2012). Director Fredrickson made one amendment to the minutes to reflect "2012" rather than "2011." (Correction has been made.) No other changes were necessary; minutes approved with correction.

Annual Report for U.S. Route 34 & Route 47 – Countryside TIF District:

Mr. Romano asked Director Fredrickson to provide some feedback on above subject. Director Fredrickson opened by referring to page 6 of the report which showed fund balance to be \$1,877,872 as of May 1, 2012. During the year, there were total revenues of \$2,132; total expenditures of \$307,669; resulting in an ending fund balance of \$1,572,335. Pages seven, eight and nine of the TIF Report provide further expenditure details.

At this point, City Attorney Orr asked Mr. Romano if he knew the history of the Countryside TIF. Mr. Romano responded that he did not. City Attorney Orr explained that the TIF was established in 2005 because Kohl's was expected to open a new store in Yorkville. In order to facilitate this project, the City issued a bond for \$3.525 million. Minimal work was completed on the project before the developer pulled out and Kohl's ended up constructing a new store in the City's Kendall Marketplace Business District instead.

Since then the City has used the bond proceeds to pay debt service, since there is no revenue coming in from the property. The City has been hoping for a developer ever since and then Mr. Jim Ratos comes in and said, "We need a cinema!" and NGC Theatres opens in November of 2013. The agreement the City made with Mr. Ratos will be in next year's packet since it was not passed until May of 2013. The agreement stipulates that Mr. Ratos gets an incentive payout totaling \$2 million, consisting of remaining bond proceeds of approximately \$1.8 million with the remainder (\$200,000) to be paid from Amusement Tax receipts. City Attorney Orr went on to say that when the TIF was initially established, the base EAV still had the initial building. Therefore, continuing with the TIF as it is right now, she asked if the City is going to ask for an extension on the bond? Administrator Olson responded that it would depend on the refinancing being stretched to be coterminous with the life of the TIF district, which ends in 2029.

Mr. Romano asked if there was space and if it covered out buildings. Administrator Olson and City Attorney Orr confirmed that it did. Administrator Olson went on to say that northwest of the theatre site there is actually a larger lot than what the theatre is on now. This could be subdivided further into a lot of smaller lots; however, the thought is that the City would like another larger, anchor tenant in there.

Mr. Olson stated this year's TIF report is particularly bland because there are few expenses and not much has been done. Within the next two years, there will be a new re-development agreement and hopefully some revenue to actually pay off the bonds. City Attorney Orr stated that she wanted to point out one other thing regarding the Countryside TIF. On page 16 of the current year's report, when the TIF was established in 2005 the base EAV was \$1,528,166. She then noted that the current EAV (before construction) is less than the base year. So, if the City had waited to establish the TIF, the school district would have lost the \$1.5 million base that they can at least get now. Mr. Romano said he was familiar with the concept of TIF's moving into a lower EAV situation.

Annual Report for Downtown Yorkville TIF District:

Director Fredrickson referenced page 30 of the TIF report, which identifies a summary of the activity in the Downtown TIF for fiscal year 2013. During the year, there were total revenues of \$45,409; total expenditures of \$86,425; resulting in an ending fund balance of \$216,937.

Administrator Olson stated there was an error in the report showing \$3,506,099 in "Cumulative Bond Proceeds" that matches the amount in Countryside TIF report. City Attorney Orr said that number should not be there. Mr. Olson said the rest of the numbers looked fine and that the cumulative bond proceeds number should be "0" - for the record.

City Attorney Orr stated that fund balance for the Downtown TIF is \$216,000; \$200,000 of which is committed to the Route 47 expansion project. She went on to say that there is a redevelopment agreement with Imperial Investments as a business district overlay. City Attorney Orr stated that one of the issues with the TIF was that in the base year the EAV was already \$5.7 million, so it's only gone up less than \$1 million since it was established in 2006. She went on to say that this is not a realistic evaluation of the TIF's EAV.

Administrator Olson said there were a couple of minor expenses throughout the year, as noted on pages 31through 33 of the TIF report. There were some marketing costs for conference attendance and engineering services (FS Grainco property east alley). The City has a Brownfield Grant (that they have been doing a study for); clean-up costs for minor repairs on the old Post Office and some other City buildings within the TIF district; and the Route 47 costs that were previously discussed. He projected that next year's TIF report will show some increment going to Imperial Investments for projects that they have done. Mr. Romano asked if there was a commitment to that group. City Attorney Orr stated the City owes them at least \$500,000 at this time, per their investment identified in the TIF report.

Administrator Olson said that on the November 26, 2013 City Council agenda, the City is considering accelerating some decorative street lights, if Council approves a grant. In addition, there are probably a few more minor projects that are TIF eligible associated with Riverfront Park. There is a separate grant to do that. There might be some other things they choose to do down there (aesthetic based) that would also qualify as TIF expenses.

City Attorney Orr said basically the TIF is very small and conservative. The only way it would ever include residential property is if residences are built at Kendallwood Estates (owned by Imperial Investments which bought the platted subdivision), which is currently dormant. The infrastructure is all there (they built roads, detention basins, water and sewer), they just have not seen a market for it. Mr. Romano asked if they do develop it, would they be able to receive the per pupil disbursement. City Attorney Orr assured him that he would.

Administrator Olson asked if there was anything else TIF related and Mr. Romano said he had nothing else; he was up-to-speed. He then moved to adjourn the meeting; Mr. Olson seconded it. All were in favor; no one opposed and the meeting was adjourned at 2:16 p.m.

Minutes respectfully submitted by:

Bonnie Olsem Administrative Secretary

UNITED CITY OF YORKVILLE, ILLINOIS

COUNTRYSIDE AND DOWNTOWN TAX INCREMENTAL FINANCING DISTRICTS

FINANCIAL AND COMPLIANCE REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2014

UNITED CITY OF YORKVILLE, ILLINOIS COUNTRYSIDE AND DOWNTOWN TAX INCREMENTAL FINANCING DISTRICTS

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INDEPENDENT AUDITORS' REPORT

PHONE 630.393.1483 • FAX 630.393.2516 www.lauterbachamen.com

INDEPENDENT AUDITORS' REPORT

August 20, 2014

The Honorable City Mayor Members of the City Council United City of Yorkville, Illinois

We have audited the accompanying basic financial statements of the governmental activities of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois as of and for the year ended April 30, 2014, which collectively comprise the Countryside and Downtown Tax Incremental Financing Districts as listed in the table of contents. The basic financial statements are the responsibility of the United City of Yorkville, Illinois' management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

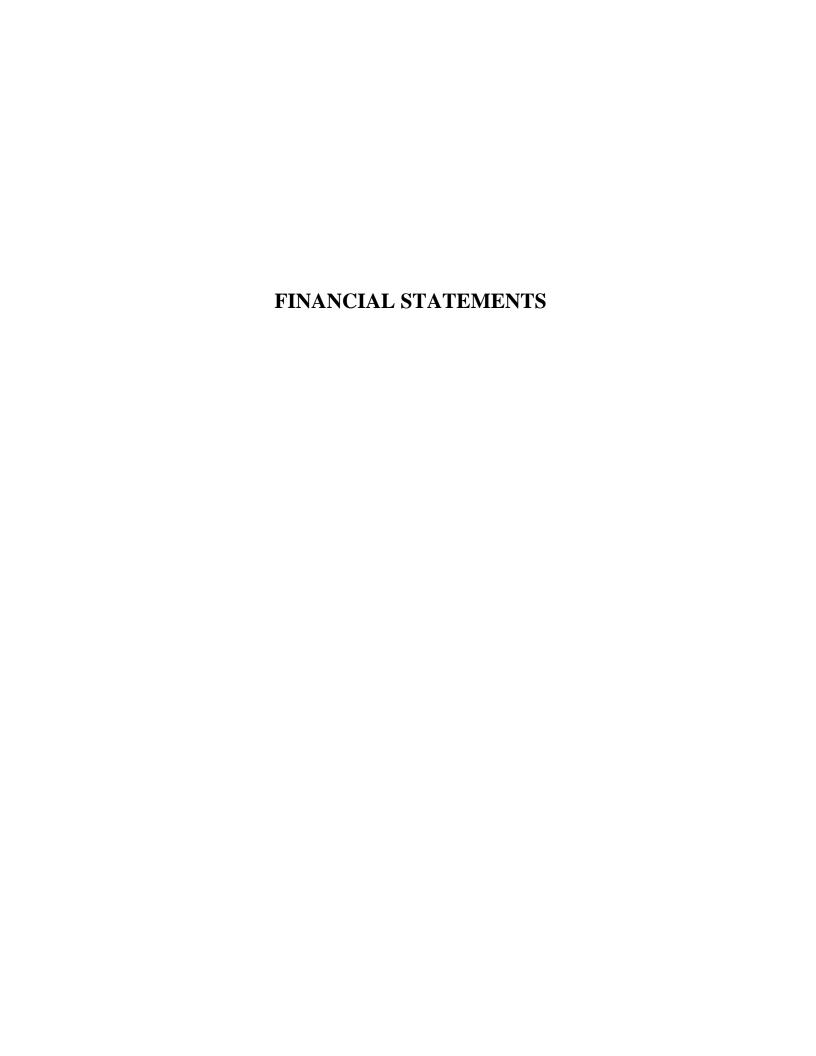
As described in Note 1 to the basic financial statements, the basic financial statements present only the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois, and are not intended to present fairly the financial position or results of operations of the United City of Yorkville, Illinois, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois as of April 30, 2014, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We have also issued a report dated August 20, 2014 on our consideration of the Countryside and Downtown Tax Incremental Financing Districts' compliance with laws, regulations, contracts and grants.

LAUTERBACH & AMEN, LLP

Lauterbrich + amen LIP



UNITED CITY OF YORKVILLE, ILLINOIS COUNTRYSIDE AND DOWNTOWN TAX INCREMENTAL FINANCING DISTRICTS

Balance Sheet April 30, 2014

	Countryside TIF	Downtown TIF
ASSETS		
Cash and Investments	\$ -	250,835
Receivables - Net of Allowances Other Taxes	1,951	2,834
Prepaids		618
Total Assets	1,951	254,287
LIABILITIES		
Liabilities Accounts Payable Deposits Payable Other Liabilities Due to Other Funds Total Liabilities	2,043 - 533,384 535,427	12,315 - 10,443 - 22,758
DEFERRED INFLOWS OF RESOURCES		
Property and State Taxes Total Liabilities and Deferred Inflows of Resources	611 536,038	22,758
Fund Balances Nonspendable Restricted Unassigned Total Fund Balances	(534,087) (534,087)	618 230,911 - 231,529
Total Liabilities and Fund Balances	1,951	254,287

UNITED CITY OF YORKVILLE, ILLINOIS COUNTRYSIDE AND DOWNTOWN TAX INCREMENTAL FINANCING DISTRICTS

Statement of Revenues, Expenditures and Changes in Fund Balance For the Fiscal Year Ended April 30, 2014

	Countryside	Downtown
	TIF	TIF
Revenues		
Taxes		
Property Taxes	\$ -	52,811
Business District Taxes	2,043	9,458
Interest	107	50
Miscellaneous	-	184
Total Revenues	2,150	62,503
Expenditures		
General Government		
Administration Fees	3,416	5,070
TIF Incentive Payout	1,800,000	12,315
Business District Rebate	2,043	9,458
Capital Outlay	_,,- -	29,568
Debt Service		- ,
Principal Retirement	185,000	_
Interest and Fiscal Charges	161,116	-
Total Expenditures	2,151,575	56,411
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	(2,149,425)	6,092
Other Eineneing Sources (Uses)		
Other Financing Sources (Uses) Disposal of Capital Assets		8,500
Debt Issuance	1,235,000	5,500
Discount on Debt Issuance	(9,773)	-
Payment to Escrow Agent	(1,182,224)	_
Tayment to Escrow Agent	43,003	8,500
	43,003	0,300
Net Change in Fund Balances	(2,106,422)	14,592
Fund Balances - Beginning	1,572,335	216,937
Fund Balances - Ending	(534,087)	231,529

UNITED CITY OF YORKVILLE, ILLINOIS COUNTRYSIDE AND DOWNTOWN TAX INCREMENTAL FINANCING DISTRICTS

Notes to the Financial Statements April 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The operations of Countryside and Downtown Tax Incremental Financing Districts are accounted for through special revenue funds of the United City of Yorkville, Illinois. It applies the following policies:

Basis of Accounting

The financial statements are prepared on the modified accrual basis of accounting under which revenue is recognized when it becomes both measurable and available, and expenditures generally are recognized when the liability is incurred.



PHONE 630.393.1483 • FAX 630.393.2516 www.lauterbachamen.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS

August 20, 2014

The Honorable City Mayor Members of the City Council United City of Yorkville, Illinois

We have audited the accompanying basic financial statements of the governmental activities of the Countryside and Downtown Tax Incremental Financing Districts of the United City of Yorkville, Illinois, as of and for the year ended April 30, 2014, and have issued our report thereon dated August 20, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

Compliance with laws, regulations, contracts, and grants applicable to the Financing Districts are the responsibility of the United City of Yorkville's management. As part of obtaining reasonable assurance about whether basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grants applicable to the Financing District, including the City's compliance with subsection (q) of Section 11-74.4-3 of the State of Illinois Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance with the provisions referred to in the preceding paragraph.

This report is intended for the information of the members of the City Council and management, and is not intended to be used and should not be used by anyone other then these specified parties.

LAUTERBACH & AMEN, LLP

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