

The Seal of the State of Illinois is a circular emblem. It features an eagle with wings spread, perched on a rock. The eagle's chest is covered by a shield with vertical stripes. A banner is draped across the eagle's chest with the word 'STATE SOVEREIGN, NATIONAL UNION'. The outer ring of the seal contains the text 'SEAL OF THE STATE OF ILLINOIS' at the top and 'AUG. 26TH 1818' at the bottom, separated by two stars.

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

| | | | |
|-----------------------|---------------------------|------------------------|-------------------|
| Name of Municipality: | <u>City of Naperville</u> | Reporting Fiscal Year: | 2019 |
| County: | <u>DuPage</u> | Fiscal Year End: | 12/31/2019 |
| Unit Code: | 022/080/030 | | |

FY 2019 TIF Administrator Contact Information

| | | | |
|-------------|--------------------------------|------------|------------------|
| First Name: | Rachel | Last Name: | Mayer |
| Address: | 400 S Eagle Street | Title: | Finance Director |
| Telephone: | 630-420-6052 | City: | Naperville |
| E-mail- | | Zip: | 60540 |
| required | MayerR@naperville.il.us | | |

I attest to the best of my knowledge, that this FY 2019 report of the redevelopment project area(s)
in the **City/Village** of: **NAPERVILLE**
is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and/or
Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

Rachel Mayne

11/24/2020

Written signature of TIF Administrator

Date _____

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

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

*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 each redevelopment project area listed in Section 1.]

FY 2019

Name of Redevelopment Project Area (below):

Water Street TIF

Primary Use of Redevelopment Project Area*: Combination/Mixed

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

Retail, Other

If "Combination/Mixed" List Component Types: Commercial

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):

Tax Increment Allocation Redevelopment Act

X

Industrial Jobs Recovery Law

Please utilize the information below to properly label the Attachments.

| | No | Yes |
|---|----|-----|
| Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A). | x | |
| Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B). | | x |
| Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C). | | x |
| Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D). | | x |
| Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E). | x | |
| Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F). | x | |
| Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G). | x | |
| Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H). | | x |
| Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J). | x | |
| An 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 attachment I is yes, then Analysis MUST be attached and (labeled Attachment J). | x | |
| Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K). | | x |
| Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L). | | x |
| A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M). | x | |

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

Provide an analysis of the special tax allocation fund.

FY 2019

Water Street TIF

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 5,206,810

| SOURCE of Revenue/Cash Receipts: | Revenue/Cash Receipts for Current Reporting Year | Cumulative Totals of Revenue/Cash Receipts for life of TIF | % of Total |
|---|--|--|------------|
| Property Tax Increment | \$ 264,845 | \$ 1,360,968 | 7% |
| State Sales Tax Increment | \$ - | \$ - | 0% |
| Local Sales Tax Increment | \$ - | \$ - | 0% |
| State Utility Tax Increment | \$ - | \$ - | 0% |
| Local Utility Tax Increment | \$ - | \$ - | 0% |
| Interest | \$ 243,562 | \$ 414,725 | 2% |
| Land/Building Sale Proceeds | \$ - | \$ 403,512 | 2% |
| Bond Proceeds | \$ - | \$ 13,090,000 | 67% |
| Transfers from Municipal Sources | \$ - | \$ 3,605,653 | 18% |
| Private Sources | \$ - | \$ 167,835 | 1% |
| Other (identify source _____; if multiple other sources, attach schedule) | \$ - | \$ 473,338 | 2% |

All Amount Deposited in Special Tax Allocation Fund \$ 508,407

Cumulative Total Revenues/Cash Receipts \$ 19,516,031 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 11,596

Transfers to Municipal Sources \$ 4,697,885

Distribution of Surplus

Total Expenditures/Disbursements \$ 4,709,481

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (4,201,074)

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 1,005,736

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

Previous Year Explanation:

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

FY 2019

TIF NAME:

Water Street TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment project costs)

PAGE 1

| Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)] | Amounts | Reporting Fiscal Year |
|--|---------|-----------------------|
| 1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 2. Annual administrative cost. | | |
| Annual Audit Fees | 3,725 | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 3,725 |
| 3. Cost of marketing sites. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 4. Property assembly cost and site preparation costs. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area. | | |
| Door Repair - Water St Parking Deck | 4,410 | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 4,410 |
| 6. Costs of the construction of public works or improvements. | | |
| Chicago Title & Trust | 3,461 | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ 3,461 |

| SECTION 3.2 A | | |
|--|--|------|
| PAGE 2 | | |
| 7. Costs of eliminating or removing contaminants and other impediments. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 8. Cost of job training and retraining projects. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 9. Financing costs. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 10. Capital costs. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects. | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |

SECTION 3.2 A

PAGE 3

| | | |
|--|---|-----------|
| 13. Relocation costs. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 14. Payments in lieu of taxes. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 15. Costs of job training, retraining, advanced vocational or career education. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 17. Cost of day care services. | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| 18. Other. | | |
| | - | |
| | | |
| | | |
| | | |
| | | |
| | | \$ - |
| TOTAL ITEMIZED EXPENDITURES | | \$ 11,596 |

FY 2019

TIF NAME:

Water Street TIF

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

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

[illegible]

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

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

FY 2019

TIF NAME:

Water Street TIF

FUND BALANCE BY SOURCE

\$ 1,005,736

| Amount of Original Issuance | Amount Designated |
|--------------------------------|-------------------|
|--------------------------------|-------------------|

1. Description of Debt Obligations

| | | |
|--|--------------|----------------|
| GO Bond - 2014 Series | \$ 8,246,848 | \$ 5,984,073 |
| GO Bond - 2016 Series | \$ 9,733,597 | \$ 8,996,650 |
| Reclassification of Unused 2014 Bond Funds | \$ - | \$ (4,433,040) |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

Total Amount Designated for Obligations

| | |
|---------------|---------------|
| \$ 17,980,445 | \$ 10,547,683 |
|---------------|---------------|

2. Description of Project Costs to be Paid

| | | |
|--|--|--|
| | | |
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| | | |

Total Amount Designated for Project Costs

\$ -

TOTAL AMOUNT DESIGNATED

\$ 10,547,683

SURPLUS/(DEFICIT)

\$ (9,541,947)

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

FY 2019

TIF NAME:

Water Street TIF

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

**Check here if 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 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2019

TIF Name:

Water Street TIF

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.Select **ONE** of the following by indicating an 'X':

| | |
|--|--|
| 1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area. | |
|--|--|

| | |
|---|---|
| 2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.) | x |
| 2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan: | 3 |

| LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area: | | | |
|--|-----------------|---|-------------------------------------|
| TOTAL: | 11/1/99 to Date | Estimated Investment for Subsequent Fiscal Year | Total Estimated to Complete Project |
| Private Investment Undertaken (See Instructions) | \$ 85,138,980 | \$ - | \$ 85,138,980 |
| Public Investment Undertaken | \$ 15,574,936 | \$ - | \$ 15,574,936 |
| Ratio of Private/Public Investment | 5 7/15 | | 5 7/15 |

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Developer Site & Building Costs

| | | | |
|--|---------------|------|---------------|
| Private Investment Undertaken (See Instructions) | \$ 82,581,858 | \$ - | \$ 82,581,858 |
| Public Investment Undertaken | \$ - | \$ - | \$ - |
| Ratio of Private/Public Investment | 0 | | 0 |

Project 2*: City Infrastructure Costs

| | | | |
|--|--------------|------|--------------|
| Private Investment Undertaken (See Instructions) | \$ - | \$ - | \$ - |
| Public Investment Undertaken | \$ 8,139,336 | \$ - | \$ 8,139,336 |
| Ratio of Private/Public Investment | 0 | | 0 |

Project 3*: Parking Deck Construction

| | | | |
|--|--------------|------|--------------|
| Private Investment Undertaken (See Instructions) | \$ 2,557,122 | \$ - | \$ 2,557,122 |
| Public Investment Undertaken | \$ 7,435,600 | \$ - | \$ 7,435,600 |
| Ratio of Private/Public Investment | 11/32 | | 11/32 |

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 |

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 the complete TIF report**

SECTION 6
FY 2019

TIF NAME: Water Street TIF

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 designated | Base EAV | Reporting Fiscal Year EAV |
|--|--------------|---------------------------|
| 2007 | \$ 1,802,374 | \$ 4,978,451 |

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

☒ Check if 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:

| |
|--|
| |
|--|

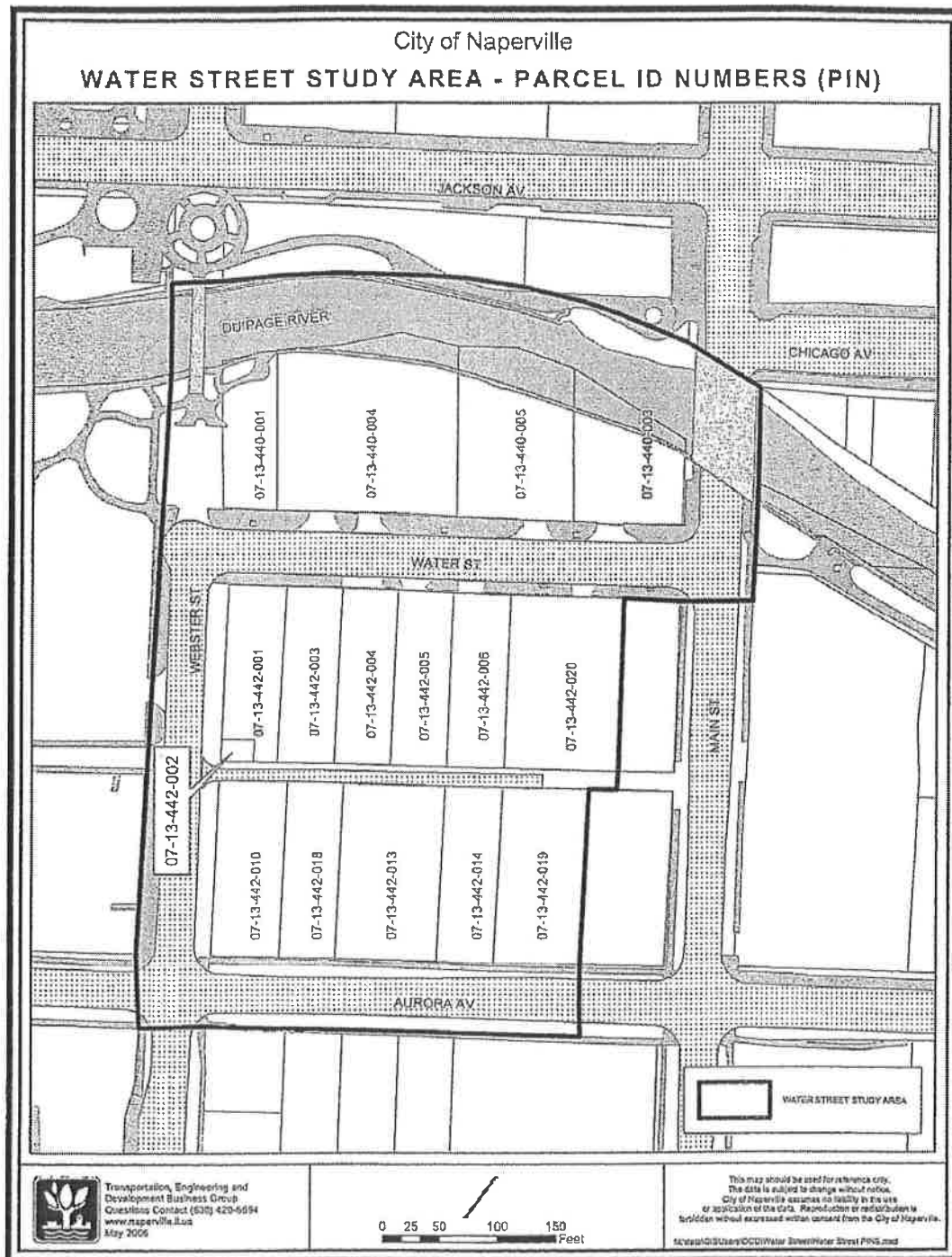
| Optional Documents | Enclosed |
|---|----------|
| Legal description of redevelopment project area | Yes |
| Map of District | Yes |

**WATER STREET TIF DISTRICT
LEGAL DESCRIPTION**

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8 IN BLOCK 1, AND LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 AND THE WEST HALF OF LOT 15 IN BLOCK 4, ALL IN MARTIN'S ADDITION TO NAPERVILLE, BEING A SUBDIVISION OF PART OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED FEBRUARY 6, 1847 AS DOCUMENT 2584, IN DUPAGE COUNTY, ILLINOIS

TOGETHER WITH ALL OF WATER STREET LYING NORTH OF THE NORTH LINE OF BLOCK 4 AFORESAID, AND ALL OF WEBSTER STREET LYING NORTH OF THE SOUTH RIGHT-OF-WAY LINE OF AURORA AVENUE AND LYING WEST OF BLOCKS 1 AND 4 AFORESAID, AND ALL OF AURORA AVENUE LYING SOUTH OF THE SOUTH LINE OF BLOCK 4 AFORESAID AND LYING WEST OF THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE EAST HALF OF LOT 15 IN BLOCK 4 AFORESAID, AND ALL OF THE PUBLIC ALLEY (FORMERLY PLATTED AS SQUAW LAIN) LYING WITHIN BLOCK 4 AFORESAID LYING WEST OF THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 1 IN SAID BLOCK 4, AND ALL OF MAIN STREET LYING NORTH OF THE EASTERLY EXTENSION OF THE NORTH LINE OF BLOCK 4 AFORESAID, AND ALL OF THE DUPAGE RIVER LYING EAST OF THE NORTHERLY EXTENSION OF THE WEST RIGHT-OF-WAY LINE OF SAID WEBSTER STREET AND LYING WEST OF THE NORTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF SAID MAIN STREET AND LYING NORTH OF THE NORTH LINE OF BLOCK 1 AFORESAID, ALL IN DUPAGE COUNTY, ILLINOIS.

Amended to include this page.



Attachment B: CEO Certification

NAPERVILLE WATER STREET TIF DISTRICT FY2019

I, Douglas A. Krieger, the City Manager, serving as the Chief Executive Officer of the City of Naperville, Counties of DuPage and Will, State of Illinois, do hereby certify that to the best of my knowledge, the City of Naperville complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the reporting period beginning January 1, 2019 and ending on December 31, 2019.




Douglas A. Krieger, City Manager

10/28/20
Date

Attachment C: Legal Opinion

**NAPERVILLE WATER STREET TIF DISTRICT
FY2018**

I, Michael DiSanto, the City Attorney of the City of Naperville, Counties of DuPage and Will, State of Illinois, have reviewed all information provided to me by City staff and find that City of Naperville has conformed to all applicable requirements of the Illinois Tax Incremental Redevelopment Allocation Act set forth thereunder for the reporting period beginning January 1, 2019 and ending on December 31, 2019.



Michael DiSanto, City Attorney

10.28.20

Date

**Attachment D: Activities Undertaken in Furtherance of the Objectives of the
Redevelopment Plan**

**NAPERVILLE WATER STREET TIF DISTRICT
FY2019**

During FY2019 the Water Street Development continued to be a prominent destination for dining and shopping within the City's central business district. In alignment with the City's expectations, the project has completely transformed and defined the southern boundary of Downtown Naperville. What was once a forgotten street, is now a destination for weddings, meetings, conferences, and visitors seeking unique shopping and dining options. The Riverwalk Extension and parking provide important connections and amenities to serve the entire downtown. The parking deck and hotel (only accommodation choice in Downtown Naperville) have consistently served as important amenities supporting a variety of cultural and community events and activities.

No new activities were undertaken in 2019.



**CITY OF NAPERVILLE
WATER STREET TIF DISTRICT
JOINT REVIEW BOARD MEETING MINUTES**

November 6, 2019
3:00 p.m.

Rachel Mayer, Finance Director City of Naperville called the meeting to order at 3:09pm.

She introduced the Staff present (Erik Hallgren, Amy Emery, Bill Novak and Judy Lyons).

She then called Roll Call. Mike Frances, Chief Finance Officer, Naperville Unit Community School District 203 and Brian Nagle, Member at Large were in attendance.

Mayer inquired whether anyone had signed up for public comment. Hallgren reported that no one had signed up to speak.

Mayer then provided an overview of the Water Street TIF activity for the calendar year 2018. She noted that there were no new developments to the district. She then explained what information was provided on the subsequent pages of the Annual Report. She explained the sources of the fund balance and that the amount designated from the 2014 General Obligation Bond series exceeded the amount needed for the development by \$4.4 million and would be transferred back to the City. She completed the review by noting that the initial EAV was \$1.8 million and the current EAV is \$4.97 million.

Mayer then introduced Erik Hallgren and explained that he would give a presentation of the Water Street TIF budget projection over the life cycle of the District.

Hallgren reviewed the funding sources of the District including the allocation to City G.O. Bonds and contributions from the Downtown Parking Fund.

Hallgren explained the growth in the EAV. Mike Frances questioned how the EAV is calculated and why it fluctuated. Hallgren responded that the EAV will fluctuate from year to year based on property values. In addition, the EAV decreased when the property related to the parking deck was transferred from the TIF district to become public property. Frances noted that the base EAV should stabilize and Hallgren agreed.

Hallgren completed his presentation. Mayer asked if there were any additional questions.

There being none, the meeting was adjourned at 3:26pm.



CITY OF NAPERVILLE, ILLINOIS

**WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND**

**REPORT ON COMPLIANCE
WITH PUBLIC ACT 85-1142**

For the Year Ended December 31, 2019



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CITY OF NAPERVILLE, ILLINOIS
WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND
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| SUPPLEMENTARY INFORMATION | |
| Balance Sheet | 3 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance | 4 |

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

We have examined management's assertion, included in its representation letter dated October 16, 2020 that the City of Naperville (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2019. Management is responsible for the City's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the year ended December 31, 2019 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
October 16, 2020

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Naperville, Illinois (the City) as of and for the year ended December 31, 2019, which collectively comprise the basic financial statements of the City, and have issued our report thereon dated, October 16, 2020 which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information (balance sheet and schedule of revenues, expenditures and changes in fund balance for the Water Street Tax Increment Financing (TIF) District Fund) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
October 16, 2020

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET

**WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND**

December 31, 2019

| | |
|--|----------------------------|
| ASSETS | |
| Cash and investments | \$ 992,266 |
| Receivables | |
| Property taxes | 337,783 |
| Accrued interest | <u>17,880</u> |
| TOTAL ASSETS | <u><u>\$ 1,347,929</u></u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | |
| LIABILITIES | |
| Accounts payable | <u>\$ 4,410</u> |
| Total liabilities | <u>4,410</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Unavailable revenue | <u>337,783</u> |
| Total deferred inflows of resources | <u>337,783</u> |
| FUND BALANCE | |
| Restricted for | |
| Capital projects | <u>1,005,736</u> |
| Total fund balance | <u>1,005,736</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | <u><u>\$ 1,347,929</u></u> |

(See independent auditor's report on supplementary information.)

CITY OF NAPERVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

**WATER STREET
TAX INCREMENT FINANCING DISTRICT FUND**

December 31, 2020
For the Year Ended December 31, 2019

REVENUES

| | |
|-------------------|----------------|
| Taxes | |
| Property | \$ 264,845 |
| Investment income | <u>243,562</u> |
| Total revenues | <u>508,407</u> |

EXPENDITURES

| | |
|-----------------------|---------------|
| Current | |
| General government | |
| Professional services | 3,725 |
| Capital outlay | <u>7,871</u> |
| Total expenditures | <u>11,596</u> |

| | |
|--------------------------------------|----------------|
| EXCESS OF REVENUES OVER EXPENDITURES | <u>496,811</u> |
|--------------------------------------|----------------|

OTHER FINANCING SOURCES (USES)

| | |
|--------------------------------------|--------------------|
| Transfers (out) | <u>(4,697,885)</u> |
| Total other financing sources (uses) | <u>(4,697,885)</u> |

| | |
|----------------------------|-------------|
| NET CHANGE IN FUND BALANCE | (4,201,074) |
|----------------------------|-------------|

| | |
|-------------------------|------------------|
| FUND BALANCE, JANUARY 1 | <u>5,206,810</u> |
|-------------------------|------------------|

| | |
|----------------------------------|----------------------------|
| FUND BALANCE, DECEMBER 31 | <u><u>\$ 1,005,736</u></u> |
|----------------------------------|----------------------------|

(See independent auditor's report on supplementary information.)



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CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

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Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City complied with the aforementioned requirements for the year ended December 31, 2019 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sikich LLP

Naperville, Illinois
October 16, 2020

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the City Council
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Naperville, Illinois 60540

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The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Sikich LLP

Naperville, Illinois
October 16, 2020