



Public Comment for Aurora Planning Commission

February 13, 2019

My name is Michael Raczak and I am the President of the Indian Prairie District 204 school board. I am here representing our 28,000 students. My purpose is to address the Aurora Planning Commission on the City's most recent version of the Route 59 Corridor Study Comprehensive Plan and its impact on our school district.

We appreciate the City's efforts to engage our district during the development of this plan. However, we continue to find areas of concern and frankly, disagreement. We very much disagree that the plan's impact on the school district will be "minimal" as mentioned in a February 4th letter from the City to our Chief School Business Official. We will be responding in writing to this letter in the coming days.

As you are aware Indian Prairie is a highly sought after school district. For this reason, District 204 has historically experienced greater student generation than would have been anticipated from the widely-used student generation tables. A few examples of developments where student generation has been significantly higher than anticipated are:

- Chesapeake Landing –generated 141 students more than the tables
- Plaza on New York – generated 104 students more than the tables
- Lehigh Station—generated 179 students more than the tables

We do not have capacity in the northern portion of our district for the students that we know will be generated by this plan. We are already expending additional dollars to bus students from developments near the train station down to schools south of 103rd Street. We have shared this data with the City and the response is that newer and more expensive units will bring fewer students than older ones. We know that these units will not be "new" very long and our data is clear that families will do what they need to do to have their children attend our schools.

We need the City to understand that reality and impact. We will have to educate the students that will come as a result of these developments. We are not an adequately funded school district by any means. You may not be aware that we spend less per student in operating expenses than both the East and West Aurora school districts. We need to protect the property tax dollars that should be coming to the district.



While this plan does not address the use of Tax Increment Financing Districts or TIFs, the City has already discussed two of them with the school district. This, of course, leads us to believe that more will be on the way.

The City's use of TIF districts will raise tax rates for both the residents of Aurora and other taxpayers in the area. By using the School District's, the Park District's and the other units of local government tax rates, the City will be imposing a tax on all taxpayers for the benefit of the few parcels identified in this plan that will actually see redevelopment and the developers of those parcels.

Because of the impact to taxpayers, we believe the City should rely on other incentives. Redevelopment incentives should include 1) the City sharing its sales tax revenue, 2) the establishment of business districts, and 3) the creation of special service areas to fund redevelopment activities, before any revenue is diverted from the School District and the other taxing bodies by the use of a TIF district. In other words, a TIF district should be the tool of last resort.

District 204 opposes the use of TIF districts that include residential development. Including residential development in a TIF district causes the School District to receive students but not the incremental taxes generated from the new development, which go entirely to the City. The formula in the TIF Act that provides a per-student payment is inadequate and does not cover the full cost of educating the students generated from the new residential development.

The City has talked with us about a potential TIF at the Pacifica development for the residential portion. We will vigorously oppose the use of a TIF for any residential development.

The other TIF district that the City has shared with us concerns the proposed Cedarwood development at 75th and Ogden. It appears that the primary purpose for the TIF district will be to fund the extension of Commons Drive. Road building is a municipal function that should be paid for by the City in the normal course. It is our view that creating a TIF district to build a road is an inappropriate use of incremental taxes and contrary to the purpose of the TIF Act.

We understand and support the need to redevelop the Fox Valley Mall area. The success of the Mall is important to the school district. District 204 urges the City to look at what other communities are doing in the areas surrounding large commercial properties:

- Village of Bloomingdale and Stratford Square Mall – the Village is carving out all residential development from the proposed Mall TIF district
- Village of Hoffman Estates and former AT&T Office Center – the Village has carved out all residential development from this new TIF district



- Village of Orland Park and the former Sears anchor site at Orland Square Mall – the Village used a property tax abatement and sales tax sharing agreement to induce Von Maur to open at that location.

These are just a few, recent examples of municipalities accommodating school district requests to exclude residential property from a TIF district or to not rely on TIF at all.

The district has asked the City for the TIF eligibility studies that must be completed prior to proposing a TIF. We have been told that they have not been completed. Please know that District 204 will carefully examine each TIF district redevelopment plan put forth by the City and will oppose those plans that do not meet the eligibility criteria set forth in the TIF Act, or otherwise make economic sense for the D204 community.

We appreciate your time and look forward to continuing our partnership to do what's best for the community stakeholders we serve.