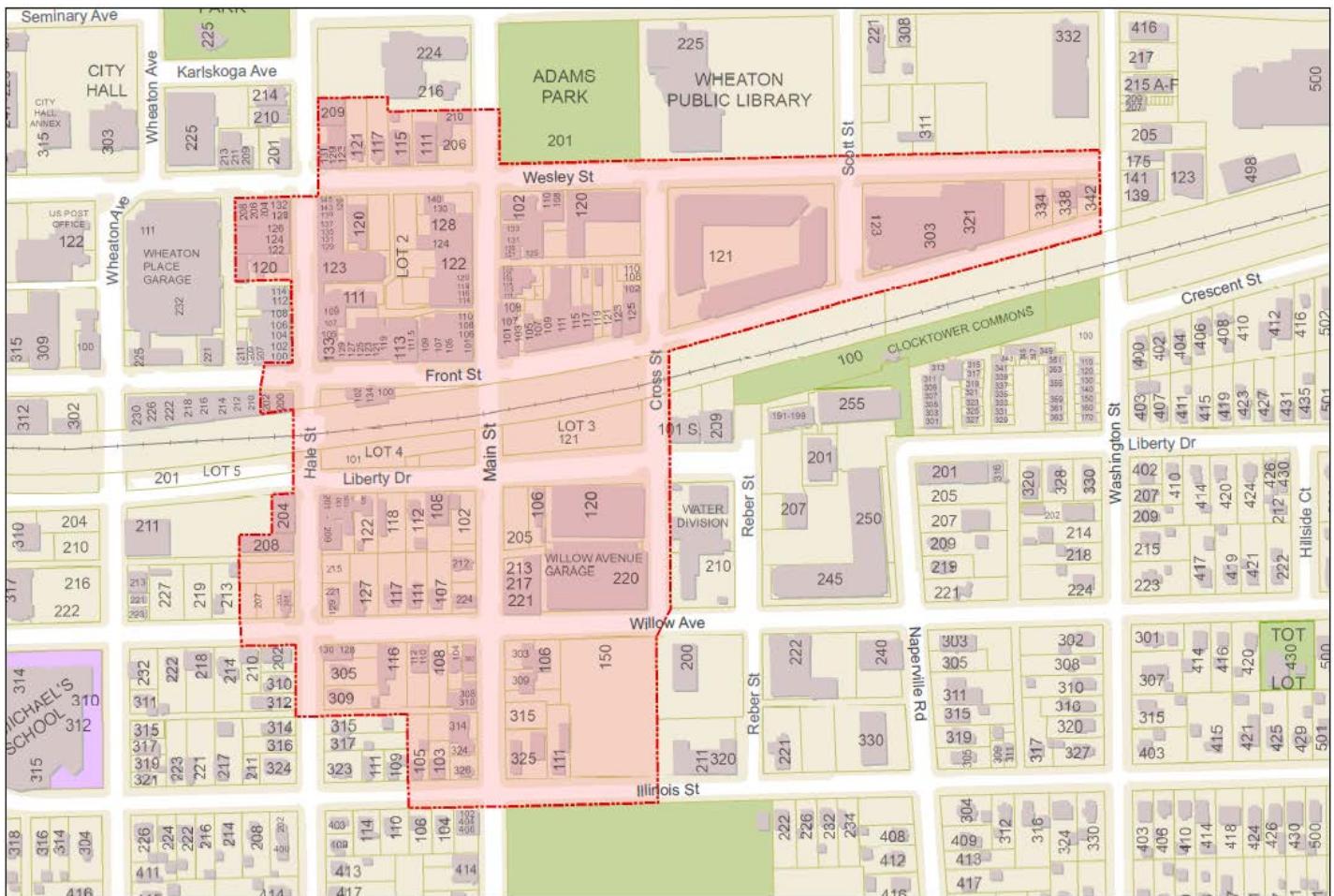


CITY OF WHEATON

Tax Increment Financing District Number Two Main Street Redevelopment Project Area



Annual Report

Fiscal Year 2024

City of Wheaton
Tax Increment Financing District Number Two
Main Street Redevelopment Project Area
Annual Report
Fiscal Year 2024
January 1, 2024 – December 31, 2024

TIF Establishment

The City of Wheaton established Tax Increment Financing (TIF) District Number Two on December 6, 1999. A separate report analyzing the Main Street Redevelopment Project Area was completed by Teska Associates Inc. and provides the supporting details which led to the implementation of TIF District #2. TIF #2 was established to revitalize the Main Street Corridor into a vibrant mixed-use center to contribute to the health and vitality of Wheaton's Central Area and to the community as a whole. TIF #2 expired on December 31, 2022. The 2021 Tax Levy, collected in 2022, was the last levy year for the TIF.

Project Area

The Project Area consisted of a portion of the downtown area both north and south of the railroad tracks. The area is bounded by Wesley Street on the north, Washington Street on the east, Illinois Street on the south and Hale Street on the west. The Project Area contained 133 parcels on 17 blocks. The total area was approximately 40 acres.



Current Year Activity

TIF District #2 expired and was terminated, as of December 31, 2022, by City ordinance on October 17, 2022. However, contracts for project area costs and obligations for the Downtown Streetscape Project, approved and incurred prior to the expiration date of the TIF, have not been closed with some work remaining to be completed. In fiscal year 2024, the TIF incurred expenses for the downtown streetscape project and legal services.

Financial Activity

Total Revenues and Expenditures to Date

Total revenues of \$51.1 million have exceeded total expenditures of \$50.7 million in the amount of \$0.4 million through December 31, 2024. Total revenues to date include \$33.5 million from property tax increment, \$6.0 million for bond proceeds, \$5.6 million for transfers from TIF District #1, \$2.8 million for miscellaneous revenues, \$2.5 million for transfers from TIF District #3, and \$0.7 million for investment income. Total expenditures to date include \$30.1 million for construction, \$7.5 million for debt service, \$4.8

million for redevelopment programs, \$3.6 million for land acquisitions, \$2.6 million for contractual services, and \$2.1 million in other expenditures.

Revenues vs. Expenditures
Inception to December 31, 2024

Revenues	
Property Tax Increment	\$ 33,530,758
Bond Proceeds	5,988,136
Transfer from TIF #1	5,607,922
Miscellaneous	2,846,836
Transfer from TIF #3	2,456,257
Investment Income	703,178
Total Revenues	\$ 51,133,087
Expenditures	
Construction Costs	\$ 30,137,180
Debt Service	7,470,222
Redevelopment Programs	4,763,460
Land Purchase	3,633,974
Contractual Services	2,611,636
Miscellaneous	1,242,914
Interest Expense	571,874
Consultant Services	313,410
Total Expenditures	\$ 50,744,670
Revenues over/(under)	
Expenditures	\$ 388,417

Fiscal Year 2024 Revenues and Expenditures

Total revenues for fiscal year 2024 were \$29,677 for investment income. Expenditures totaled \$3,873, including \$3,009 in construction costs for the Downtown Streetscape Project and \$864 for legal services.

Revenues vs. Expenditures
Fiscal Year 2024

Revenues	
Investment Income	\$ 29,677
Total Revenues	\$ 29,677
Expenditures	
Construction Costs	\$ 3,009
Contractual Services	864
Total Expenditures	\$ 3,873
Revenues over/(under)	
Expenditures	\$ 25,804

Debt Service

In fiscal year 2007/08, the City issued General Obligation Bond Series 2007 in the amount of \$5,900,000 to construct a 400-space public parking deck at Willow Avenue and Cross Street within the TIF District. The parking structure and related debt were accounted for in the City's Parking Fund. TIF District #2 incremental property tax revenue was used to pay the annual debt service. During fiscal year 2017/18, the debt was retired. There are no remaining debt issues outstanding in the TIF.

Property Acquisition Analysis

The City acquired five separate parcels within a designated three-block development site in the TIF District. The property located at 315 S. Main Street was purchased for \$600,000 during fiscal year 1999/00. Subsequently, the property at 120 E. Liberty Drive was acquired for \$1,000,000 in fiscal year 2002/03.

Additionally, a parcel of land on the north side of Willow Avenue was obtained for \$1,375,000 in fiscal year 2006/07. In fiscal year 2008/09, the property at 109 N. Main Street was purchased for \$300,592, while the property at 111-113 N. Main Street was acquired for \$350,690. During fiscal year 2011/12, the property at 109 N. Main Street was sold for \$198,022, followed by the sale of the property at 111-113 N. Main Street for \$156,983 in fiscal year 2014/15. No additional property transactions occurred after fiscal year 2014/15.

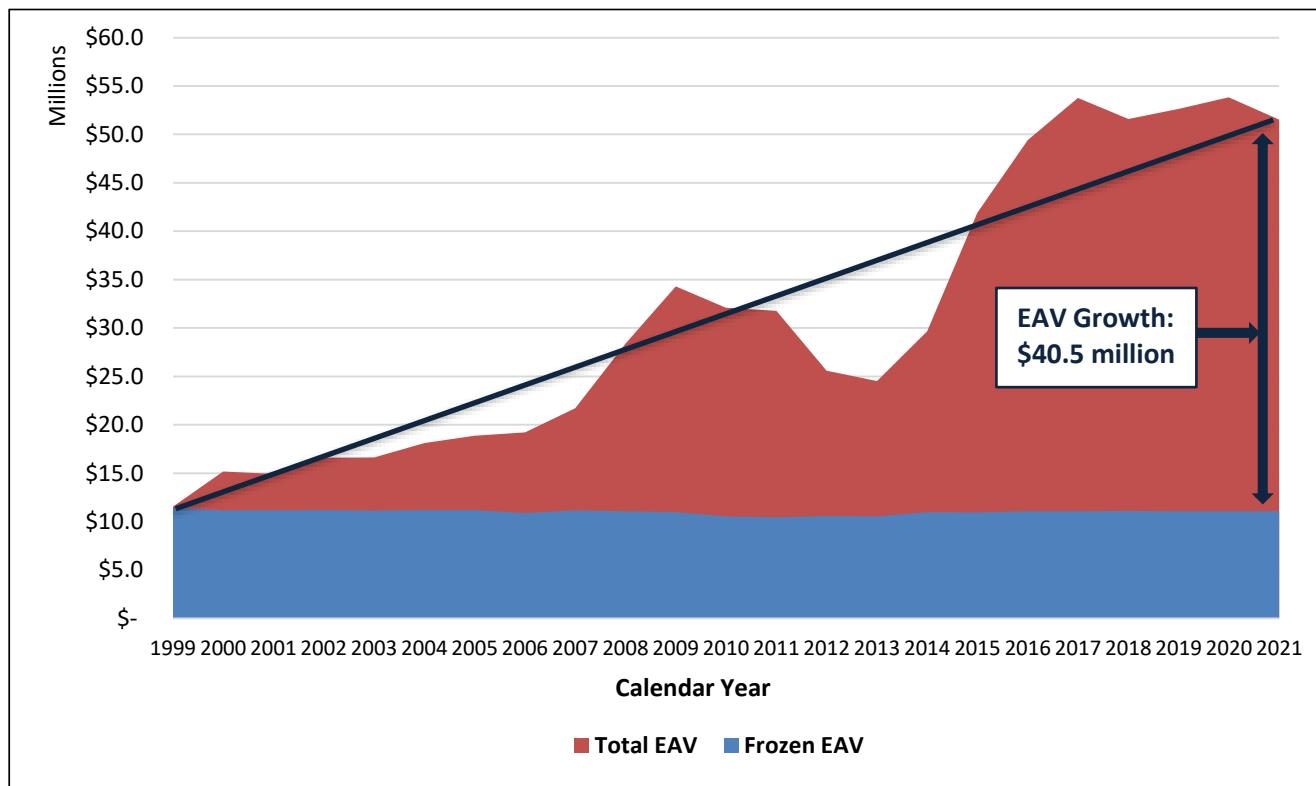
Property Acquisition

Property	Purchase Price	Sale Price	Net Profit/(Loss)
		To Developer	On Sale
311-315 S Main St	\$ 600,000	N/A	N/A
120 E Liberty Dr	\$ 1,000,000	N/A	N/A
114 & 124 Willow Ave	\$ 1,375,000	N/A	N/A
109 N Main St	\$ 300,592	\$ 198,022	\$ (102,570)
111-113 N Main St	\$ 350,690	\$ 156,983	\$ (193,707)
Totals	\$ 3,626,282	\$ 355,005	\$ (296,277)

Equalized Assessed Value and Incremental Property Tax Revenues

The TIF's initial frozen Equalized Assessed Valuation (EAV) in 1999 was \$11.5 million, revised to \$11.0 million in 2021. The 2021 total EAV for the final TIF year was \$51.5 million, representing a growth of \$40.5 million (or 365.5%). TIF #2 generated a total of \$33.6 million in incremental property tax revenue from 1999 through the end of the TIF in 2022. The following charts provide a history of the EAV and Incremental Property Tax Revenues.

**Equalized Assessed Value (EAV)
1999 - 2021**



EAV and Incremental Property Tax Revenues

Levy Years 1999 – 2021

Levy Year	Budget Year	Total EAV	EAV \$ Change	EAV % Change	Incremental EAV	Incremental Tax Revenue	Incremental Tax Revenue \$ Change
Initial		\$ 11,544,870					
1999	2000/01	\$ 11,561,450	\$ 16,580	0.1%	\$ 136,420	\$ 10,558	
2000	2001/02	\$ 15,175,010	\$ 3,613,560	31.3%	\$ 3,988,020	\$ 318,235	\$ 307,677
2001	2002/03	\$ 14,915,578	\$ (259,432)	-1.7%	\$ 3,751,858	\$ 296,636	\$ (21,599)
2002	2003/04	\$ 16,616,330	\$ 1,700,752	11.4%	\$ 5,402,180	\$ 407,958	\$ 111,322
2003	2004/05	\$ 16,641,513	\$ 25,183	0.2%	\$ 5,495,170	\$ 412,118	\$ 4,160
2004	2005/06	\$ 18,104,960	\$ 1,463,447	8.8%	\$ 6,889,270	\$ 402,643	\$ (9,475)
2005	2006/07	\$ 18,879,460	\$ 774,500	4.3%	\$ 7,671,130	\$ 554,598	\$ 151,955
2006	2007/08	\$ 19,216,770	\$ 337,310	1.8%	\$ 8,322,480	\$ 587,245	\$ 32,647
2007	2008/09	\$ 21,719,060	\$ 2,502,290	13.0%	\$ 10,552,900	\$ 707,891	\$ 120,646
2008	2009/10	\$ 28,411,620	\$ 6,692,560	30.8%	\$ 17,338,680	\$ 1,136,772	\$ 428,881
2009	2010/11	\$ 34,288,670	\$ 5,877,050	20.7%	\$ 23,314,730	\$ 1,588,190	\$ 451,418
2010	2011/12	\$ 32,082,080	\$ (2,206,590)	-6.4%	\$ 21,526,050	\$ 1,587,096	\$ (1,094)
2011	2012/13	\$ 31,766,620	\$ (315,460)	-1.0%	\$ 21,321,106	\$ 1,550,505	\$ (36,591)
2012	2013/14	\$ 25,606,600	\$ (6,160,020)	-19.4%	\$ 15,039,790	\$ 322,659	(1) \$ (1,227,846)
2013	2014/15	\$ 24,512,300	\$ (1,094,300)	-4.3%	\$ 13,956,210	\$ 1,172,308	\$ 849,649
2014	2015/16	\$ 29,650,290	\$ 5,137,990	21.0%	\$ 18,661,661	\$ 1,605,804	\$ 433,496
2015	2016/17	\$ 41,890,100	\$ 12,239,810	41.3%	\$ 30,921,261	\$ 2,612,492	\$ 1,006,688
2016	2017/18	\$ 49,418,950	\$ 7,528,850	18.0%	\$ 38,343,291	\$ 3,059,352	\$ 446,860
2017	SY 2018	\$ 53,762,050	\$ 4,343,100	8.8%	\$ 42,672,391	\$ 3,290,159	\$ 230,807
2018	2019	\$ 51,605,880	\$ (2,156,170)	-4.0%	\$ 40,502,941	\$ 3,017,451	\$ (272,708)
2019	2020	\$ 52,639,280	\$ 1,033,400	2.0%	\$ 41,574,551	\$ 3,134,874	\$ 117,423
2020	2021	\$ 53,838,035	\$ 1,198,755	2.3%	\$ 42,773,516	\$ 3,166,558	\$ 31,684
2021	2022	\$ 51,538,318	\$ (2,299,717)	-4.3%	\$ 40,466,719	\$ 2,588,656	(2) \$ (577,902)

(1) 2012 Incremental tax revenue reduction due to large property tax refund for years 2009 to 2011.

(2) 2021 Incremental tax revenue reduction due to large property tax refund for years 2019 to 2020.

Redevelopment Projects

The following table shows the private and public investments for redevelopment projects and infrastructure improvements within the TIF District.

Schedule of Private and Public Investments

December 31, 2024

Project No.	Project	Private Investment	Public Investment	Total Investment
1	South Main Street	\$ -	\$ 1,719,014	\$ 1,719,014
2	Façade Grant Program	1,362,721	292,117	1,654,838
3	Tom's Price Agreement	3,700,000	1,626,247	5,326,247
4	Other Grant Programs	1,774,555	681,137	2,455,692
5	James D Atten Building Rehab	300,000	353,880	653,880
6	Winona Properties	397,005	294,999	692,004
7	Wheaton Property Partners	27,339,406	6,036,500	33,375,906
8	Wheaton 121	64,203,817	333,173	64,536,990
9	Downtown Streetscape	-	25,032,060	25,032,060
10	Wheaton Place Alley Resurfacing	-	85,240	85,240
Totals		\$ 99,077,504	\$ 36,454,367	\$ 135,531,871

Project 1 - South Main Street (315 S. Main Street). This project represented the acquisition of several parcels of property within the redevelopment project area that the City Council determined to be necessary to implement the redevelopment plan. Total Investment: \$1.7 million.

Project 2 - Façade Grant Program. This program provided financial assistance for façade improvements to buildings within the redevelopment project area. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilizing an incentive program that stimulated private development and improved existing properties and businesses in the central business district area. A total of 66 façade grants were provided to business owners. Total Investment: \$1.7 million.

Project 3 - Tom's Price Agreement (303 E. Front Street).

This project provided financial assistance to allow a destination business located within the redevelopment project area to expand. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilizing an incentive program that stimulated private development and improved existing properties and businesses in the central business district area. Total Investment: \$5.3 million.



Project 4 - Other Grant Programs. This program provided financial assistance to business owners for other redevelopment grants (retail, sign, awning, and architectural) within the redevelopment project area. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilizing an incentive program that stimulated private development and improved existing properties and businesses in the central business district area. A total of 71 retail grants, 34 sign grants, 19 awning grants, and 16 architectural grants were provided to business owners. Total Investment: \$2.5 million.

Project 5 - James D. Atten Building Rehab (112-118 N. Main Street). This project provided financial assistance to allow an existing mixed-use building located within the redevelopment project area to be renovated. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilizing an incentive program that stimulated private development and improved existing properties and businesses in the central business district area. Total Investment: \$0.7 million.

Project 6 - Winona Properties (121-127 W. Front Street). This project provided financial assistance to allow an existing mixed-use building located within the redevelopment project area to be renovated. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilizing an incentive program that stimulated private development and improved existing properties and businesses in the central business district area. Total Investment: \$0.7 million.

Project 7 - Wheaton Property Partners (120 E. Liberty Drive).

This project provided financial assistance to allow the construction of a large class A mixed use building located within the redevelopment project area. This project achieved the goal of maintaining and diversifying the existing economic base of the community by utilization of an incentive program that stimulated private development and provided a new office development in the Wheaton Central Planning Area. Total Investment: \$33.4 million.



Project 8 - Wheaton 121. This project provided financial assistance for certain public improvements to allow the construction of a 306-unit luxury residential apartment development located within the redevelopment project area. This project achieved the goal of maintaining and diversifying the existing economic base of the community by providing additional multiple family dwellings within the Wheaton Central Planning Area. Total Investment: \$64.5 million.



Project 9 - Downtown Streetscape. The Downtown Strategic and Streetscape Plan created a redevelopment framework that would make the City a destination for tourists and a more attractive place to live and locate a business. The Downtown Streetscape Project is a \$35.9 million multi-year infrastructure project that brought updates and improvements to underground utilities, roadways, lighting, and signage while creating wider, more pedestrian-friendly sidewalks throughout downtown Wheaton. TIF #2 is projected to provide \$25.1 million in funding for the project. Total Investment to Date: \$25.0 million.



Project 10 – Wheaton Place Alley Resurfacing Project. The public alley resurfacing project, located between Wesley Street and Front Street, included replacing sidewalks for ADA compliance, repairs to existing sewer frames in the pavement, repairs to the decorative pavers, and resurfacing of the pavement surface. Total Investment: \$85,240.

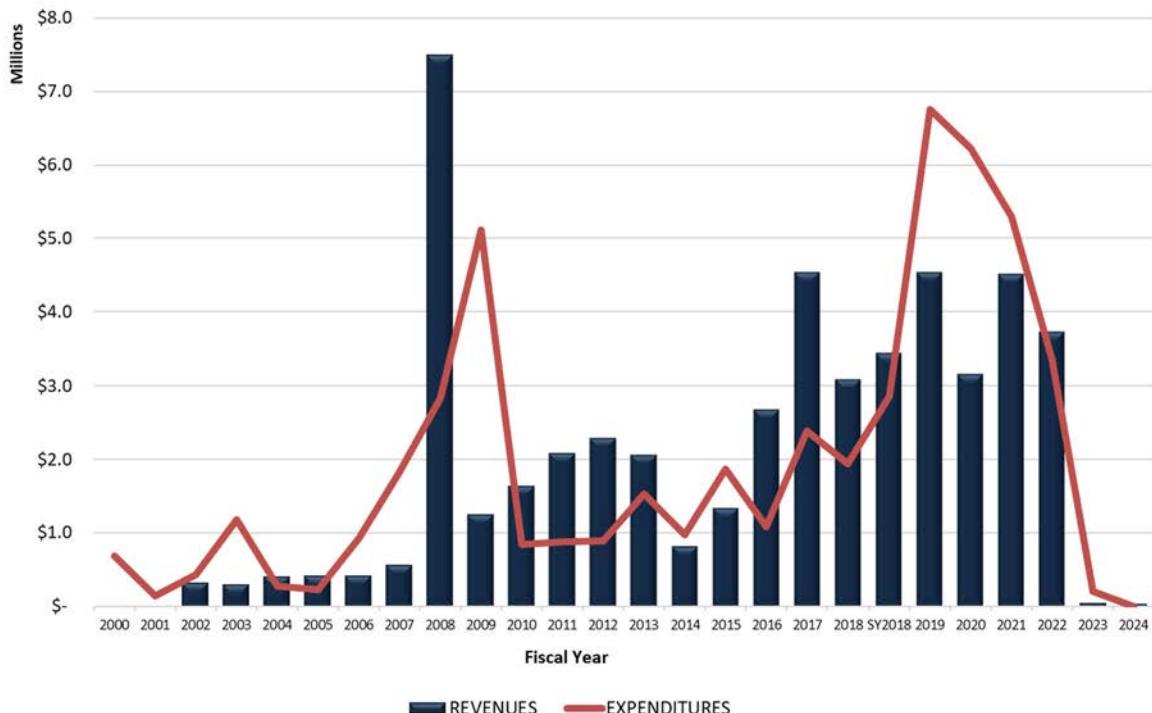
TIF Financial Projections

The end of this report includes a schedule of actual incremental property tax revenues collected and the projected remaining expenditures (\$60,000) contracted for the Downtown Strategic Plan and Streetscape Plan prior to the expiration of the TIF. Additionally, it is estimated that a \$335,417 surplus distribution to the taxing bodies within TIF District #3 will be declared to close out the fund in 2025.

The remaining pages of the report provide detailed financial schedules for the TIF.

**City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
December 31, 2024**

Revenues versus Expenditures

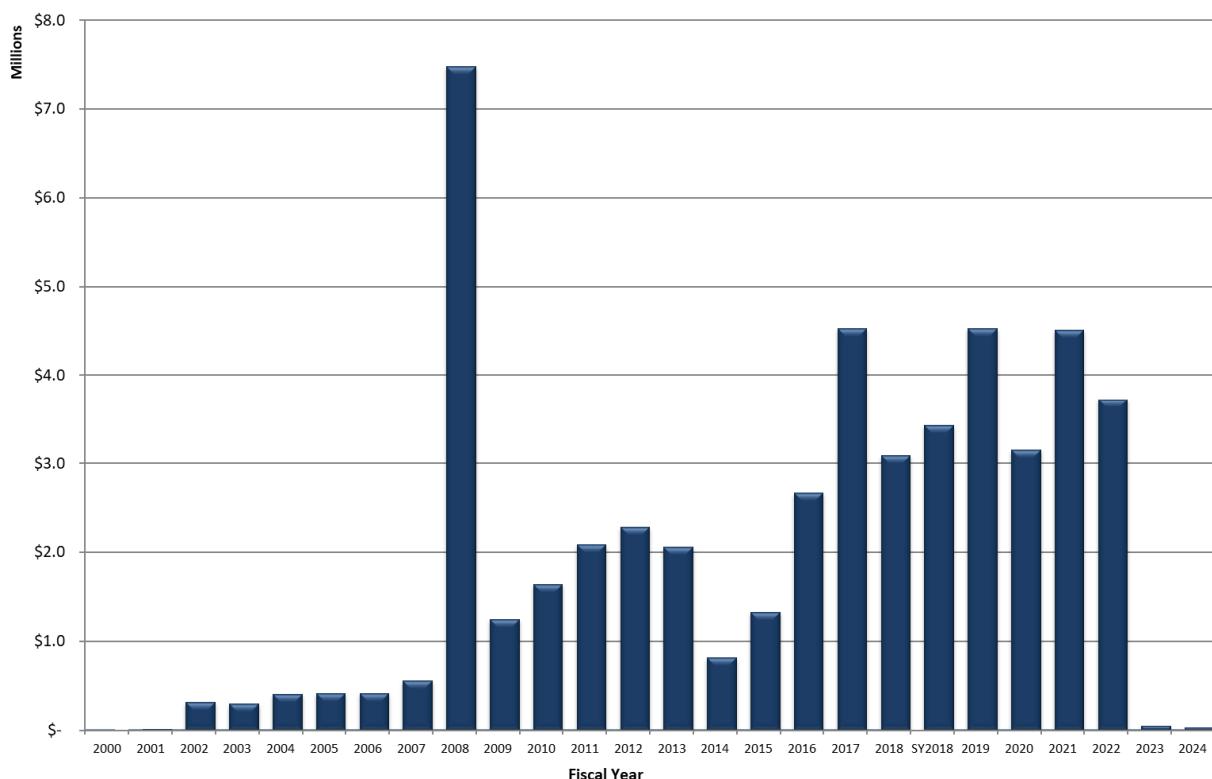


City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
Revenues vs Expenditures
December 31, 2024

	Totals thru 12/31/2023	Fiscal Year 2024	Totals thru 12/31/2024
Revenues			
Property Tax Increment	\$ 33,530,758	\$ -	\$ 33,530,758
Bond Proceeds	5,988,136	-	5,988,136
Transfer from TIF #1	5,607,922	-	5,607,922
Miscellaneous	2,846,836	-	2,846,836
Transfer from TIF #3	2,456,257	-	2,456,257
Investment Income	673,501	29,677	703,178
Total Revenues	\$ 51,103,410	\$ 29,677	\$ 51,133,087
Expenditures			
Construction Costs	\$ 30,134,171	\$ 3,009	\$ 30,137,180
Debt Service	7,470,222	-	7,470,222
Redevelopment Programs	4,763,460	-	4,763,460
Land Purchase	3,633,974	-	3,633,974
Contractual Services	2,610,772	864	2,611,636
Miscellaneous	1,242,914	-	1,242,914
Interest Expense	571,874	-	571,874
Consultant Services	313,410	-	313,410
Total Expenditures	\$ 50,740,797	\$ 3,873	\$ 50,744,670
Revenues over/(under) Expenditures	\$ 362,613	\$ 25,804	\$ 388,417

**City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
December 31, 2024**

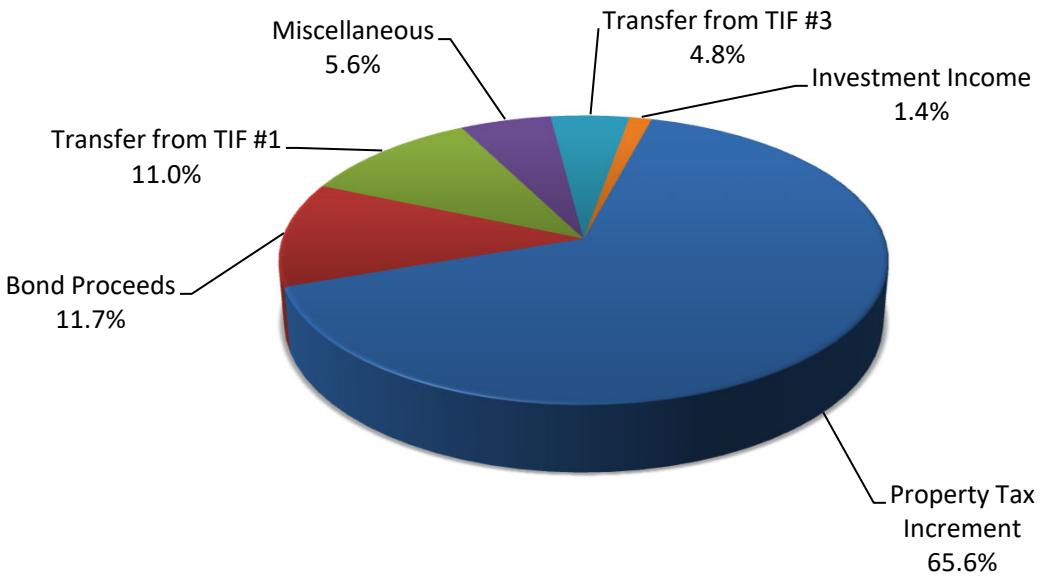
Revenues



City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
Revenues
December 31, 2024

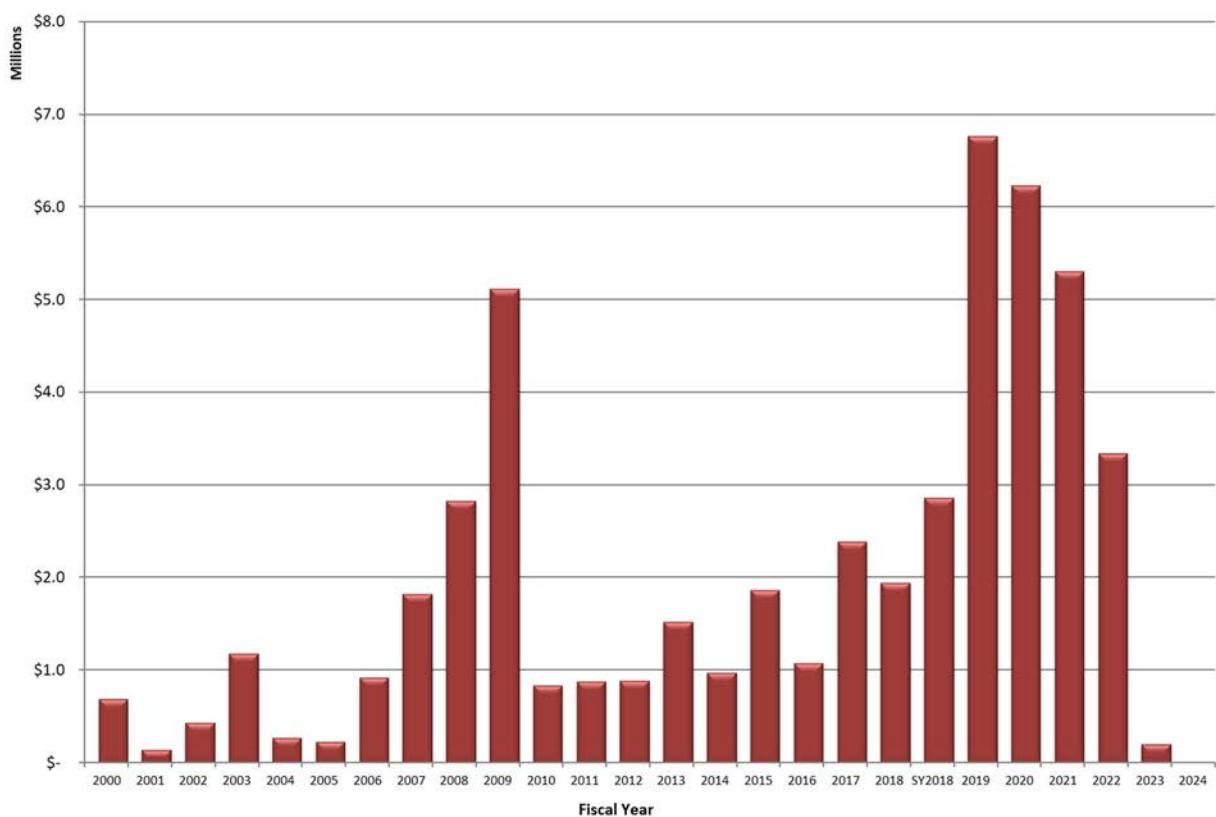
	Totals	Fiscal Year	Totals
	thru		thru
	12/31/2023		12/31/2024
Property Tax Increment	\$ 33,530,758	\$ -	\$ 33,530,758
Bond Proceeds	5,988,136	-	5,988,136
Transfer from TIF #1	5,607,922	-	5,607,922
Miscellaneous	2,846,836	-	2,846,836
Transfer from TIF #3	2,456,257	-	2,456,257
Investment Income	673,501	29,677	703,178
Total Revenues	\$ 51,103,410	\$ 29,677	\$ 51,133,087

Main Street Redevelopment Project Area
Revenues by Type



**City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
December 31, 2024**

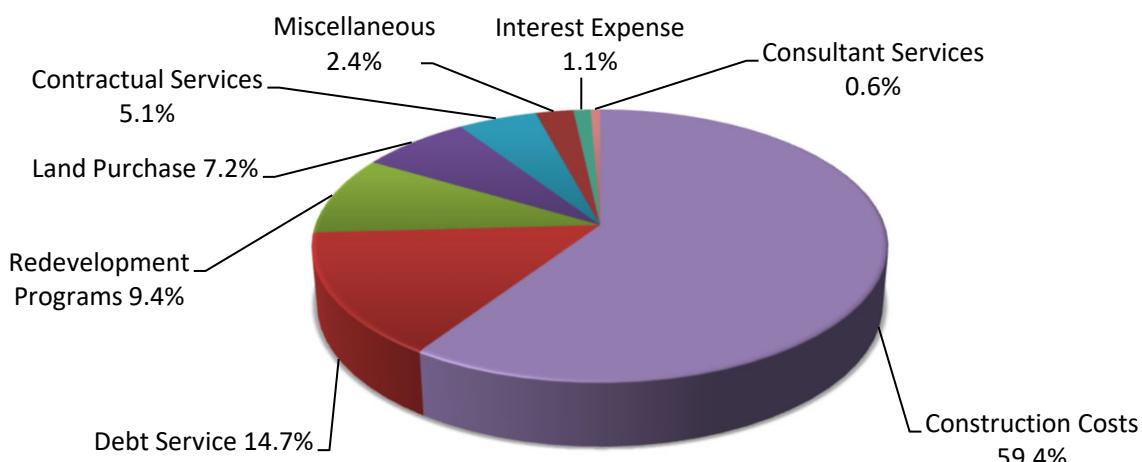
Expenditures



City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
Expenditures
December 31, 2024

	Totals	Fiscal Year	Totals
	thru 12/31/2023		thru 12/31/2024
Construction Costs	\$ 30,134,171	\$ 3,009	\$ 30,137,180
Debt Service	7,470,222	-	7,470,222
Redevelopment Programs	4,763,460	-	4,763,460
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Miscellaneous	1,242,914	-	1,242,914
Interest Expense	571,874	-	571,874
Consultant Services	313,410	-	313,410
Total Expenditures	\$ 50,740,797	\$ 3,873	\$ 50,744,670

Main Street Redevelopment Project Area
Expenditures by Type



**City of Wheaton
TIF District Number Two
Main Street Redevelopment Project Area
December 31, 2024**

Projections:

- **Incremental Property Tax Revenues – Actual**
- **Revenue and Expenditure Projections**

City of Wheaton

TIF District Number Two

Main Street Redevelopment Project Area

Incremental Tax Revenues

Actual

December 31, 2024

TIF Year	Tax Levy Year	Tax Collection Year		Budget Year	Total EAV	Wheaton 121 EAV Change	Total EAV \$ Change	Total EAV % Change	Frozen EAV	Incremental EAV	Incremental EAV % Change	Assessed Incremental Property Tax Revenues	Collected Incremental Property Tax Revenues	Blended Tax Rate (1)
		2000	2001/02		\$ 11,561,450									
1	1999	2000	2000/01	\$ 11,561,450			\$ 16,580	0.1%	\$ 11,425,030	\$ 136,420	0.0%	\$ 10,558	\$ 10,558	\$ 7.7393
2	2000	2001	2001/02	15,175,010			3,613,560	31.3%	11,186,990	3,988,020	2823.3%	321,579	318,235	8.0636
3	2001	2002	2002/03	14,915,578			(259,432)	-1.7%	11,163,720	3,751,858	-5.9%	296,636	296,636	7.9064
4	2002	2003	2003/04	16,616,330			1,700,752	11.4%	11,214,150	5,402,180	44.0%	407,959	407,958	7.5517
5	2003	2004	2004/05	16,641,513			25,183	0.2%	11,146,343	5,495,170	1.7%	412,118	412,118	7.4996
6	2004	2005	2005/06	18,104,960			1,463,447	8.8%	11,215,690	6,889,270	25.4%	503,879	402,643	7.3140
7	2005	2006	2006/07	18,879,460			774,500	4.3%	11,208,330	7,671,130	11.3%	554,598	554,598	7.2297
8	2006	2007	2007/08	19,216,770			337,310	1.8%	10,894,290	8,322,480	8.5%	587,467	587,245	7.0588
9	2007	2008	2008/09	21,719,060			2,502,290	13.0%	11,166,160	10,552,900	26.8%	718,454	707,891	6.8081
10	2008	2009	2009/10	28,411,620			6,692,560	30.8%	11,072,940	17,338,680	64.3%	1,180,290	1,136,772	6.8073
11	2009	2010	2010/11	34,288,670			5,877,050	20.7%	10,973,940	23,314,730	34.5%	1,625,516	1,588,190	6.9721
12	2010	2011	2011/12	32,082,080			(2,206,590)	-6.4%	10,556,030	21,526,050	-7.7%	1,588,542	1,587,096	7.3796
13	2011	2012	2012/13	31,766,620			(315,460)	-1.0%	10,445,514	21,321,106	-1.0%	1,572,581	1,550,505	7.3757
14	2012	2013	2013/14	25,606,600			(6,160,020)	-19.4%	10,566,810	15,039,790	-29.5%	1,208,025	322,659	(2) 8.0322
15	2013	2014	2014/15	24,512,300			(1,094,300)	-4.3%	10,556,090	13,956,210	-7.2%	1,193,445	1,172,308	8.5514
16	2014	2015	2015/16	29,650,290	4,405,060	5,137,990	21.0%		10,988,629	18,661,661	33.7%	1,620,995	1,605,804	8.6862
17	2015	2016	2016/17	41,890,100	10,971,020	12,239,810	41.3%		10,968,839	30,921,261	65.7%	2,612,492	2,612,492	8.4489
18	2016	2017	2017/18	49,418,950	6,407,130	7,528,850	18.0%		11,075,659	38,343,291	24.0%	3,059,352	3,059,352	7.9788
19	2017	2018	SY 2018	53,762,050	3,666,670	4,343,100	8.8%		11,089,659	42,672,391	11.3%	3,303,904	3,290,159	7.7425
20	2018	2019	2019	51,605,880	(2,669,070)	(2,156,170)	-4.0%		11,102,939	40,502,941	-5.1%	3,095,253	3,017,451	7.6420
21	2019	2020	2020	52,639,280	527,950	1,033,400	2.0%		11,064,729	41,574,551	2.6%	3,134,875	3,134,874	7.5404
22	2020	2021	2021	53,838,035	664,650	1,198,755	2.3%		11,064,519	42,773,516	2.9%	3,166,558	3,166,558	7.4031
23	2021	2022	2022	51,538,318	(2,692,450)	(2,299,717)	-4.3%		11,071,599	40,466,719	-5.4%	2,975,188	2,588,656	(3) 7.3522
Grand Total												\$ 35,150,264	\$ 33,530,758	

Notes:

Initial Valuation: \$ 11,544,870

(1) Blended Tax Rate:

Due to multiple tax codes in the TIF District, the tax rate is calculated based on Incremental EAV and Total Incremental Property Tax Revenues extended.

(2) Fiscal Year 2013/14 Collected Incremental Property Tax Revenues:

Fiscal Year 2013/14 decrease in collected property tax revenues is due to the 120 E Liberty property tax assessment appeal reduction and the corresponding property tax refund of \$866,228 for levy years 2009-2011.

(3) Fiscal Year 2022 Collected Incremental Property Tax Revenues:

Fiscal Year 2022 decrease in collected property tax revenues is due to the 121 N Cross property tax assessment appeal reduction and the corresponding property tax refund of \$361,413 for levy years 2019-2020.

City of Wheaton**TIF District Number Two****Main Street Redevelopment Project****Revenue and Expenditure Projections****December 31, 2024**

Budget Year	Revenues			Expenditures				Annual Surplus/(Deficit)	Cumulative Surplus/(Deficit)
	Interest Income	Other Revenues	Total Revenues	Downtown Strategic Plan	Other Exp.	Surplus Distribution	Total Expenditures		
								Beg. Balance (1/1/2025):	\$ 388,417
2025	\$ 10,000	\$ -	\$ 10,000	\$ 60,000	\$ 3,000	\$ 335,417	\$ 398,417	\$ (388,417)	\$ -
Totals	\$ 10,000	\$ -	\$ 10,000	\$ 60,000	\$ 3,000	\$ 335,417	\$ 398,417		

Notes:

TIF District #2 expired and was terminated, as of December 31, 2022, by City ordinance on October 17, 2022. The termination of TIF District #2 allowed taxing districts to capture the incremental equalized assessed value (EAV) growth generated from redevelopment. However, the City kept the TIF District #2 open for project area costs and obligations approved and incurred prior to the expiration date. The Downtown Streetscape project was substantially completed in 2022, with some work remaining to be completed in 2025.