

FY 2022
ANNUAL TAX INCREMENT FINANCE
REPORT



STATE OF ILLINOIS
COMPTROLLER
SUSANA A. MENDOZA

Name of Municipality: Schaumburg Reporting Fiscal Year: 2022
County: Cook Fiscal Year End: 4/30/2022
Unit Code: 016/515/32

FY 2022 TIF Administrator Contact Information-Required

First Name: Lisa Last Name: Petersen
Address: 101 Schaumburg Court Title: Director of Finance
Telephone: 847-923-4530 City: Schaumburg Zip: 60193
E-mail: lpetersen@schaumburg.com

I attest to the best of my knowledge, that this FY 2022 report of the redevelopment project area(s)
in the City/Village of: Schaumburg
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.].

Lisa Petersen 10/17/2022
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

Name of Redevelopment Project Area	Date Designated MM/DD/YYYY	Date Terminated MM/DD/YYYY
Exterior TIF District	4/27/2021	

*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 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area: Exporior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

Primary Use of Redevelopment Project Area: Combination/Mixed	
<small>*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.</small>	
If "Combination/Mixed" List Component Types: Residential, Retail, Other	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	<input type="checkbox"/>
Industrial Jobs Recovery Law	<input checked="" type="checkbox"/>

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, 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).	<input checked="" type="checkbox"/>	
For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions 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, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).	<input checked="" type="checkbox"/>	
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).		<input checked="" type="checkbox"/>
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).		<input checked="" type="checkbox"/>
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).		<input checked="" type="checkbox"/>
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).	<input checked="" type="checkbox"/>	
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).	<input checked="" type="checkbox"/>	
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).	<input checked="" type="checkbox"/>	
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).		<input checked="" type="checkbox"/>
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 (labeled Attachment J).	<input checked="" type="checkbox"/>	
An analysis prepared by a financial advisor or underwriter, chosen by the municipality, setting forth the nature and term of obligation, projected debt service including required reserves and debt coverage; and actual debt service. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	<input checked="" type="checkbox"/>	
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).	<input checked="" type="checkbox"/>	
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).	<input checked="" type="checkbox"/>	
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).	<input checked="" type="checkbox"/>	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).		<input checked="" type="checkbox"/>

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)]

FY 2022

Name of Redevelopment Project Area: Exporior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 2,282

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			0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources		\$ 75,000	100%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ -

Cumulative Total Revenues/Cash Receipts \$ 75,000 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 18,277

Transfers to Municipal Sources \$ -

Distribution of Surplus \$ -

Total Expenditures/Disbursements \$ 18,277

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (18,277)

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ (15,995)

* 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 2022

Name of Redevelopment Project Area: Exporior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
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.		
Legal	18,277	
		\$ 18,277
2. Annual administrative cost.		
		\$ -
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.		
		\$ -
6. Costs of the constructuion of public works or improvements.		
		\$ -

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		\$ 18,277

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

FY 2022

Name of Redevelopment Project Area: Exporior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

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

FUND BALANCE BY SOURCE \$ (15,995)

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
Total Amount Designated for Obligations	\$ -	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Total Amount Designated for Project Costs		\$ -

TOTAL AMOUNT DESIGNATED \$ -

SURPLUS/(DEFICIT) \$ (15,995)

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

FY 2022

Name of Redevelopment Project Area: Experior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

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

x

Indicate an 'X' if no property was 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:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area: Exporior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

PAGE 1

Page 1 MUST 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.	x
--	---

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

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
TOTAL:			
Private Investment Undertaken (See Instructions)	\$ -	\$ 50,000,000	\$ -
Public Investment Undertaken	\$ -	\$ -	\$ -
Ratio of Private/Public Investment	0		0

Project 1 Name: Exporior Logistic Campus

Private Investment Undertaken (See Instructions)		\$ 50,000,000	
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 2 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))

FY 2022

Name of Redevelopment Project Area: Experior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

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

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement
200	

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The amount of increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement
\$23,100,000	

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

5%

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area: Experior TIF District

Input name here (name of redevelopment project area will auto-populate on each page)

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

Roughly 55 acres south of Irving Park Road and west of Rodenburg Road

Optional Documents	Enclosed
Legal description of redevelopment project area	Exhibit A-1
Map of District	Exhibit A-2

EXHIBIT A-1

**LEGAL DESCRIPTION OF
THE EXPERIOR TIF DISTRICT**

Legal Description:

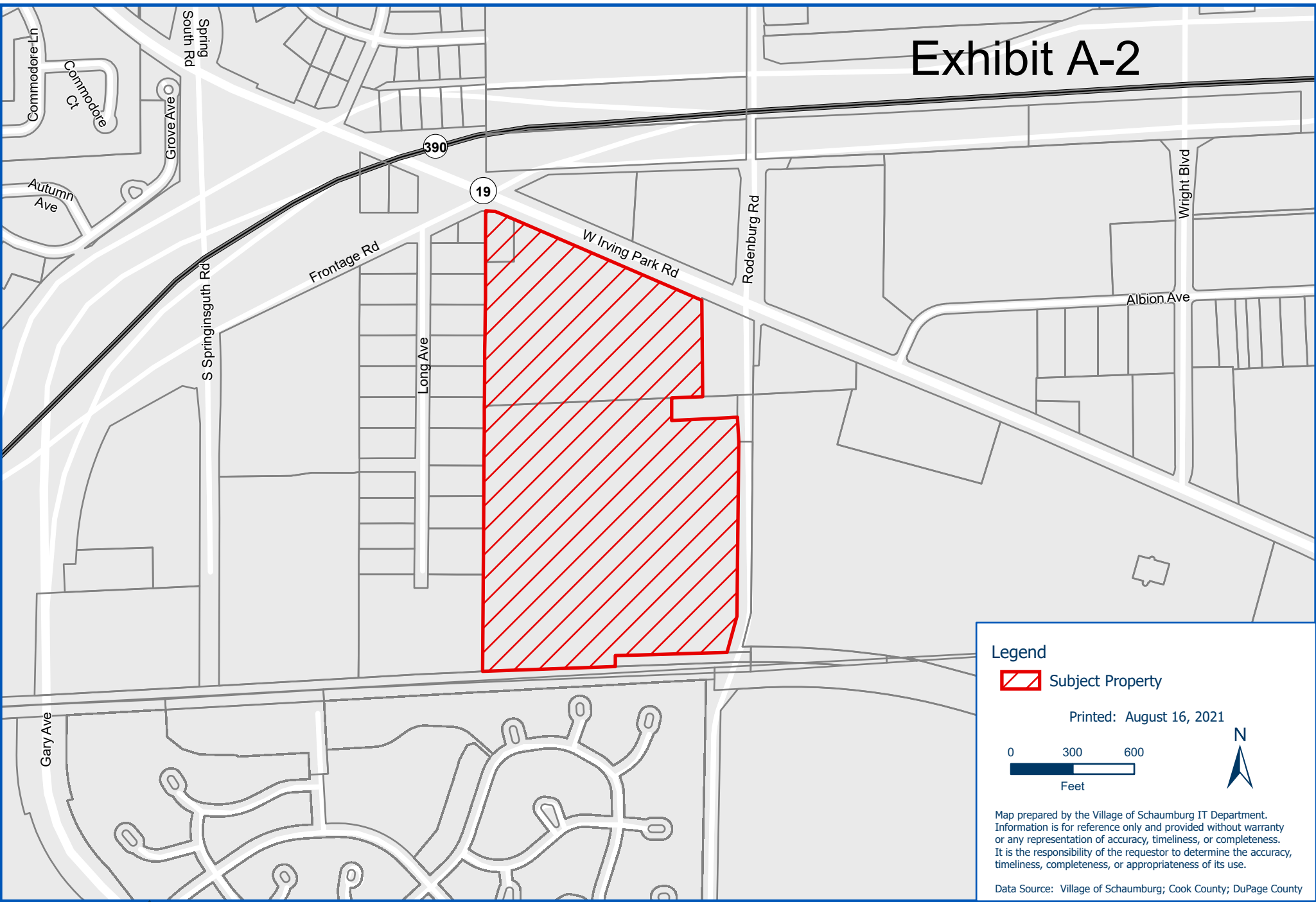
THAT PART OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPLE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF IRVING PARK ROAD AND THE WEST LINE OF SAID SOUTHEAST QUARTER; THENCE NORTH 60 DEGREES 23 MINUTES 54 SECONDS EAST, 161.66 FEET; THENCE SOUTH 67 DEGREES 22 MINUTES 32 SECONDS EAST ALONG SAID NORTH LINE, 1007.35 FEET TO THE EAST LINE OF THE WEST 16.12 CHAINS OF SAID SOUTHEAST QUARTER; THENCE SOUTH 00 DEGREES 10 MINUTES 06 SECONDS EAST ALONG SAID EAST LINE, 598.58 FEET TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SOUTHEAST QUARTER; THENCE SOUTH 86 DEGREES 52 MINUTES 02 SECONDS WEST ALONG SAID SOUTH LINE, 138.14 FEET TO THE WEST LINE OF THE EAST 396.00, AS MEASURED ALONG SAID SOUTH LINE, OF THE SAID SOUTHEAST QUARTER; THENCE SOUTH 00 DEGREES 12 MINUTES 58 SECONDS EAST, 110.14 FEET ALONG SAID WEST LINE; THENCE NORTH 86 DEGREES 52 MINUTES 02 SECONDS EAST, 396.00 FEET TO THE EAST LINE OF RODENBURG ROAD; THENCE SOUTH 00 DEGREES 12 MINUTES 58 SECONDS EAST ALONG SAID EAST LINE, 962.31 FEET; THENCE SOUTH 13 DEGREES 23 MINUTES 25 SECONDS WEST ALONG SAID EAST LINE, 172.00 FEET TO THE NORTH LINE OF LAND CONVEYED TO CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD COMPANY PER DOCUMENT 3870297; THENCE SOUTH 86 DEGREES 55 MINUTES 48 SECONDS WEST, 619.84 FEET ALONG SAID NORTH LINE; THENCE SOUTH 00 DEGREES 11 MINUTES 56 SECONDS EAST ALONG THE WEST LINE OF SAID LAND CONVEYED, 50.06 FEET TO THE NORTH LINE OF LAND CONVEYED TO THE CHICAGO AND PACIFIC RAILROAD COMPANY PER DOCUMENT 209903; THENCE SOUTH 87 DEGREES 00 MINUTES 01 SECONDS WEST ALONG SAID NORTH LINE, 669.36 FEET TO THE WEST LINE OF SAID SOUTHEAST QUARTER; THENCE NORTH 00 DEGREES 10 MINUTES 06 SECONDS WEST ALONG SAID WEST LINE, 2250.20 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

P.I.N.s: 07-32-402-003; 07-32-402-004; and 07-32-404-003.

Common Boundary Description: The area generally bounded by Irving Park Road on the North, Rodenburg Road on the East, the Metra railroad tracks on the South, and the East line of those parcels abutting the East side of Long Avenue on the West, (exclusive of the St. John Evangelical Lutheran Church of Schaumburg property located at the Southwest corner of Irving Park Road and Rodenburg Road), in Schaumburg, Illinois.

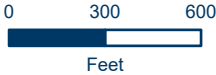
Exhibit A-2



Legend

 Subject Property

Printed: August 16, 2021



Map prepared by the Village of Schaumburg IT Department. Information is for reference only and provided without warranty or any representation of accuracy, timeliness, or completeness. It is the responsibility of the requestor to determine the accuracy, timeliness, completeness, or appropriateness of its use.

Data Source: Village of Schaumburg; Cook County; DuPage County



VILLAGE OF SCHAUMBURG

TIF District Property



VILLAGE OF SCHAUMBURG
PROGRESS THROUGH THOUGHTFUL PLANNING

October 18, 2022

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, Illinois 60601

To Whom It May Concern:

I, Tom Dailly, Village President of the Village of Schaumburg, Counties of Cook and DuPage, State of Illinois, and as such, do hereby certify that the Village of Schaumburg has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act regarding the Exporior TIF District during the municipal fiscal year ending April 30, 2022.

Sincerely, *Tom Dailly*

Village of Schaumburg

Tom Dailly
Village President



VILLAGE OF SCHAUMBURG
PROGRESS THROUGH THOUGHTFUL PLANNING

October 18, 2022

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, Illinois 60601

To Whom It May Concern:

I, Howard C. Jablecki, the Village Attorney for the Village of Schaumburg, Illinois, and have been such for the year ended April 30, 2022.

I have reviewed all information provided to me by the Village administration and staff, and I find the Village of Schaumburg has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act regarding the Exporior TIF District set forth there under to the best of my knowledge and belief.

This opinion relates only to the time period set forth, and is based upon all information available to me as of the end of said fiscal year.

Sincerely,

Village of Schaumburg

A handwritten signature in blue ink, appearing to read "Howard C. Jablecki".

Howard C. Jablecki
Village Attorney



October 18, 2022

Office of the Illinois Comptroller
Local Government Division
Suite 15-500
100 W. Randolph Street
Chicago, Illinois 60601

To Whom It May Concern:

Statement of Activities

Background

The Village of Schaumburg created the Exporior Tax Increment Financing District (TIF) on April 27, 2021. At the time of implementing the TIF, the goal of the Village of Schaumburg was to reduce or eliminate conditions that qualify the proposed Exporior Redevelopment Project Area as a blighted area and to provide the direction and mechanisms necessary to develop and/or redevelop the Exporior Redevelopment Project Area as a vibrant, commercial employment district.

The redevelopment project area qualified as a “blighted area” as defined by the applicable State Act at the time. It meets the “One-Factor” Test with the flooding factor. The redevelopment project area also meets the “Two-Factor” Test with obsolete platting and lack of growth in equalized assessed valuation (“EAV”).

The proposed future land-use of the Exporior Redevelopment Project Area is industrial and commercial. The Exporior TIF seeks to:

- Encourage the construction of new industrial and commercial development
- Foster the replacement, repair, construction and/or improvement of public infrastructure
- Facilitate the renovation or construction of stormwater management systems and flood control
- Provide resources for streetscaping, landscaping and signage
- Facilitate site assembly and preparation
- Support the goals and objectives of other overlapping plans
- Coordinate available federal, state and local resources

Redevelopment on the proposed Exporior Redevelopment Project Area is intended to revitalize the area, strengthen the economic base, and enhance the Village’s overall quality of life.

2022 Activities

In the fiscal year ended April 30, 2022, \$18,277 was expended on legal services for the TIF district.

Future Activities

Schaumburg anticipates the following improvements to start within the next twelve months:

1. Site and Infrastructure work for Experior
2. Construction of the first phase of the Experior Logistics Campus
3. Construction of the access road from the Metra Train Station to Rodenburg Road
4. Rodenburg Road Improvements

Financial

Since the TIF was created, the village has expended approximately \$90,996. The expenditure items included legal and consulting services.

Sincerely,

Village of Schaumburg

A handwritten signature in blue ink that reads "Lisa Petersen". The signature is written in a cursive, flowing style.

Lisa Petersen
Director of Finance

JOINT REVIEW BOARD MINUTES

Experior Tax Increment Financing
December 2, 2021 – 10:25 a.m.

Village of Schaumburg
Page 1 of 3

1. ROLL CALL
2. CALL TO ORDER

The meeting of the Joint Review Board (JRB) – Experior Tax Increment Financing was called to order by Chairman George Dunham at 10:25 a.m.

Members Present: George Dunham, Chairman, Village of Schaumburg
Lauren Hummel, School District #211
Ric King, School District #54
Becky Cordes, Schaumburg Township
Annie Miskewitch, Schaumburg Township District Library
Steve Burgess, Schaumburg Park District
Tim Gerhardt, Public Member

Members Absent: Xochitil Flores, Cook County
Avis Proctor, Harper Community College District #512

Others Present: Tom Bayer, Attorney, Klein, Thorpe & Jenkins, LTD
Franceska Fabyan, Accounting Manager
Matt Frank, Director Economic Development
Lisa Petersen, Director, Finance
Debbie Van Sickle, Manager Economic Development
Kevin Leighty, Management Analyst

3. APPROVAL OF FEBRUARY 19, 2020 MINUTES

A motion was made by Ric King, seconded by Steve Burgess to approve minutes.

All Ayes.

MOTION CARRIED

4. REVIEW OF PROGRESS – MATT FRANK

Mr. Frank said this is our newest TIF. We created this in 2021. You are looking at roughly 55-acres at the corner of Rodenburg and Irving Park Roads. The southwest intersection. This is all village owned property. We are working closely with Experior to develop a term sheet. This is to develop a warehouse, logistics facility and trucking campus.

Mr. Frank said (referring to a slide) these are architect images here. Experior has submitted preliminary site plans and elevations to staff, which are being reviewed. We are also working with MWRD (Metropolitan Water Reclamation District) and the IEPA (Illinois Environmental Protection Agency) and other outside agencies to facilitate review of this proposal. It is our hope that this project will be reviewed by the Village Board in early 2022. We're hoping they

JOINT REVIEW BOARD MINUTES

Exterior Tax Increment Financing
December 2, 2021 – 10:25 a.m.

Village of Schaumburg
Page 2 of 3

can break ground next year with substantial completion by 2023. As I said this is village owned property, so there is no assessed value or increment right now.

Mr. Frank said this TIF deal has been negotiated as a pay as you go. Any increment generated would be paid back. We have a \$20 million term sheet to help facilitate this \$50 million deal. This will bring over 200 jobs to the community and additional revenues. They are proposing a fueling station with a convenience store and restaurant. There will be truck sales and other opportunities for revenue at this location.

Mr. Frank asks if there are any questions. There were none.

5. REVIEW OF FINANCIAL INFORMATION

Ms. Fabyan said there is currently no equalized assessed value and no property tax increment. The total expenditures for 2021 were \$72,718 and the fund balance is \$2,282.

6. QUESTIONS/DISCUSSION

Chairman Dunham asked if anyone had any general questions.

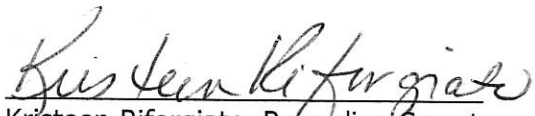
7. ADJOURNMENT

A motion was made by Steve Burgess, seconded by Ric King to adjourn the meeting at 10:30 a.m.

All Ayes.

MOTION CARRIED

Respectfully Submitted,



Kristeen Riforgiato, Recording Secretary
Economic Development Department

I have reviewed these minutes and they accurately reflect the motions of the Exterior Tax Increment Financing (TIF) Annual Meeting of the Joint Review Board.

JOINT REVIEW BOARD MINUTES

Exterior Tax Increment Financing
December 2, 2021 – 10:25 a.m.

Village of Schaumburg
Page 3 of 3



Matt Frank, Economic Development Director



To: Village of Schaumburg
From: SB Friedman Development Advisors, LLC
Date: October 26, 2022

RE: Exporior TIF | Financial Review and Returns Analysis

Introduction

SB Friedman Development Advisors, LLC (SB Friedman) was engaged by the Village of Schaumburg, Illinois (the "Village") to conduct a financial review and returns analysis of the Exporior project (the "Project"), a proposed development of the vacant 60.5-acre site located at the southwest corner of Irving Park Road and Rodenburg Road (the "Site"). The Site was acquired by Exporior, a trucking and logistics company to develop its operational headquarters along with warehousing maintenance functions. Specifically, the Project consists of three primary components:

- 40,000 square foot distribution facility wrapped with a 40,000 square foot office building
- 28,000 square foot truck maintenance facility
- Service station with a 5,000 square foot convenience store
- 635 parking spaces of which 368 spaces will be leased

The proposed Project would create 200 new jobs in the Village and generate incremental property and sales taxes. However, the development is challenged by approximately \$23 million in extraordinary costs related to stormwater management improvements, wetlands mitigation, environmental remediation, and the need to improve public infrastructure (roads and utilities) to service the site. The Village designated the Exporior Redevelopment Area/Tax Increment Finance (TIF) District (the "TIF District") encompassing the site and executed a redevelopment agreement ("RDA") with Exporior in January 2022 to reimburse Exporior up to \$20 million in TIF eligible costs on a pay-as-you-go basis. The Project is expected to begin construction in 2023 and be developed over an 18-month period.

Pursuant to the Illinois Tax Increment Allocation Redevelopment Act in the Illinois Municipal Code (the "TIF Act"), the Village is required to prepare a third-party estimate of the rate of return on the Project after accounting for the TIF assistance. This memorandum provides a summary of the Project returns with TIF assistance, and a summary of the methodology used for the estimation of returns.

Analysis Framework and Methodology

The Project is a build-to-suit owner-occupied development. The real estate investment returns on such projects are difficult to estimate because the returns would be based on the business operations and revenues. For the purposes of estimating returns, SB Friedman treated the Project as an investment property where the individual buildings – office and warehouse, maintenance facility and service station are assumed to be leased at market rents. This structure allows estimation of project returns through a traditional pro forma analysis. Key inputs to the pro forma analysis and the sources of information are summarized below and detailed in **Appendix B**.

- **Project investment/development budget:** As indicated in the RDA, the Project is required to have a minimum investment of \$50 million of which about \$23 million was related to public infrastructure and horizontal improvements of the site.
- **The net operating income (NOI) from rental income:** NOI estimates were based on SB Friedman’s analysis of comparable net rents of warehouse distribution, corporate office, and convenience retail in the Schaumburg market area. The NOI at stabilization is estimated to be \$2.06 million.
- **The TIF reimbursement from the Village:** Incremental TIF revenues were calculated based on the probable equalized assessed value of the development, the base value, the Village tax rate, and an assessed value inflation rate of 2%. TIF reimbursement to the Project following the first full year of stabilization and assessment is estimated to be \$1.09 million.
- **A reversion in year 10 from a hypothetical sale of the property:** Capitalization rates (cap rates) for the reversion were derived based on benchmark data from Real Estate Research Corporation and Price Water House Cooper.

Returns Estimate

The pro forma analysis and the estimated project returns are shown in **Figure 1**. Two returns metrics were estimated for the analysis:

- **Stabilized yield on cost:** This metric is calculated by dividing annual net operating income (NOI) before debt service plus the TIF reimbursement owed by the Village in the first year of stabilized operations by total project costs. This return metric is an indicator of the annual overall return on investment for the Project. The stabilized yield on cost for the Project is estimated to be 6.3%.
- **Unleveraged internal rate of return (IRR):** This is the rate of return or discount rate for a project, accounting for initial expenditures to construct the Project and ongoing cash inflows (annual net operating income [NOI] before debt service), as well as a hypothetical sale of the Project at the end of the analysis period, if applicable. The unleveraged IRR is estimated to be 4.8% for the Project.

Appendix A

LIMITATIONS OF OUR ENGAGEMENT

Our deliverables are based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings/teleconferences with the Village of Schaumburg (the "Village") and the Developer during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the deliverables. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our report, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverables to reflect events or conditions that occur subsequent to the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in state statute or Village ordinance, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our deliverables are intended solely for your information and is not a recommendation to issue bonds or other securities. The report should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors without our prior written consent.

We acknowledge that upon submission to the Village, the report may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the documents under such Act.

Appendix B

Figure 1: Project Budget, Assumed Rents and Cash Flow Pro Forma

Project Budget

Uses/Development Costs [1]	Developer Budget
Acquisition Costs	\$7,500,000
Site Preparation Costs	\$22,400,000
Hard Construction Costs	\$19,100,000
Soft Costs	\$1,000,000
TOTAL DEVELOPMENT COSTS	\$50,000,000

[1] Costs reflect budget provided by Developer in Redevelopment Agreement
 Source: Exporior RDA and SB Friedman

Market Rents

Project Name	Average Square Feet	Average Net Rent/SF
Exporior Project		
Office	40,000	\$20.00
Warehouse	48,000	\$8.50
Maintenance Facility	5,000	\$40.00
Service Station	28,000	\$8.50
Parking	368	\$100/month

Source: CoStar, Village of Schaumburg, and SB Friedman

Project Returns Analysis

CASH FLOW	2023	2024	2025	STABILIZATION								
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Unleveraged Cash Flow - Adjusted Assistance												
Total Project Costs	-\$33,000,000	-\$17,000,000										
Net Operating Income		\$982,075	\$2,011,046	\$2,059,070	\$2,108,249	\$2,158,612	\$2,210,188	\$2,263,005	\$2,317,093	\$2,372,484	\$2,429,209	\$2,489,939
TIF Reimbursement		\$0	\$0	\$1,093,753	\$1,093,753	\$1,160,699	\$1,160,699	\$1,160,699	\$1,231,743	\$1,231,743	\$1,231,743	\$0
Reversion Proceeds (Year 10)											\$33,155,598	
PV of Remaining Public Assistance (Year 11+)											\$9,030,176	
TOTAL	-\$33,000,000	-\$16,017,925	\$2,011,046	\$3,152,822	\$3,202,002	\$3,319,311	\$3,370,887	\$3,423,703	\$3,548,836	\$3,604,227	\$45,846,726	\$2,489,939
Annual Yield on Cost		2.0%	4.0%	6.3%	6.4%	6.6%	6.7%	6.8%	7.1%	7.2%	7.3%	
Unleveraged IRR	4.8%			6.3%	Yield on Cost							