

**Resident Questions
from Metro District Town Hall
Nov. 5, 2020**

How will repeal of the Gallagher amendment affect the bond rates in Metro District?

The Gallagher Amendment has affected your mill levy rate, but not your payment amount. Over the years as the assessment rate is adjusted, it has had the effect of increasing your mill levy rate, sometimes over the 50 mill cap, in order to keep the bond payments at the same amount. Now with the recent repeal, that won't happen anymore. The assessment rates will no longer be adjusted, the repeal freezes the assessment rate where it is now.

There are concerns regarding the consolidated service plan being used as a model. 1) What information does the city require to approve a service plan for a new district? and 2) Why does the City allow the consolidated multi-district single service plan model?

- 1) The petitioner is required to submit a transmittal letter to City describing the need for the proposed district, the land uses, and a description of the project. The petitioner will also provide a map of the district boundaries and a completed service plan based on the City's model that includes the proposed debt limit based on the project.
- 2) Large developments can take a number of years to fully build out, sometimes 10-30+ years with multiple phases. This service plan allows for creating multiple districts, each corresponding with the different phases of the development. As the area for each phase is identified, the boundary area for that particular district is identified. Bonds are then issued to fund the infrastructure necessary to serve that area. This provides more localization, better matching costs and services to the landowners receiving the benefit.

Why are we required to be a part of an Authority with annual expenses? Wouldn't it be better to allow districts to invest the mill-levy tax revenue to benefit future development?

There is not necessarily a requirement to join an Authority. There are restrictions, however, on what can be done with the Aurora Regional Improvement (ARI) tax revenues. The Service Plan allows for three options as follows:

1. The funds collected can go directly to the city to be used for future regional improvements benefitting the district;
2. The Metro Districts can sign an IGA with the city to fund specific regional improvements;
3. The Metro District may join a Transportation Authority with two other districts to pay for regional improvements.

Our community was fully developed but the district took on two new bonds totally over \$4million. Why does this occur?

For questions specific to your community, reaching out to members of your Metro District Board is the best source of information.

One of the proposed changes in the Service Plan was to utilize an external certified public accountant, who compensates them?

The Metro District would be responsible for paying for that service.

You stated a max of 40 years. You fail to mention that the ARI replaces the mill levy as the debt is paid down and the ARI will continue after the 40 years.

The 40 year term is specific to debt repayment. The Aurora Regional Improvement (ARI) mill levy does continue for an additional 10 years after repayment of the debt. The city's current model service plan includes the following for residential districts:

- Maximum debt mill levy of 50 mills
- Maximum term for debt repayment of 40 years
- Aurora Regional Improvements (ARI) mill levy
 - 1 mill in years 1-20
 - 5 mills in years 21-40 (or until debt has been repaid if earlier)
 - Average of last 10 years debt service mills in years 41-50 (or 10 years after debt has been repaid)

Why has the city currently sold millions of dollars of bonds to be paid for by future collections of the ARI? Especially because the city will spend that money at their discretion and those districts with ARI will have the burden of paying that back.

This is not an accurate statement. You may be referring to bonds that were recently issued by the South Aurora Regional Improvement Authority (SARIA).

This Authority was established several years ago to fund needed improvements in the area of the city south of Quincy. Each of the contributing Metro Districts in that area have a seat on the Authority Board as well as the city having a seat. That Board determined the list of improvements to be funded over multiple years. A few of those improvements include: Harvest Road connection (recently completed), Gun Club Road widening, Gartrell Road Improvements (Dry Creek to Aurora Parkway), Aurora Parkway Extension, and Quincy Avenue lane additions.