

Resolution No. 29

**A RESOLUTION OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS
TO INDUCE THE REDEVELOPMENT OF CERTAIN PROPERTY
WITHIN A PROPOSED TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT AREA
(Colonial Plaza)**

WHEREAS, the Mayor and City Council (the “Corporate Authorities”) of the City of Bloomington, McLean County, Illinois (the “City”), on August 24, 2011, authorized Peckham Guyton Albers & Viets to proceed to prepare a Redevelopment Plan and eligibility report for a proposed redevelopment project area (the “*Project Area*”) generally located along Empire Street in order to implement tax increment financing for the payment and financing of redevelopment project costs incurred within the proposed Project Area, as authorized by the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., (the “*TIF Act*”); and,

WHEREAS, the City has been informed by BT Bloomington, LLC (the “*Developer*”), that the Developer owns and intends to redevelop certain commercial property included within the proposed Project Area (the “*Subject Property*”), commonly known as the Colonial Plaza Shopping Center, 1500 East Empire Street, Bloomington, Illinois, and identified by permanent index numbers 14-35-355-017; 14-35-355-018; 14-35-355-019 and 14-35-378-010 and intends to renovate the Subject Property for current commercial uses which require loading docks, improved signage and substantial tenant “build-outs” at a cost of approximately \$10,000,000 (the “*Project*”); and,

WHEREAS, the Developer has also informed the City that the ability to undertake the Project on the Subject Property shall require financial assistance from the City for certain costs that would be incurred in connection with the acquisition and development, which costs would constitute “Redevelopment Project Costs” as such term is defined in the TIF Act; and,

WHEREAS, the Developer would like to incur certain costs in connection with the renovation and redevelopment of the Subject Property prior to the adoption of the TIF ordinances, as applicable to the Subject Property and the approval of an ordinance authorizing the execution of a redevelopment agreement with the City, wherein reimbursement for such costs may be considered as redevelopment project costs subject to certain terms and conditions; and,

WHEREAS, the Developer is prepared to make certain commitments to the City regarding the renovation and redevelopment of the Subject Property and the re-tenanting thereof with retailers not currently doing business in the City as hereinafter set forth; and;

WHEREAS, the City is prepared to make certain commitments to the Developer, upon satisfaction of the commitments of the Developer, to reimburse the Developer for certain costs incurred in connection with the Project from revenues available to the City as a result of the adoption of the TIF ordinances, as applicable to the Subject Property as well as a portion of incremental sales taxes to be generated by retailers not currently operating in the City, all as hereinafter set forth; and,

WHEREAS, the Developer desires to proceed with the Project and also desires that certain costs related to the Project to be reimbursed with revenues available to the City as a result of its adoption of the TIF ordinances, as applicable to the Subject Property to be able to qualify for consideration as redevelopment project costs that can be reimbursed to the extent such costs constitute "Redevelopment Project Costs" as such term is defined in the TIF Act; and,

WHEREAS, this Resolution is intended to allow the Developer to incur certain costs relating to the redevelopment and renovation of the Subject Property that may be considered "Redevelopment Project Costs" as such term is defined in the TIF Act, prior to the adoption of

the TIF ordinances, as applicable to the Subject Property and the approval of an ordinance authorizing the execution of a redevelopment agreement pertaining to the Subject Property, subject to the conditions as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois, as follows:

Section 1. That the above recitals are incorporated herein and made a part hereof.

Section 2. The Developer is prepared to make the following commitments to the City regarding the redevelopment and renovation of the Subject Property:

- (a) On or before September 30, 2015, the Developer shall have entered into a lease with Dick's Sporting Goods for approximately 50,000 square feet ("*DSG*") of the Subject Property;
- (b) All improvements required to permit DSG to operate shall commence and be completed in accordance with all applicable City Codes and laws of the State of Illinois;
- (c) In addition to DSG, the Developer shall enter into leases with retailers to operate at the Subject Property who are not currently operating within the City's corporate borders (the "*Tenants New to the City*");
- (d) The combined annual sales of DSG and the Tenants New to the City shall be no less than \$20,000,000; provided, that in any calendar year combined annual sales of said retailers fall below \$20,000,000, the Developer shall be entitled to a one-year "cure period" (but only one "cure period" during the term of the agreement to be executed by the City and the Developer) and if the sales for any other year fall below

\$20,000,000 all payments of interest in the reimbursements due from the City as evidenced by a "Note" as hereinafter defined, shall be suspended until a showing of a year in which the sales are no less than \$20,000,000 per year.

- (e) The Subject Property shall be maintained in accordance with all applicable City Codes and laws of the State of Illinois.

Section 3. Upon satisfaction of all of the commitments of the Developer as hereinabove set forth, the City hereby makes the following commitments to the Developer:

- (a) The City shall reimburse the Developer an amount equal to the lesser of 36.52% of the total cost of renovation of the Subject Property or \$4,000,000 (the "Project Costs") from the following sources:
 - (i) An amount equal to the lesser of 20% of the Project Costs or \$2,190,008 ("*Pledged Amount Sales Tax Rebate*") from 33 1/3% of the 1% Retailers' Occupation Tax and the 2.5% Home Rules Sales Tax (together the "*City's Sales Taxes*") shall be rebated to the Developer for a period of ten (10) years, commencing with the year 2017 from the sales for the prior year 2016 by DSG and the Tenants New to the City.
 - (ii) The Developer shall also receive 75% of the incremental real estate taxes as a result of adopting the TIF ordinances as applicable to the Subject Property, for a term of twenty (20) years to pay the difference of the total amount of City's Sales Taxes rebated to the Developer and the total of the Project Costs.
- (b) The City shall also issue a Note to the Developer for a 20-year term in the amount of the Project Costs, which Note shall bear interest of 3.5% and be issued upon completion of the Project and occupancy by DSG and Tenants New to the City. All payments on the Note shall be subject to and conditioned upon compliance with the terms of a redevelopment agreement. In the event annual sales fall below \$20,000,000 for any year during the term of the Note (other than the one year cure period), interest on the Note shall be suspended until such sales return to \$20,000,000.
- (c) The terms hereinabove set forth shall be incorporated into a Redevelopment Agreement by and between the City and the Developer within 45 days of the approval of this Resolution by the City Council.

(d) If for any reason the City fails to designate the Subject Property as a Redevelopment Project Area under the TIF Act, the entire Project Costs shall be paid by rebating 100% of the City's Sales Taxes generated by DSG and the Tenants New to the City for a period of ten (10) years pursuant to a Sales Tax Agreement.

Section 4. That portion of any financial assistance to be rendered to the Developer by the City from revenues available as a result of the adoption of the TIF Act as applicable to the Subject Property, shall be contingent upon the authority, restrictions, terms and conditions imposed by the TIF Act.

Section 5. That this Resolution shall be in full force and effect from and after its passage and approval as provided by law.

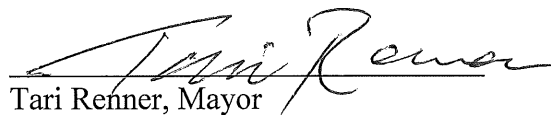
Passed by the City Council of the City of Bloomington, Illinois, this 24th day of August, 2015.

AYES: 9

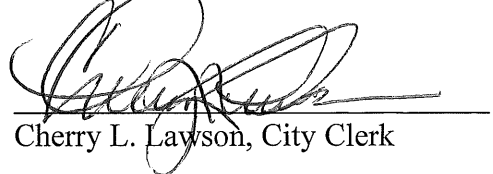
NAYS: None

ABSENT: None

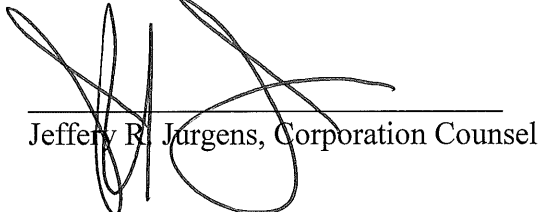
CITY OF BLOOMINGTON


Tari Renner, Mayor

ATTEST


Cherry L. Lawson, City Clerk

APPROVED AS TO FORM


Jeffery R. Jurgens, Corporation Counsel