



REGULAR AGENDA ITEM NO. 8C

FOR COUNCIL: March 14, 2016

SUBJECT: Consideration of an Ordinance authorizing a Redevelopment Agreement between the City of Bloomington and BT Bloomington, LLC for the proposed redevelopment of the Colonial Plaza Shopping Center.

RECOMMENDATION/MOTION: That the Ordinance approving a Redevelopment Agreement between the City of Bloomington and BT Bloomington, LLC be approved, and authorize the Mayor and City Clerk to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 3: Grow the Local Economy; Goal 4: Strong Neighborhoods; Goal 5: Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 3a. Retention and growth of current local businesses; 3b. Attraction of new targeted businesses that are the “right” fit for Bloomington; 3c. Revitalization of older commercial homes; 3d. Expanded retail businesses; 3e. Strong working relationship among the City, businesses, economic development organizations. Objective 4c. Preservation of property/home valuations; 4d. Improved neighborhood infrastructure; Objective 5b. City decisions consistent with plans and policies; 5c. Incorporation of “Green Sustainable” concepts into City’s development and plans; 5e. More attractive city: commercial areas and neighborhoods.

BACKGROUND & OVERVIEW: On August 24, 2015 the City Council approved an Inducement Resolution authorizing BT Bloomington, LLC (the owner of the vacant Kmart building and the Colonial Plaza Shopping Center) to proceed with preliminary work related to the redevelopment of the Colonial Plaza Shopping Center. The Inducement Resolution allowed for BT Bloomington, LLC’s TIF-eligible expenses incurred before the establishment of a TIF District and the approval of the proposed Redevelopment Agreement be considered eligible for reimbursement. The City Council formally approved the Empire Street Corridor TIF District on February 22, 2016.

Since the approval of the Inducement Resolution, BT Bloomington, LLC has been working diligently to secure multiple national retailers to fill the vacant Kmart building and the other vacant spaces in the shopping center. To date, Dick’s Sporting Goods, Five Below, Home Goods, Carter's Oshkosh B'gosh and Designer Shoe Warehouse (DSW) have all signed leases or letters of intent to lease space in portions of Colonial Plaza controlled by BT Bloomington, LLC. Additionally, national retailer PetsMart has expressed interest in the vacant Circuit City building which is under separate ownership. The attached marketing brochure indicates the proposed locations for these retailers in the shopping center.

The proposed Redevelopment Agreement formalizes the economic development incentives that have been negotiated between City staff and BT Bloomington, LLC to support the redevelopment project. The attached Ordinance and Redevelopment Agreement have been prepared and reviewed by the City's TIF Attorney, Kathleen Field Orr & Associates.

City staff recommends approval of the Ordinance and Redevelopment Agreement so that BT Bloomington, LLC can continue with the redevelopment of the Colonial Plaza Shopping Center. If not for the proposed economic development incentives, BT Bloomington, LLC's redevelopment plans would likely not be economically viable. Without major renovations to the vacant Kmart building, it is possible only mid to low-tier retailers could be attracted to the site which could result in the further decline of the shopping center and adjacent properties in the Empire Street corridor.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Appropriate Department Heads have provided input on the proposed redevelopment of Colonial Plaza. Additional meetings have been held with neighboring property owners, interested local and national retailers and commercial real estate brokers. Requests for new retailers to locate in the city have been received from Bloomington residents and members of the general public through the Retailer Request Form on the City's website.

FINANCIAL IMPACT: The terms outlined in the Redevelopment Agreement are in compliance with the City's Economic Development Incentive Guidelines and have been crafted to protect the City from any unforeseen circumstances and to motivate the developer to quickly fill the shopping center with high quality tenants:

- A **minimum investment** of \$10 million is required.
- The total amount of **municipal assistance is capped** / limited to \$4 million.
- Should the minimum investment of \$10 million not be reached by the developer, **the total of amount of municipal assistance will be the lesser of 36.52% of the actual documented investment (the "Reimbursable Project Costs")** thereby allowing the City to benefit from any potential savings the developer is able to achieve in the event the redevelopment project is less costly than originally estimated.
- The City agrees to support the project through **rebates of new / increased revenues generated by the project, only if those revenues materialize:**
 - The developer will be rebated one third (1/3) of the sales tax revenues generated by **"New To The City Retailers"** that locate in spaces owned by the developer in the shopping center for **a period of ten (10) years up to \$2,190,008 or 20% of the actual Reimbursable Project Costs.**
 - The developer will be rebated **75% of the newly created incremental property tax** paid by the developer as a result of improvements made to the property by the developer by employing the economic development tool of Tax Increment

Financing (the proposed Empire Street Corridor TIF District) for up to 20 years for the balance of the Reimbursable Project Costs remaining after the end of the 10 year sales tax rebate period.

- Upon the completion of the redevelopment project and the achievement of the Minimum Gross Annual Sales Requirement, the City will issue a Note to the developer in the amount of the Reimbursable Project Costs. The Note will bear interest at the rate of 3.5%. **The Note will be backed solely from the sales tax revenue and property tax increment generated from the developer's property and NOT by the full faith and credit of the City. Should the source revenues be insufficient to cover the Note, the City will NOT be obligated to make up the difference from any other fund of the City or revenue source.** As soon as new property tax increment is generated and available for rebating through the TIF District, 75% of the new increment will be rebated to the developer combined with the sales tax increment to pay down the Note as quickly as possible.
- A “**Minimum Gross Annual Sales Requirement**” has also been established which motivates the developer to secure leases with high performing retailers to ensure the “Tenants New to the City” achieve combined gross sales of not less than \$20 million a year which will generate sales tax revenues for the City to offset the loss of Kmart and the other retailers which have vacated the shopping center in recent years. In the event the Minimum Gross Annual Sales Requirement is not met during any year while the City is making payments on the Note, **payment will be suspended until such a time as the Minimum Gross Annual Sales Requirement is achieved.** A one year cure period is outlined in the agreement to allow the developer time to secure a replacement retailer / tenant should one vacate the shopping center.

As set forth in the proposed Redevelopment Agreement, BT Bloomington LLC is to lease approximately 50,000 square feet of space in the Colonial Plaza Shopping Center to Dick's Sporting Goods (DSG) for a term of not less than ten (10) years. The DSG store is anticipated to open in late 2016 along with additional retailers new to the City. The combined annual gross sales of the new retailers (including DSG) is required to be a minimum of \$20 million, however, based on information provided by the developer and verified by data from the National Retail Federation, the proposed new retailers are anticipated to generate annual gross sales in excess of \$35 million resulting in sales tax revenue payable to the City in excess of \$1.2 million per year.

Per the terms of the Redevelopment Agreement, the City will commit to rebate to the developer one-third (1/3) of the 3.5% sales tax generated by the new to the City retailers in the shopping center for up to ten (10) years or up to \$2,190,008 (or 20% of the actual Reimbursable Project Costs). Based on calculations made by the Office of Economic Development, net of the proposed incentive, the City can anticipate the collection of approximately \$9.8 million in sales tax revenue from the proposed development during the 10 year term of the sales tax rebate component of the incentive. Additionally, the City will receive 100% of any Prepared Food and Beverage or Package Liquor Tax revenue generated by any new retailers that locate in the shopping center should such a retailer offering those products open in the shopping center as those municipal taxes are not included in the proposed Redevelopment Agreement.

Respectfully submitted for Council consideration.

Prepared by: Austin Grammer, Economic Development Coordinator

Reviewed by: Tom Dabareiner AICP, Community Development Director

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Carla Murillo, Budget Manager

Legal review by: Kathy Field Orr, Special Legal Counsel on Economic Development

Recommended by:



David A. Hales
City Manager

Attachments:

- Office of Economic Development Incentive Packet
- Ordinance Authorizing the Redevelopment Agreement
- Redevelopment Agreement and Associated Exhibits

Motion: That the Ordinance approving a Redevelopment Agreement between the City of Bloomington and BT Bloomington, LLC be approved, and authorize the Mayor and City Clerk to execute the necessary documents.

Motion: _____ Seconded by: _____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Buragas				Alderman Painter			
Alderman Fruin				Alderman Sage			
Alderman Hauman				Alderman Schmidt			
Alderman Lower							
				Mayor Renner			



Office of Economic Development

Economic Development Incentive Application

BT Bloomington, LLC
(Colonial Plaza Shopping Center)

March 14, 2016

Table of Contents:

- A. Incentive Application
- B. Office of Economic Development Review of the Proposed Incentive
- C. Council Meeting Presentation
 - I. Colonial Plaza Marketing Brochure – Mid-America Asset Management, Inc.
 - II. MCRPC GIS Parcel Map of Colonial Plaza Shopping Center
 - III. Redevelopment Project Renderings
 - IV. Preliminary Site Plan
- D. Redevelopment Agreement & Ordinance



Commercial Incentive Application

Note: The filing and discussion of this application form does not indicate a level of interest in making incentives available to the described project. Furthermore, project must meet all local, state and federal rules and regulations as applicable.

The completed form and attached documentation will be evaluated against the criteria outlined within the City of Bloomington Economic Development Incentive Guideline. These principles include:

- Economic incentives considered by the City must provide a distinct financial return to the City.
- Economic incentives considered by the City must be initiated by the formal application process.
- Economic incentives considered by the City should be derived from new incremental revenue sources unless the 'but for' theory is proven and the City will benefit from a distinct financial return.
- Economic incentives considered by the City must be of an appropriate amount and extend over an appropriate amount of time as related to the proposed project.
- Economic incentives considered by the City will be provided on a project basis.
- Economic incentives considered by the City will be subject to a development agreement inclusive of performance based measurements and appropriate claw back provisions.
- Economic incentives considered by the City will be subject to conformity with applicable State and Federal provisions.
- Economic incentives considered by the City will not be considered on a retroactive basis.

Proposals which satisfy the basic criteria will then be evaluated more thoroughly by the staff of the City of Bloomington. Additional due diligence may be required to confirm assertions made in the application and priority will be placed on projects that meet the following criteria:

- Economic incentives considered by the City must generate a positive community impact.
- Economic incentives considered by the City must demonstrate a documented and verified need for public subsidy.
- Economic incentives considered by the City must enhance the overall quality of life of the citizens of the City of Bloomington in order to promote economic growth.

Please provide as much information as possible. You may attach supplemental files; however, the inclusion of other required documents should be in addition to completing the following form, rather than in place of filling out all sections. Only completed applications will be accepted and evaluated.

If you have questions regarding the application or requested information, please contact:

Austin Grammer, Economic Development Coordinator, City of Bloomington
109 E Olive Street, Bloomington IL 617601
Phone: (309) 434.2611 agrammer@cityblm.org



Commercial Incentive Application

I. Taxpayer Information

Name of Taxpayer Seeking Abatement: *BT Bloomington, LLC*

Mailing Address: *200 Witmer Road, Suite 200, Horsham, Pennsylvania 19044*

Name of authorized to represent taxpayer making application: *Michael P. Markman, President*

Address of Authorized representative: *200 Witmer Road, Suite 200, Horsham, Pennsylvania 19044*

Telephone & Fax number of authorized representative: *215-938-7300*

Provide a brief description of the Taxpayer's business, including company history, product(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification.

BET Investments owns, manages, develops, and leases mid-rise office buildings, office parks, retail complexes, apartment buildings, and flex office/industrial space throughout the United States. The company's portfolio has grown to more than 5 million square feet. Integral to BET Investments' success is the "hands-on" involvement of the principals Bruce E. Toll and Michael P. Markman and a core group of professionals with complementary skills in real estate acquisitions, development, property management, finance and law.

BET Investments' spectrum of real estate expertise includes land development, management, leasing/legal and joint ventures. With a reputation for excellence and a financial ability to make quick decisions in an ever-expanding geographic area, we welcome opportunities to bring expertise and value to the challenges of real estate development.

BET responds to the challenges of a constantly evolving real estate market by understanding and anticipating the forces that shape developments - not just today, but years down the road. As a result, BET evaluates new developments for their potential to create long-term value as well as generating an immediate return on investment.

Actively involved at every step of the process, BET's development team builds value through zoning, financing, design, construction, leasing, and management. BET tailors its approach to projects by creatively working with financial institutions, municipalities, sellers, consultants, and tenants to structure and implement deals that work.



Commercial Incentive Application

Project Profile

Provide an estimated project schedule including (when applicable):

- Closing of purchase
- Permitting
- Environmental Assessment and/or Remediation of Activities
- Construction Start
- Construction Completion
- Occupancy of facilities
- Purchase and installation of equipment
- Other pertinent dates, as appropriate

BET Investments, Inc. acquired the Colonial Plaza Shopping Center in 2002.

The following is an estimated timeline for the Project:

Start: November 1, 2015

Complete: December 31, 2016

Sponsor/Developer: *BT Bloomington, LLC & BET Investments, Inc.*

Project Street Address: *1608 East Empire*

City, State & Zip Code: *Bloomington, IL 61701*

County: *McLean*

Project type (Commercial Real Estate, Business, Equipment): *Retail Shopping Center*

Sq. ft. of project: *Total GLA: 240,805 Square Feet*

Total Project Cost/Investment: *\$10,950,043.00*

Total Incentive Requested: *\$4,000,000.00*

Census Tract Code: *17113001200;12;3*

Please provide a narrative that describes the project in specific detail:

The redevelopment project consists of building, façade, and common area upgrades to re-tenant the former K-Mart store and other vacancies at the Colonial Plaza Shopping Center with reputable regional and national tenants.



Commercial Incentive Application

How is the property currently being used and what is the condition of the property?

The property is known as the Colonial Plaza Shopping Center. K-Mart, the anchor tenant, closed in January 2015 adding over 88,000 square feet of vacant space to the existing 70,816 square feet of vacant space in the shopping center (including the vacant and separately owned Circuit City building). The former K-Mart space lacks loading docks and modern mechanical systems which prohibit the attraction of quality retailers to fill the space.

Will the project require additional municipal services or facilities? No

If yes, please explain: NA

II. For Projects seeking tax abatement for Commercial Real Estate development

Development Team

Please list all of members of the development team, their contact information and their role in the development process. If more than four members are on the team, please attach the additional contact information separately.

Name: *Michael Markman and Peter Clelland*
Address: *BET Investments, Inc. 200 Witmer Road, Suite 200*
Phone Number: *215-938-7300*
Role: *Developer*

Name: *Matt Emerson*
Address: *Herschman Architects Inc., 25001 Emery Road, Suite 400*
Phone Number: *216-223-3200*
Role: *Architectural Project Manager*

Name: *Eilerson Development Corp*
Address: *1660 Huguenot Road, Midlothian, Virginia 23113*
Phone Number: *804-897-0900*
Role: *Construction Project Manager*

Describe the development team and its capacity to successfully complete the project:

Herschman Architects is a national architecture and engineering firm specializing in retail, industrial and commercial design that provides a full spectrum of design, production, development and construction administration services. The firm has a staff of 80 people including architects, designers, engineers, interior designers and administrators with offices in Cleveland, Ohio; Tucson, Arizona; and Los Angeles, California.



Commercial Incentive Application

Herschman Architects is a regular attendee of the AIA National Convention, SPECS, Global Shop, Retail Construction Expo, ICSC RECON, and Centerbuild and is a member of numerous professional associations including the American Institute of Architects (AIA), National Council of Architectural Registration Boards (NCARB), National Council of Examiners for Engineering and Surveying (NCEES), American Society of Interior Designers (ASID), National Association of Industrial and Office Properties (NAIOP), International Code Council (ICC), Construction Specification Institute (CSI) and International Council of Shopping Centers (ICSC).

Herschman Architects is a member of the United States Green Building Council (USGBC) and active in developing sustainable initiative programs with clients. The firm has many award winning designers on staff which have been recognized by Visual Merchandising & Store Design (VMSD), Chain Store Age, Retail Construction Magazine, NAIOP, ASID, and Association of Retail Environments (ARE).

Herschman Architects is experienced in retail store and new shopping center design, shopping center remodeling, big-box retail and mall renovations. Herschman Architects works directly with many national and local developers and retailers.

Eilerson Development Corp (EDC) was founded in 1990 with the objective of providing the highest quality construction management services that would be fully focused upon its clients. Shortly after its founding, EDC was awarded the ongoing development and construction management of a premiere office and research park in southwestern Virginia that today houses over one million square feet in more than twenty-five buildings.

In the years since, EDC has grown to become one of the most respected construction companies in the country, with a geographic reach that covers the entire Eastern United States, and a diversity of expertise in project types that includes retail, office, higher education, theaters, research & development, and grocery. EDC is consistently ranked as a Top 20 Construction Firm nationally, and has put in place over 25 million square feet with an annual project value well in excess of \$100 million.

What physical changes will be made to develop or rehabilitate the property and how will the subject property be used?

The redevelopment project consists of building, façade, common area upgrades to re-tenant the former K-Mart store and other vacancies at the Colonial Plaza Shopping Center with reputable regional and national tenants. The former K-Mart store will be divided into four leasable spaces, including a single 50,000 square foot space for a new Dick's Sporting Goods store. A portion of the former K-Mart store will be demolished to make way for loading docks to serve the Dick's store and the other retailers that will fill the remaining space in this part of the shopping center. Retailer specific façade improvements will also



Commercial Incentive Application

be constructed. New HVAC systems and new roofing will be installed as needed. The parking lot will be improved to provide better traffic flow. The pylon signs around the shopping center will be replaced.

Total Investment for real estate component of project: \$10,950,043

III. Determination of need for incentive

Please describe whether the project could move forward or not without the existence of the incentive.

The lease rates and terms that desirable national and regional retailers are willing to agree to in order to locate in this shopping center in the Bloomington market do not justify the extraordinary redevelopment costs that BT Bloomington, LLC would incur to bring about the desired transformation of the shopping center. The projected redevelopment costs meet or exceed the cost of the new construction that BET Investments, Inc. has encountered in recent projects in other markets where retailers are willing to pay comparable or higher rents and enter into longer leases. If not for the requested incentive, the proposed redevelopment project would not be considered. Instead, the former K-Mart space would be leased in mostly as-is condition to a single retailer under a short term lease. This single retailer would not create the desired synergy that could drive the leasing of the many other vacant spaces in the shopping center.

IV. Community Impact

Is this project part of a larger, comprehensive revitalization plan sponsored by local government planners and/or local economic development groups?

Yes: No:

If yes, please describe how the project is related to the plan and if the project is one of the first undertaken.

City of Bloomington staff has advised BET Investments, Inc. that the Colonial Plaza shopping center is located in a "Tier One priority focus area" for in-fill development and redevelopment to "support the goals of compact development, leveraging Bloomington's investment in city services, and keeping growth contiguous to the City" as outlined in the City's 2015 Comprehensive Plan.

Provide a 3-year history of employment levels at the project location:

BET Investments, Inc. does not track employment data for the tenants of our owned or managed properties.



Commercial Incentive Application

Will the project create new jobs that can employ local residents?

Yes: No:

If yes, please provide information about the businesses current and projected employees.

New retailers which are not already operating in Bloomington or in Bloomington-Normal opening in Colonial Plaza will create new jobs for the community. At this time, specific details related to the number of positions relocated / created or wages cannot be determined.

What is the value of benefits in comparison to base pay?

At this time, specific details related to wages and benefits cannot be determined.

Identify the type(s) of work or position(s) of the new employees that will be newly hired:

The types of work will likely include customer service and retail management positions and will be specific to the retailers which locate in the shopping center.

Will the project provide goods and services not immediately available to the community?

Yes: No:

If yes, please explain:

Retailers that are not currently operating in the Bloomington-Normal community are likely to locate in the shopping center. As many national and regional retailers have proprietary in-house brands and unique product offerings, new goods and services will be made available to the community by these new retailers. Additionally any existing retailer that relocates to a larger space in the shopping center may be able to offer an expanded array of products than it had previously.

Will the project result in greater demand for local goods and services, resulting in indirect job creation for residents of the community?

Yes: No:

If yes, please explain:

The construction phase of the redevelopment project and the ongoing maintenance of the shopping center has the potential to employ local contractors which could boost the local economy. The potential for the local sourcing of products that will be sold by the retailers that will locate in the shopping center is not able to be calculated at this time.



Commercial Incentive Application

Will the project provide vital community services to residents of the community?

Yes: _____ No: _____

Does the project create environmental sustainable outcomes through green building concepts, location near mass transit, adaptive reuse of existing building or materials, etc.?

Yes: _____ No: _____

If yes, explain:

A large percentage of the former K-Mart building will be reused which can be considered an adaptive reuse of an existing building. Colonial Plaza has been a frequent stop for the City of Bloomington Library bookmobile and the shopping center is located on a Connect Transit bus route.

If applicable, will the building follow the Green Building Code?

Yes: _____ No: _____

If applicable, will the building be LEED certified?

Yes: _____ No: _____

If yes, certification level: NA

Will materials and services necessary to the completion of the project be purchased and/or acquired by local Bloomington-Normal area businesses?

Yes: _____ No: _____

If yes, what percentage: *The exact percentage of locally sourced materials and services for this project is unknown at this time.*

Application completed by: *Michael Markman and Peter Clelland*

Project Role: *Developer*

Contact Information: *215-938-7300*

Date Completed: *June 25, 2015*

**Review of the Proposed Incentive for BT Bloomington, LLC
for Compliance with the City's Economic Development Policies
March 14, 2016**

The proposed incentive for BT Bloomington, LLC is in compliance with the City's Economic Development Strategic Plan and Economic Development Incentive Guidelines, both of which were approved by the City Council on October 22, 2012. Specifically, the Economic Development Strategic Plan is supportive of the proposed incentive in accordance with the following Goals and Objectives:

- **Goal 1. Retail Retention & Recruitment:** Initiate retail retention and recruitment efforts that will expand the commercial tax base in such a way so as to enhance municipal operations and relieve the burden on individual tax payers.
 - ✓ **Objective B:** Exercise efforts to attract and recruit commercial retailers so as to improve upon shopping center occupancy rates and encourage revitalization of older commercial properties.
 - ✓ **Objective D:** Participate in networking opportunities sponsored by organizations like the International Council of Shopping Centers (ICSC) and the McLean County Chamber of Commerce whereby relationships can be forged and productive dialogue can be initiated with retail professionals including leasing agents, brokers, managing companies and business and property owners.

- **Goal 6. Quality of Life:** Enhance the overall quality of life of the citizens of the City of Bloomington in order to promote economic growth.
 - ✓ **Objective C:** Encourage a range of commercial retail and service businesses to meet local resident needs and serve visitors to the City of Bloomington.

- **Goal 7. Prosperous Community:** Ensure that investment in economic development will add economic value and increase employment within the City.
 - ✓ **Objective A:** Increase the commercial and industrial tax base by actively working towards initiatives that positively impact business taxes including, but not limited to, property taxes, sales taxes, food and beverage taxes and hotel/motel taxes.

Additionally, the City's Economic Development Incentive Guidelines are supportive of the proposed incentive in accordance with the following Goals and Objectives:

- **Goal 1. Strategic Use of Incentives:** Economic incentives considered by the City must provide a distinct financial return to the City.
 - ✓ **Objective D:** Economic incentives considered by the City of Bloomington will additionally factor in the economic impact an incentive to a specific applicant has to revitalize a particular area of the City beyond just the applicant's property.

- **Goal 2. Incentive Application Process:** Economic incentives considered by the City must be initiated by the formal application process.
 - ✓ **Objective A:** Requests for economic development assistance must be in the form of a completed Application.

-
- **Goal 3. Incentive Sources and Uses:** Economic incentives considered by the City should be derived from new incremental revenue sources unless the ‘but for’ theory is proven and the City will benefit from a distinct financial return.
 - ✓ **Objective A:** For projects that are requesting sales or property tax rebate incentives, only those City revenues which are directly accrued on an annual basis by the proposed project, will be considered for use to assist in the development or redevelopment activities and costs.
 - ✓ **Objective B:** Incremental revenues are those which annually result from the proposed project in excess of current City revenues being generated from the project site or area.
 - ✓ **Objective C:** Projects that involve relocation of an existing activity from one location to another within the boundaries of Bloomington-Normal should be accompanied by a testimonial whereby the affected business’ operations would not continue ‘but for’ the alternate location.

 - **Goal 4. Incentive Guidelines:** Economic incentives considered by the City of Bloomington must be of an appropriate amount and extend over an appropriate amount of time as related to the proposed project.
 - ✓ **Objective A:** Normally, not more than 20% of the total project cost will be supported by incentive revenues.

 - **Goal 5. Incentive Limitations:** Economic incentives considered by the City of Bloomington will be provided on a project basis.
 - ✓ **Objective A:** For multi-phase projects, or those having multiple buildings, assistance will be provided based on the overall development program and channeled through a single development agreement with the prime developer.

 - **Goal 6. Incentive Terms and Agreements:** Economic incentives considered by the City of Bloomington will be subject to a development agreement inclusive of performance based measurements and appropriate claw back provisions.
 - ✓ **Objective A:** All project assistance from the City will be provided based on a negotiated development project agreement between the City and the developer and is subject to performance based measurements as adopted by the City Council.
 - ✓ **Objective B:** The agreement will contain a cost recovery process whereas in the event that the assisted project fails prior to the completion of the period covered by the incentive, claw back measurements will ensue to ensure recovery of assistance.

 - **Goal 7. State and Federal Regulations:** Economic incentives considered by the City of Bloomington will be subject to conformity with applicable State and Federal provisions.
 - ✓ **Objective B:** Projects proposed within a TIF District shall be subject to the provisions of the Illinois Tax Increment Allocation Redevelopment Act (TIF Act, 65 ILCS 5/11-74, 4-1), as amended.

 - **Goal 8. State and Federal Regulations:** Economic incentives considered by the City of Bloomington will be subject to conformity with applicable State and Federal provisions.
 - ✓ **Objective A:** No assistance will be provided to any project for expenditures incurred prior to the adoption of the ordinances required to implement the project.

COLONIAL PLAZA

NWC VETERANS PARKWAY & ROUTE 9 | BLOOMINGTON, IL

**MAJOR
REDEVELOPMENT
IN PROCESS**



PLANNED SUMMER 2016 OPENING



*All photos are for illustration purposes only

SAMANTHA SCHNELL

T: 630.954.7220

F: 630.954.7306

sschnell@midamericagr.com

DICK SPINELL

T: 630.954.7364

F: 630.954.7306

dspinell@midamericagr.com



MID-AMERICA®
Asset Management, Inc.

COLONIAL PLAZA

PROPERTY FEATURES

Major shopping center redevelopment opportunity underway with planned mid 2016 re-grand opening. Join Dick's Sporting Goods, Ashley Furniture and Five Below

Located in the heart of Bloomington trade area directly across from Eastland Mall and nearby State Farm Corporate headquarters (15,000 employees)

Convenient access via Interstate Route 35, Route 55 and 74, US Route 51 and State Route 9

Proximate to Illinois State University (enrollment of over 20,000 students) and Illinois Wesleyan University (enrollment of 2,100 students)

St Joseph Medical Center is a 149 bed, not-profit medical facility located just north of the shopping center

Bloomington is the county seat of McLean County, which is the largest County in Illinois



*All photos are for illustration purposes only



MID-AMERICA[®]
Asset Management, Inc.

MAJOR REDEVELOPMENT IN PROCESS

+/- 8,000 - 25,000 SF AVAILABLE



Suite	Tenant	SF
A1	Na-Na Thai	3,374
A2	Head 2 Toe Nail Salon	3,000
A3	Fiesta Ranchera	4,994
A4	Available	4,200
A5	Sun Loan	1,525
A6-A7	Available	8,438
A8-A9	Premium Pet	6,531
A10	Available	3,037
A14	Available	4,528
A15-B1	Ashley Furniture	31,573
B2	Available	25,850
B3	DSW	16,337
B4	Cato Fashions	4,500

Suite	Tenant	SF
C1	PetSmart	23,400
D1a	Dick's Sporting Goods	49,957
D1b	HomeGoods	22,200
D1c	Five Below	10,352
D1d	Carter's/OshKosh B'gosh	7,005
E1	Available (Former Restaurant)	4,264
E5	Available	1,056
E6	Available	1,056

Outlot	Tenant	SF
Outlot 01	Firestone	8,696
Outlot 02	Available	4,500
Outlot 03	McDonalds	3,246

Available (Yellow) Lease Out (Orange)

COLONIAL PLAZA

BLOOMINGTON, IL DEMOGRAPHICS

TRADE AREA DEMOGRAPHICS



224,590
Est. Population



87,816
Est. Households



\$115,098
Est. Average Income



195,347
Est. Daytime Population

WITHIN A 5 MILE RADIUS



*All photos are for illustration purposes only

TRADE AREA DEMOGRAPHICS

3 Mile	5 Mile	7 Mile
94,154 Est. Population	131,433 Est. Population	138,974 Est. Population
37,429 Est. Households	52,655 Est. Households	55,471 Est. Households
\$76,550 Est. Average Income	\$75,747 Est. Average Income	\$78,092 Est. Average Income
101,941 Est. Daytime Population	114,942 Est. Daytime Population	118,098 Est. Daytime Population



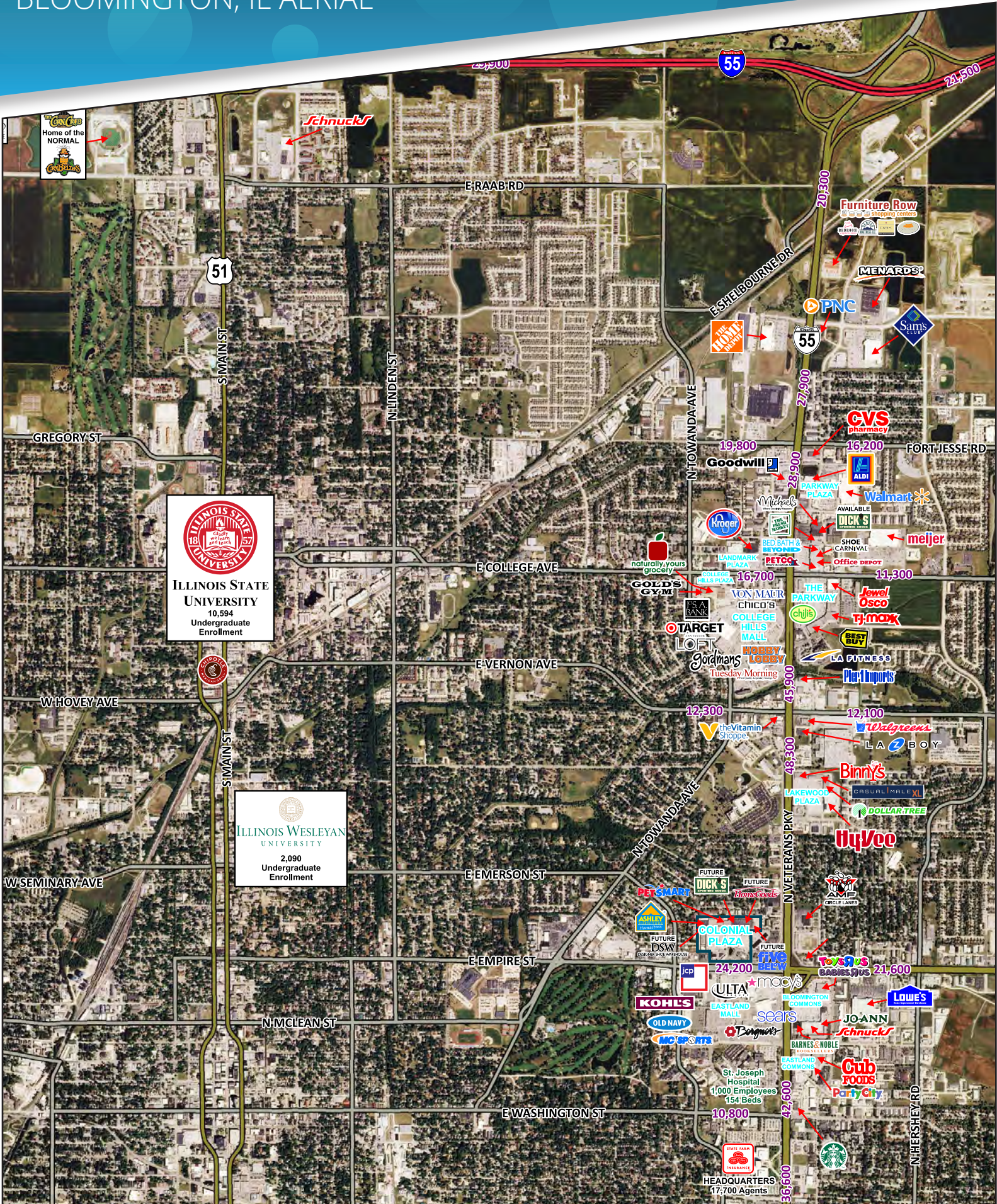
NEW FACADE RENDERING



MID-AMERICA[®]
Asset Management, Inc.

COLONIAL PLAZA

BLOOMINGTON, IL AERIAL

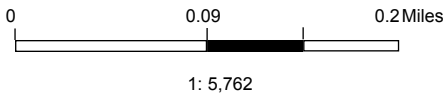


ILLINOIS STATE UNIVERSITY
 10,594 Undergraduate Enrollment

ILLINOIS WESLEYAN UNIVERSITY
 2,090 Undergraduate Enrollment

Streets: I-55, US-51, E RAAB RD, E COLLEGE AVE, E VERNON AVE, E EMERSON ST, E EMPIRE ST, E WASHINGTON ST, N HINDEN ST, N TOWANDA AVE, N VETERANS PKY, N MCLEAN ST, W HOVEY AVE, W SEMINARY AVE, GREGORY ST, FORT JESSE RD, ESHELBOURNE DR, N HERSHEY RD.

Businesses and Landmarks: Schnucks, Furniture Row, MENARDS, PNC, Sams Club, CVS pharmacy, ALDI, Walmart, meijer, Office DEPOT, Kroger, Petco, Bed Bath & Beyond, Dick's Sporting Goods, Target, Von Maur, Chico's, College Hills Mall, Hobby Lobby, TJ Maxx, Jewel Osco, Best Buy, LA Fitness, Pier 1 Imports, Walgreens, LA Z BOY, Binny's, Hy-Vee, Dollar Tree, Kohls, Old Navy, Sears, Jo-Ann, Schnucks, Barnes & Noble, Party City, Cub Foods, Starbucks, St. Joseph Hospital (1,000 Employees, 154 Beds), State Farm Insurance (17,700 Agents), Goodwill, Michaels, Bed Bath & Beyond, Office Depot, Von Maur, Chico's, College Hills Mall, Hobby Lobby, TJ Maxx, Jewel Osco, Best Buy, LA Fitness, Pier 1 Imports, Walgreens, LA Z BOY, Binny's, Hy-Vee, Dollar Tree, Kohls, Old Navy, Sears, Jo-Ann, Schnucks, Barnes & Noble, Party City, Cub Foods, Starbucks, St. Joseph Hospital (1,000 Employees, 154 Beds), State Farm Insurance (17,700 Agents).



By using any McGIS products or services, you indicate your acceptance of the Licensing Agreement: <http://www.McGIS.org/License>

Notes



BT Bloomington, LLC

**Consideration of an Ordinance authorizing a
Redevelopment Agreement between the
City of Bloomington and BT Bloomington, LLC
for the proposed redevelopment of the
Colonial Plaza Shopping Center.**

City of Bloomington Office of Economic Development

March 14, 2016

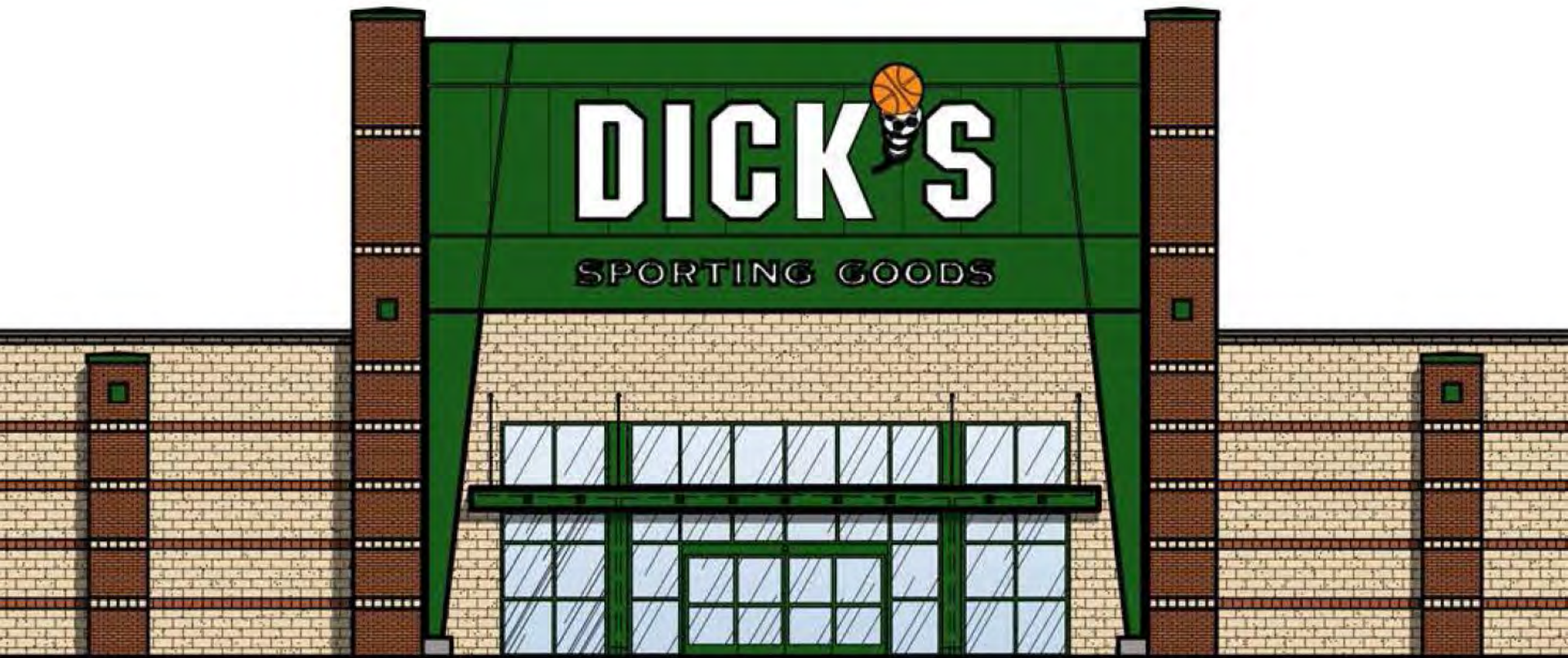


1 | OVERALL FRONT (SOUTH) ELEVATION
1/8" = 1'-0"

ELEVATIONS
HERSCHMAN ARCHITECTS

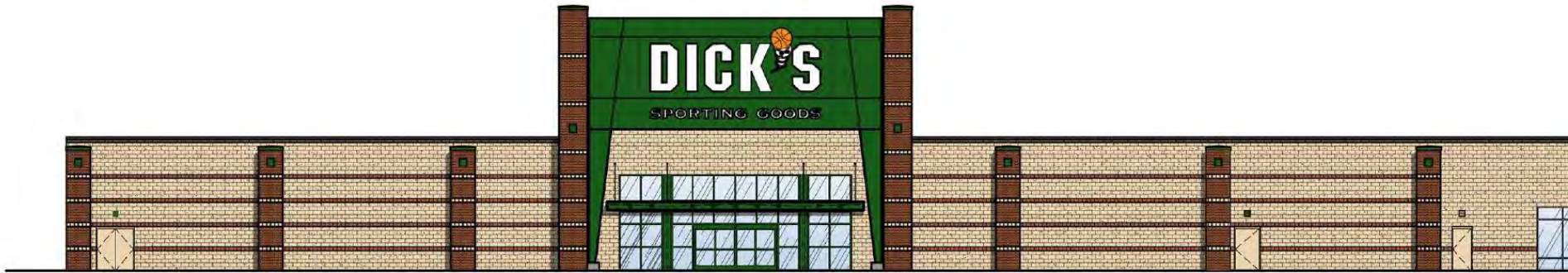
02.19.16





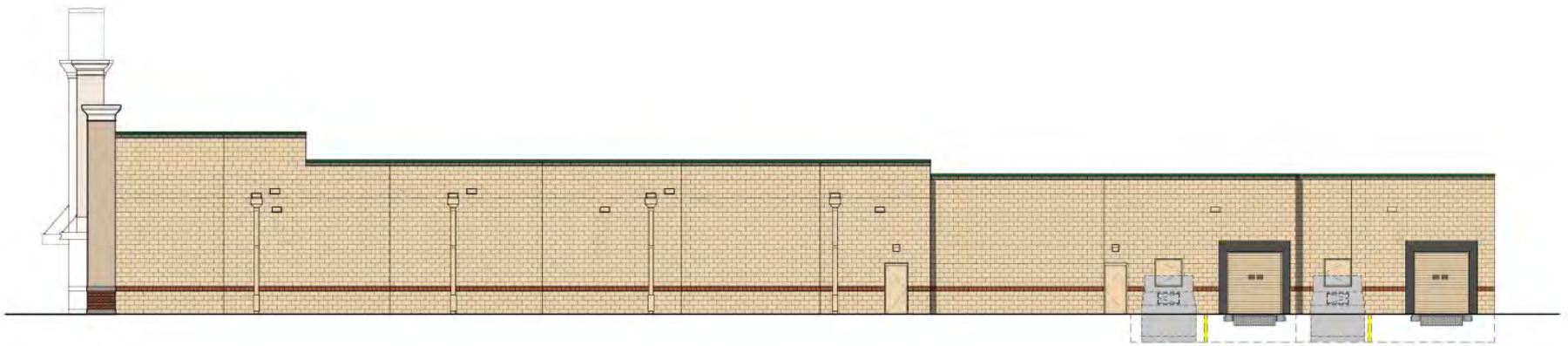
ELEVATIONS
HERSCHMAN ARCHITECTS
02.19.16





1 | OVERALL FRONT (SOUTH) ELEVATION
1/16" = 1'-0"

ELEVATIONS
HERSCHMAN ARCHITECTS
 02.19.16 

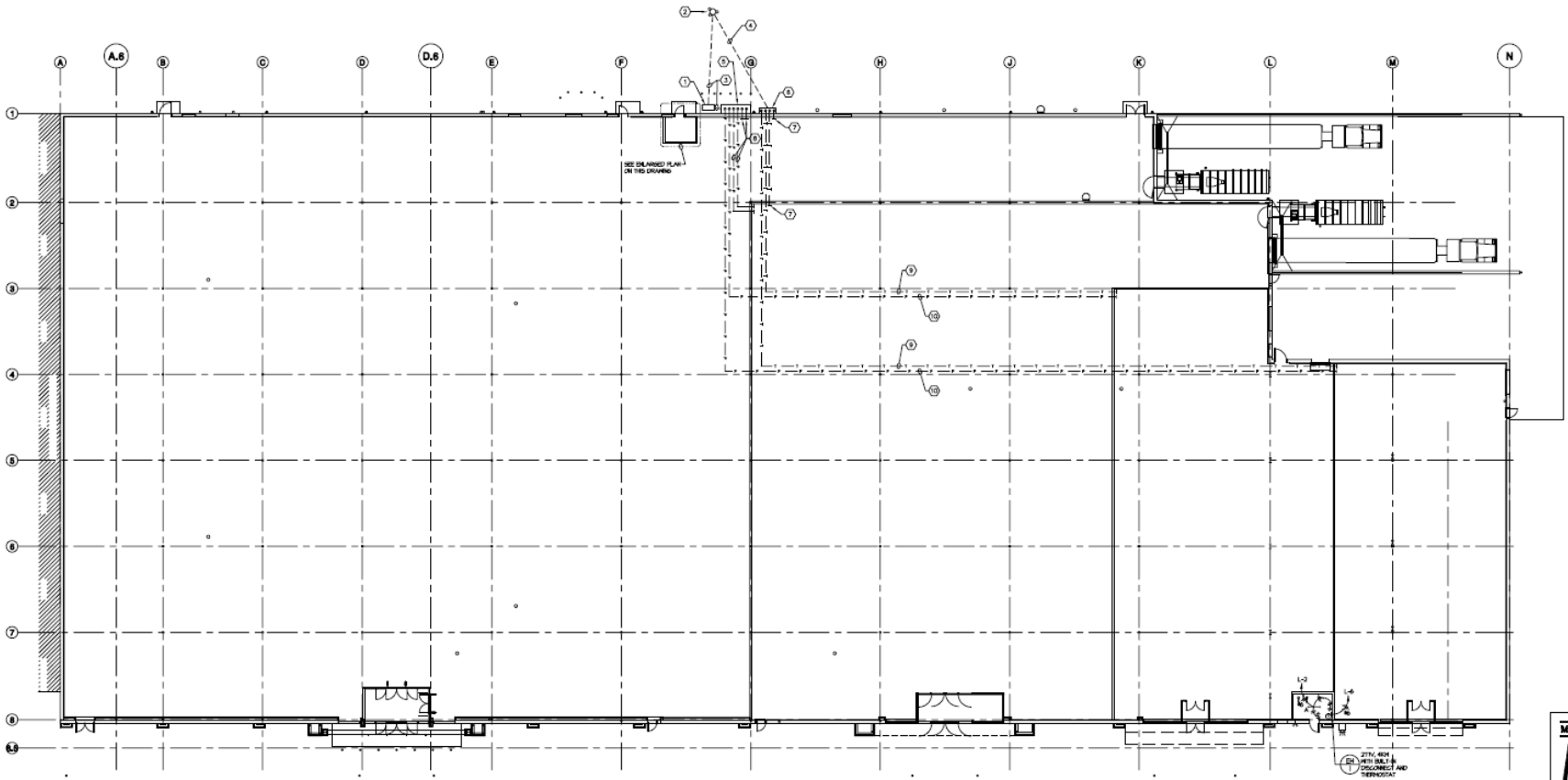


1 | SIDE (EAST) ELEVATION
1/8" = 1'-0"

ELEVATIONS
HERSCHMAN ARCHITECTS

02.19.16



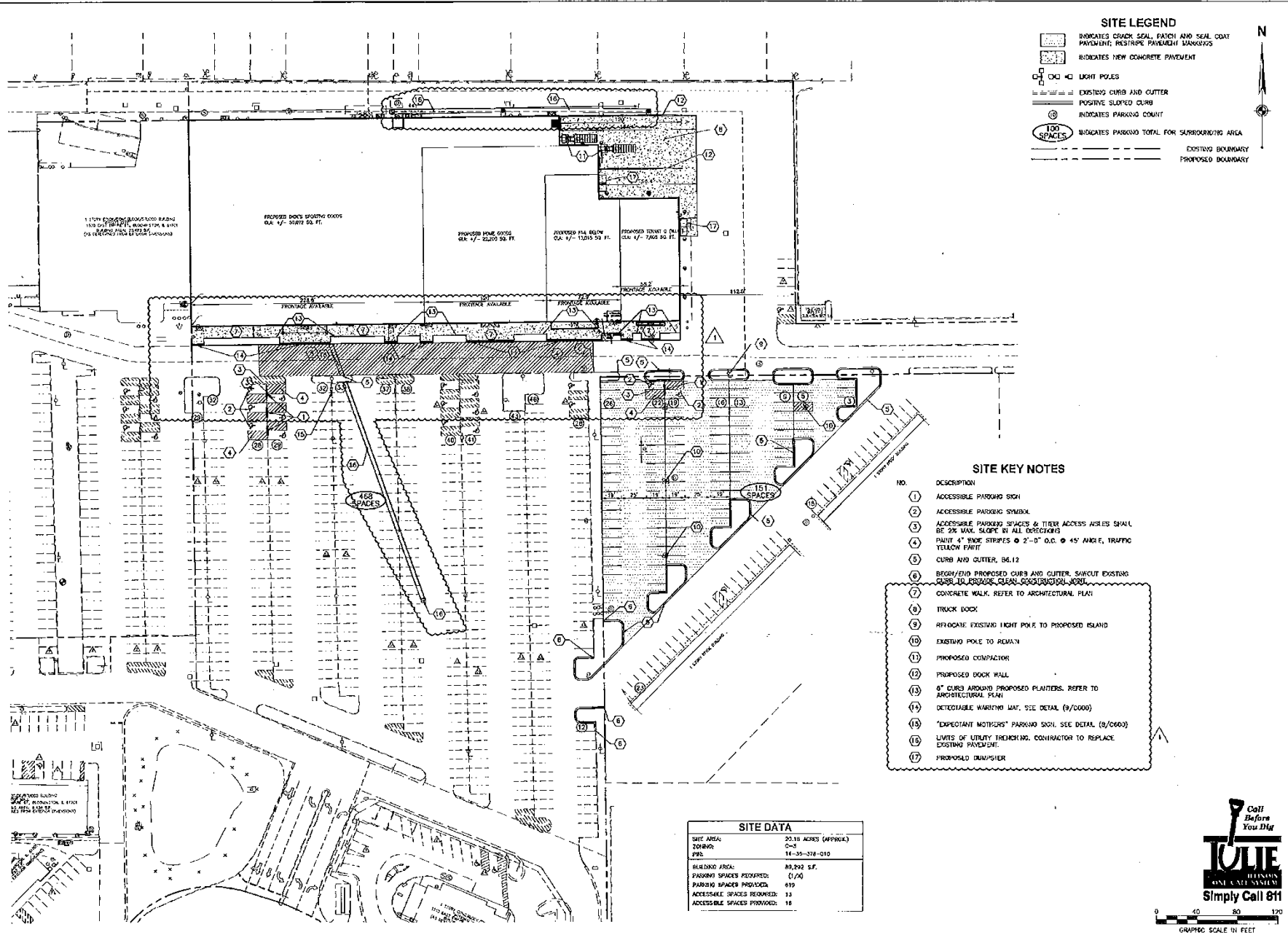


ELECTRICAL
UTILITY PLAN
VP - 74"



CONTRACTOR MUST VERIFY
ALL CLEARANCES AND
OVERLAPPING IN FIELD

McHenry & Associates Incorporated
MC&A
 Consulting Engineers est. 1980
 25001 Emery Road, Suite #200
 Warrenville Heights, Ohio 44128
 Phone: 216-292-4698
 Fax: 216-292-5874
 Email: m&a@mcHenryassociates.com
 Ohio Registration No.: 194-001874



SITE LEGEND

- INDICATES CRACK SEAL, PATCH AND SEAL COAT
- INDICATES PAVEMENT RESTRIPE
- INDICATES NEW CONCRETE PAVEMENT
- LIGHT POLES
- EXISTING CURB AND GUTTER
- POSITIVE SLOPED CURB
- INDICATES PARKING COUNT
- 100 SPACES
- EXISTING BOUNDARY
- PROPOSED BOUNDARY

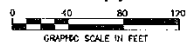


SITE KEY NOTES

- NO. DESCRIPTION
- 1 ACCESSIBLE PARKING SIGN
 - 2 ACCESSIBLE PARKING SYMBOL
 - 3 ACCESSIBLE PARKING SPACES & THEIR ACCESS AISLES SHALL BE 2% MAX. SLOPE IN ALL DIRECTIONS
 - 4 PAINT 4" PAVE STRIPES @ 2'-0" O.C. @ 45° ANGLE, TRAFFIC YELLOW PAINT
 - 5 CURB AND GUTTER, S6.12
 - 6 BEGIN/END PROPOSED CURB AND GUTTER, SAWCUT EXISTING CURB, IN/OUTSIDE, CLEAR JOBS/CRACK JOINT
 - 7 CONCRETE WALK, REFER TO ARCHITECTURAL PLAN
 - 8 TRUCK DOCK
 - 9 RELOCATE EXISTING LIGHT POLE TO PROPOSED ISLAND
 - 10 EXISTING POLE TO REMOVE
 - 11 PROPOSED COMPACTOR
 - 12 PROPOSED DOCK WALL
 - 13 8" CURE AROUND PROPOSED PLANTERS, REFER TO ARCHITECTURAL PLAN
 - 14 DETECTABLE WARNING MAT, SEE DETAIL (9/0000)
 - 15 "IMPORTANT MOTHERS" PARKING SOIL SEE DETAIL (9/0003)
 - 16 LIMITS OF UTILITY TRENCHING, CONTRACTOR TO REPLACE EXISTING PAVEMENT
 - 17 PROPOSED DUMPSTER

SITE DATA

SITE AREA:	20.18 ACRES (APPROX.)
ZONING:	C-2
PRJ:	14-35-278-010
BUILDING AREA:	89,292 S.F.
PAVEMENT SPACES REQUIRED:	1,770
PARKING SPACES PROVIDED:	119
ACCESSIBLE SPACES REQUIRED:	13
ACCESSIBLE SPACES PROVIDED:	18



REVISION	
NO.	DATE
1	08/11/15
2	08/11/15
3	08/11/15
4	08/11/15
5	08/11/15
6	08/11/15
7	08/11/15
8	08/11/15
9	08/11/15
10	08/11/15
11	08/11/15
12	08/11/15
13	08/11/15
14	08/11/15
15	08/11/15
16	08/11/15
17	08/11/15
18	08/11/15
19	08/11/15
20	08/11/15
21	08/11/15
22	08/11/15
23	08/11/15
24	08/11/15
25	08/11/15
26	08/11/15
27	08/11/15
28	08/11/15
29	08/11/15
30	08/11/15
31	08/11/15
32	08/11/15
33	08/11/15
34	08/11/15
35	08/11/15
36	08/11/15
37	08/11/15
38	08/11/15
39	08/11/15
40	08/11/15
41	08/11/15
42	08/11/15
43	08/11/15
44	08/11/15
45	08/11/15
46	08/11/15
47	08/11/15
48	08/11/15
49	08/11/15
50	08/11/15
51	08/11/15
52	08/11/15
53	08/11/15
54	08/11/15
55	08/11/15
56	08/11/15
57	08/11/15
58	08/11/15
59	08/11/15
60	08/11/15
61	08/11/15
62	08/11/15
63	08/11/15
64	08/11/15
65	08/11/15
66	08/11/15
67	08/11/15
68	08/11/15
69	08/11/15
70	08/11/15
71	08/11/15
72	08/11/15
73	08/11/15
74	08/11/15
75	08/11/15
76	08/11/15
77	08/11/15
78	08/11/15
79	08/11/15
80	08/11/15
81	08/11/15
82	08/11/15
83	08/11/15
84	08/11/15
85	08/11/15
86	08/11/15
87	08/11/15
88	08/11/15
89	08/11/15
90	08/11/15
91	08/11/15
92	08/11/15
93	08/11/15
94	08/11/15
95	08/11/15
96	08/11/15
97	08/11/15
98	08/11/15
99	08/11/15
100	08/11/15
101	08/11/15
102	08/11/15
103	08/11/15
104	08/11/15
105	08/11/15
106	08/11/15
107	08/11/15
108	08/11/15
109	08/11/15
110	08/11/15
111	08/11/15
112	08/11/15
113	08/11/15
114	08/11/15
115	08/11/15
116	08/11/15
117	08/11/15
118	08/11/15
119	08/11/15
120	08/11/15
121	08/11/15
122	08/11/15
123	08/11/15
124	08/11/15
125	08/11/15
126	08/11/15
127	08/11/15
128	08/11/15
129	08/11/15
130	08/11/15
131	08/11/15
132	08/11/15
133	08/11/15
134	08/11/15
135	08/11/15
136	08/11/15
137	08/11/15
138	08/11/15
139	08/11/15
140	08/11/15
141	08/11/15
142	08/11/15
143	08/11/15
144	08/11/15
145	08/11/15
146	08/11/15
147	08/11/15
148	08/11/15
149	08/11/15
150	08/11/15
151	08/11/15
152	08/11/15
153	08/11/15
154	08/11/15
155	08/11/15
156	08/11/15
157	08/11/15
158	08/11/15
159	08/11/15
160	08/11/15
161	08/11/15
162	08/11/15
163	08/11/15
164	08/11/15
165	08/11/15
166	08/11/15
167	08/11/15
168	08/11/15
169	08/11/15
170	08/11/15
171	08/11/15
172	08/11/15
173	08/11/15
174	08/11/15
175	08/11/15
176	08/11/15
177	08/11/15
178	08/11/15
179	08/11/15
180	08/11/15
181	08/11/15
182	08/11/15
183	08/11/15
184	08/11/15
185	08/11/15
186	08/11/15
187	08/11/15
188	08/11/15
189	08/11/15
190	08/11/15
191	08/11/15
192	08/11/15
193	08/11/15
194	08/11/15
195	08/11/15
196	08/11/15
197	08/11/15
198	08/11/15
199	08/11/15
200	08/11/15

1615 South Mayers Road
 Chicago, Illinois, IL 60611
 312.462.4880
 FAX: 312.462.7731



COLONIAL PLAZA REDEVELOPMENT
BET INVESTMENTS, INC.
 1509 EAST EMPIRE STREET
 BLOOMINGTON ILLINOIS

SHEET NO. **C200**



CITY OF BLOOMINGTON

2016-18

**An Ordinance Approving A Redevelopment Agreement
By and between
The City of Bloomington, McLean County, Illinois
And
BT Bloomington, LLC (*Colonial Plaza*)**

**Adopted by the City Council
Of the City of Bloomington
on March 14, 2016**

Published in pamphlet form by authority of the City Council of the
City of Bloomington, McLean County, Illinois, on March 14, 2016.

STATE OF ILLINOIS)
) ss.
COUNTY OF MCLEAN)

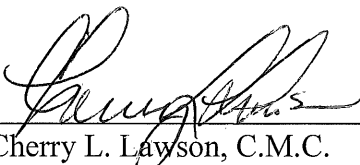
CERTIFICATE

I, Cherry L. Lawson, certify that I am the duly appointed and qualified municipal clerk of the City of Bloomington, County of McLean, Illinois.

I further certify that on the Corporate Authorities of the above municipality passed and approved Ordinance No. 2016-18, entitled, An Ordinance Approving A Redevelopment Agreement by and between The City of Bloomington, McLean County, Illinois and BT Bloomington, LLC, which provided by its terms that it should be published in pamphlet form.

The pamphlet form of this Ordinance, including the Ordinance and cover sheet thereof, was prepared, and a copy of the Ordinance was posted in the municipal building, commencing on March 14, 2016 and continuing for at least ten days thereafter. Copies of the Ordinance were also available for public inspection upon request in the office of the municipal clerk.

Dated at Bloomington, Illinois, on 03/15/2016



Cherry L. Lawson, C.M.C.
City Clerk

Ordinance No. 18

ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT
by and between
THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS
and
BT BLOOMINGTON, LLC
(Colonial Plaza)

WHEREAS, the City of Bloomington, McLean County, Illinois, is a duly organized and validly existing home-rule municipality pursuant to Article VII, Section 6a) of the 1970 Constitution of the State of Illinois and as such, may exercise any power and perform any function pertaining to its government and affairs; and,

WHEREAS, the Mayor and City Council of the City (the “*Corporate Authorities*”) have acknowledged that one of the primary goals of local government is to promote the health, safety and welfare of its citizens by encouraging private investment in industry, business and housing in order to enhance the City’s tax base, ameliorate blight and provide job opportunities for its residents; and,

WHEREAS, the Corporate Authorities have also acknowledged that in order to accomplish its goal to promote the health, safety and welfare of its citizens, there is often a need for economic assistance to address some of the extraordinary measures required to accomplish private investment in industry, business and housing; and,

WHEREAS, the City has identified certain commercial areas within its municipal boundaries where the existence of certain factors, such as excessive vacancies, deteriorating buildings, and deteriorating site improvements, if not addressed, shall result in a disproportionate expenditure of public funds, decline of the City’s tax base and loss of job opportunity for its residents; and,

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the “*TIF Act*”) and the City’s authority and powers as a home rule unit, the Corporate Authorities are empowered to undertake the development and redevelopment of designated areas within its municipal limits in which existing conditions permit such areas to be classified as a “conservation area” as defined in Section 11.74.4-3(a) of the TIF Act; and,

WHEREAS, on August 24, 2015, the Corporate Authorities authorized Peckham Guyton Alberts & Viets (“*PGAV*”) to conduct a feasibility study within the corporate boundaries of the City (the “*Feasibility Study*”) in order to determine the eligibility of a specific area for designation as a “redevelopment project area” (the “*Project Area*”) pursuant to the provisions of the TIF Act; and,

WHEREAS, BT Bloomington, LLC, an Illinois limited liability company (the “*Developer*”) is the owner of property commonly known as the Colonial Plaza (the “*Subject Property*”) and is prepared to redevelop and invest approximately \$10,000,000 in the Subject Property in order to reduce existing vacancies and attract new retail businesses which do not currently operate in the City, however, the Developer has informed the City that its ability to proceed with the redevelopment shall require financial assistance from the City; and,

WHEREAS, in order to induce the Developer to proceed with the needed improvements to the Subject Property, the City is prepared to make certain commitments to the Developer upon satisfaction of certain commitments from the Developer, and to reimburse the Developer for certain costs incurred in connection with redevelopment of the Subject Property from revenues available to the City upon the designation of a “Redevelopment Project Area” pursuant to the

TIF Act, all as hereinafter set forth in the Redevelopment Agreement attached hereto and made a part hereof.

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

Section 1. The foregoing preambles are hereby incorporated herein as if fully restated.

Section 2. That the Redevelopment Agreement by and between the City of Bloomington, McLean County, Illinois and BT Bloomington, LLC (Colonial Plaza) is hereby approved and the Mayor and City Clerk are hereby authorized to execute said Redevelopment Agreement and to undertake any and all actions as may be required to implement its terms.

Section 3. That this Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

YEAS: 8

NAYS: 1 (Alderman Kevin Lower

ABSENT: 0

Passed this 14th day of March, 2016.

APPROVED:



Mayor

Attest


City Clerk

REDEVELOPMENT AGREEMENT
by and between
THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS
and
BT BLOOMINGTON, LLC
(Colonial Plaza)

THIS REDEVELOPMENT AGREEMENT is entered into this 14th day of March 2016, by and between the City of Bloomington, McLean County, Illinois, an Illinois municipal corporation (the “*City*”), and BT Bloomington, LLC, an Illinois limited liability company (the “*Developer*”).

PREAMBLES

WHEREAS, the City is a duly organized and validly existing home-rule municipality pursuant to Article VII, Section 6a) of the 1970 Constitution of the State of Illinois and as such, may exercise any power and perform any function pertaining to its government and affairs; and,

WHEREAS, the Mayor and City Council (the “*Corporate Authorities*”) have acknowledged that one of the primary goals of local government is to promote the health, safety and welfare of its citizens by encouraging private investment in industry, business and housing in order to enhance the City’s tax base, ameliorate blight and provide job opportunities for its residents; and,

WHEREAS, the Corporate Authorities have also acknowledged that in order to accomplish its goal to promote the health, safety and welfare of its citizens, there is often a need for economic assistance to address some of the extraordinary measures required to accomplish private investment in industry, business and housing; and,

WHEREAS, the City has identified certain commercial areas within its municipal boundaries where the existence of certain factors, such as excessive vacancies, deteriorating

buildings, and deteriorating site improvements, which factors, if not addressed, shall result in a disproportionate expenditure of public funds, decline of the City's tax base and loss of job opportunity for its residents; and,

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the "*TIF Act*") and the City's authority and powers as a home rule unit, the Mayor and City Council of the City (the "*Corporate Authorities*") are empowered to undertake the development and redevelopment of designated areas within its municipal limits in which existing conditions permit such areas to be classified as a "conservation area" as defined in Section 11.74.4-3(a) of the TIF Act; and,

WHEREAS, on August 24, 2015, the Corporate Authorities authorized Peckham Guyton Alberts & Viets ("*PGAV*") to conduct a feasibility study within the corporate boundaries of the City (the "*Feasibility Study*") in order to determine the eligibility of a specific area for designation as a "redevelopment project area" (the "*Project Area*") pursuant to the provisions of the TIF Act; and,

WHEREAS, the proposed Project Area includes real estate owned by the Developer and commonly known as Colonial Plaza, 1500 East Empire Street in the City (the "*Subject Property*") legally described on *Exhibit A*; and,

WHEREAS, as a result of the Feasibility Study, PGAV has determined that the proposed Project Area, including the Subject Property, qualifies as a "conservation area" under the TIF Act and, therefore, as directed by the Corporate Authorities has proceeded with the preparation of a redevelopment plan to set the goals and objectives of the City and all other matters required by the TIF Act to address and eliminate the blighting factors which qualified the proposed Project Area as a conservation area; and,

WHEREAS, the Developer, as the owner of the Subject Property, has advised the City that it is prepared to redevelop and renovate the Subject Property, as hereinafter described, at a cost of approximately \$10,000,000 thereby reducing existing vacancies and attracting new retail businesses which do not currently operate in the City ("*Tenants New to the City*"), however, the Developer has also informed the City that its ability to proceed with the needed improvements to the Subject Property shall require financial assistance from the City for certain costs to be incurred for such improvements; and,

WHEREAS, the Developer is prepared to make commitments to the City regarding the renovation and redevelopment of the Subject Property and the re-tenanting thereof with Tenants New to the City as hereinafter set forth; and,

WHEREAS, in order to induce the Developer to proceed with the needed improvements to the Subject Property, the City is prepared to make certain commitments to the Developer, upon satisfaction of the commitments of the Developer, and to reimburse the Developer for certain costs incurred in connection with required improvements to the Subject Property from revenues available to the City upon the adoption of the TIF Act as applicable to the Subject Property as well as a portion of incremental sales taxes to be generated by Tenants New to the City, all as hereinafter set forth; and,

WHEREAS, given the current condition of the Subject Property, the Corporate Authorities believe that its renovation and redevelopment is in the best interest of the City and the health, welfare and prosperity of its residents.

NOW, THEREFORE, the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

Section 1. Incorporation of Recitals.

All of the recitals contained in the Preambles to this Agreement are hereby incorporated into this Agreement as if restated in this Section.

Section 2. Obligations of the Developer.

A. On or before April 30, 2016, the Developer shall have submitted to the City a memorandum of an executed lease with Dick's Sporting Goods ("*DSG*") for approximately 50,000 square feet of the Subject Property ("*DSG's Store*") for a term not less than ten (10) years.

B. On or before June 30, 2016, the Developer shall have commenced construction of all improvements mandated by the lease by and between the Developer and DSG at the Subject Property and have completed such improvements in accordance with all applicable City Codes and laws of the State of Illinois and have been issued a certificate of occupancy by the City on or before December 31, 2016, for DSG's Store.

C. The Developer hereby covenants that, in addition to the improvements to DSG's Store, it shall undertake improvements to all other retail spaces at the Subject Property and improve the existing signage in order to attract Tenants New to the City, all of which (including DSG's Store) shall require an investment in the Subject Property of approximately \$10,000,000 (the "*Project*").

The Developer shall use its best efforts to enter into leases with Tenants New to the City to operate at the Subject Property in order to achieve annual sales of DSG and Tenants New to the City of not less than \$20,000,000 (the "*Minimum Gross Annual Sales Requirement*") and to maintain the Minimum Gross Annual Sales Requirement throughout the term of this Agreement.

D. The Developer covenants and agrees to maintain the Subject Property in accordance with all applicable City Codes and laws of the State of Illinois and to pay, or timely appeal, when due, all fees, taxes, fines, or other amounts due to the City pursuant to its ordinances and City Code or due to the County or the State of Illinois.

E. Upon execution of this Agreement, the Developer agrees to submit to the City an estimated budget for the Project and, upon completion of the Project and issuance of certificates of occupancy for no less than 60,000 square feet at the Subject Property, to submit to the City an itemized list of all costs incurred in connection with the Project (the “*Project Costs*”) to substantiate that Project Costs total approximately \$10,000,000.

F. The Developer covenants and agrees to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.* (the “*Prevailing Wage Act*”), as may be required.

Section 3. City’s Obligations.

A. The City hereby covenants and agrees to undertake all procedures as required by the TIF Act to designate the Subject Property as a “redevelopment project area” pursuant to the TIF Act.

B. Upon satisfaction of all of the commitments of the Developer as hereinabove set forth and for so long as the Developer achieves the Minimum Gross Annual Sales Requirement (subject to the right of a cure period as set forth in Section 4 hereof), the City hereby agrees to reimburse the Developer for Redevelopment Project Costs as defined in the TIF Act in an amount equal to the lesser of: (i) 36.52% of the total Project Costs; or (ii) \$4,000,000 in Redevelopment Project Costs as defined in the TIF Act (the “*Reimbursable Project Costs*”) from the following sources:

- (i) A total amount equal to the lesser of 20% of the Reimbursable Project Costs or \$2,190,008 from 33 1/3% of the 1% Retailers' Occupation Tax and 33 1/3% of the City's 2.5% Home Rule Sales Tax, effectively 1.16655% (the "City's Sales Taxes") for a period of ten (10) years, commencing March 1, 2018 from the sales for the prior calendar year 2017 by DSG and the Tenants New to the City and on March 1 thereafter with the last payment being due March 1, 2027.
- (ii) The Developer shall also receive 75% of the Incremental Taxes generated by the Subject Property, as hereinafter defined, as a result of adopting the TIF Act 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 Reimbursable Project Costs.

For purposes of this Agreement "Incremental Taxes" shall mean the amount of ad valorem taxes, if any, paid in respect of the Subject Property and its improvements which is attributable to the increase in the equalized assessed value of the Subject Property and its improvements over the initial equalized value of the Subject Property.

C. If for any reason the City fails to designate the Subject Property as a Redevelopment Project Area under the TIF Act, the total of the Reimbursable 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.

D. The City further agrees upon completion of the Project and having achieved the Minimum Gross Annual Sales Requirement on or before December 31, 2017, the City shall issue a Note in the form attached hereto as *Exhibit B* and made a part hereof for a term not to exceed (i) the earlier of the estimated date of completion of the redevelopment plan prepared on behalf of the City by PGAV; (ii) or twenty (20) years, in the amount of the Reimbursable Project Costs due hereunder payable annually solely from the sources as stated in (b) above with interest at the rate of three and one half percent (3 1/2%) with the first payment due March 1, 2018, provided

that no notice of default pursuant to Section 7 hereof has been issued and remains outstanding. Annual payments shall be first applied to outstanding accrued interest and thereafter to principal.

So long as no notice of an event default has been issued and is outstanding, payments on the Note shall be made to the Developer solely from the sources provided in Section 3(B) above commencing March 1, 2018.

Section 4. Cure Period.

Notwithstanding the foregoing, in the event the Minimum Gross Annual Sales Requirement is not met in any calendar year during the term of this Agreement, the Developer shall be entitled to a one-year "cure period" (but only one "cure period" during the term of this Agreement) which shall not be deemed a default pursuant to Section 7 hereunder for the one-year the Minimum Annual Sales Requirement is not met.

Section 5. Pledged Funds.

(a) Upon adoption of the TIF Act, the City shall establish a special tax allocation fund for the Project Area, as required by the TIF Act (the "STAF") into which the City shall deposit Incremental Taxes as received from the Project Area as a result of the adoption of the TIF Act.

(b) On December 1 of each year [or, if later, that date which is ten (10) days following the date upon which the City receives Incremental Taxes from the final installment of real estate taxes], seventy-five percent (75%) of the Incremental Taxes with respect to the Subject Property shall be transferred and deposited into the Colonial Plaza Subaccount of the STAF (which Subaccount shall be automatically created by the ordinance approving this Agreement) and used solely to reimburse the Developer for approved Reimbursable Project Costs in accordance with this Agreement.

(c) On March 1 of each year during the term of this Agreement, the City shall deposit the City's Sales Taxes into the Colonial Plaza Sub-Account to use to reimburse the Developer for Reimbursable Project Costs in accordance with the terms, conditions and limitations of this Agreement.

(d) The deposits into the Colonial Plaza Sub-Account as hereinabove directed, shall be collectively hereinafter referred to as "Pledged Funds".

Section 6. Procedures for and Application of Reimbursement to the Developer.

(a) The Developer shall advance all funds and all costs necessary to construct and complete the Project.

(b) So long as no notice of default has been issued and the default has not been cured and the Minimum Annual Sales Tax Requirement has been met for the prior calendar year, and the Developer shall have submitted to the City Manager a written statement in the form attached to this Agreement as Exhibit C (a "*Request for Reimbursement*") setting forth the amount of payment and the specific Reimbursable Project Costs for which reimbursement is sought, accompanied by such bills, paid receipts, contracts, invoices, lien waivers or other evidence as the City Manager shall reasonably require to evidence the right of the Developer to reimbursement in an amount no to exceed the Reimbursable Project Costs. All receipts shall contain the date of service, type of service, location of service, amount due, name/address/telephone number of the service provider and other information as necessary to establish the identity of the provider, type of service and amount invoice/paid. The City Manager or his designated agent shall have twenty (20) days after receipt of any Request for Reimbursement from the Developer to approve or disapprove any of the expenditures for which reimbursement is sought. If said Request for Reimbursement is not approved, the City Manager

shall provide to the Developer a written explanation setting forth the reason or reasons for the denial. Provided, however, the only reasons for disapproval of any expenditure for which reimbursement is sought shall be that (i) such expenditure is not a Redevelopment Project Cost under the TIF Act; (ii) such expenditure is not an expenditure included in the itemized list of Redevelopment Project Costs submitted by the Developer pursuant to Section 2(E) hereof; (iii) such expenditure was not incurred and the construction was not completed by the Developer in accordance with the Legal Requirements (as hereinafter defined) and the provisions of this Agreement, including without limitation all permits issued by the City; or (iv) there is an outstanding notice of default for failure to comply with the Legal Requirements and/or the provisions of this Agreement.

(c) For purposes of this Agreement, Legal Requirements shall mean all applicable ordinances, regulations and laws of the City, State and Federal government, all permits, licenses and the terms of this Agreement.

Section 7. Remedies – Liability.

(a) If, in the City's judgment, the Developer is in material default of this Agreement, the City shall provide the Developer with a written statement indicating in adequate detail any failure on the Developer's part to fulfill its obligations under this Agreement. Except as required to protect against further damages, the City may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. A default not cured as provided above shall constitute a breach of this Agreement, unless the City grants the Developer additional time to accomplish the cure. Any failure or delay by the City in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a

waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

(b) If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the City and any cure periods described in paragraph (a) above have expired, the City may elect to suspend payment on the Note or exercise any right or remedy it may have at law or in equity, including the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the City may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by the City, to forthwith terminate this Agreement.

(c) If, in the Developer's judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice. A default not cured shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any of its rights or remedies as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

(d) In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance; provided, however, no recourse under or upon any obligation contained herein or for any claim based thereon shall be had against the City, its officers, agents, attorneys, representatives or employees in any amount or in excess of any specific sum agreed to be paid by the City hereunder, and no liability, right or claim at law or in equity shall be attached to or incurred by the City, its officers, agents, attorneys, representatives or employees in any amount in excess of any specific sums agreed by the City to be paid hereunder and any such claim is hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement by the City. Notwithstanding the foregoing, in the event either party shall institute legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

Section 8. Term.

Unless earlier terminated pursuant to Section 7, the term of this Agreement shall commence on the date of execution and end upon the earlier of payment in full of interest and principal on the Note, or (ii) March 1, 2037.

Section 9. Verification of Tax Increment, Verification of City Sales Taxes.

The Developer shall use its best efforts to cooperate with the City in obtaining copies of all real estate tax bills for the Subject Property bills payable in 2016, and paid in each subsequent year during the term of this Agreement for the Subject Property.

The Developer shall use its best efforts to obtain copies of the returns to the Illinois Department of Revenue by the Tenants New to the City operating at the Subject Property to ascertain the amount of the City's Sales Taxes remitted to the State of Illinois. In the event verifiable information on the City's Sales Taxes remitted by the Tenants New to the City operating at the Subject Property is not available to the City, payments due to the Developer may be delayed until such time as the information is available to the City. A delay in payment to the Developer as a result of lack of information to calculate the amounts of the City's Sales Taxes due and hereunder, shall not be deemed a default by the City of its obligations under this Agreement.

Section 10. Time; Force Majeure.

Time is of the essence of this Agreement, provided, however, a party shall not be deemed in material breach of this Agreement with respect to any obligations of this Agreement on such party's part to be performed if such party fails to timely perform the same and such failure is due in whole or in part to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnations, riots, insurrections, war, fuel shortages, accidents, casualties, floods, earthquakes, fires, acts of God, epidemics, quarantine restrictions, freight embargoes, acts caused directly or indirectly by the other party (or the other party's agents, employees or invitees) or similar causes beyond the reasonable control of such party ("*Force Majeure*"). If one of the foregoing events shall occur or either party shall claim that such an event shall have occurred, the party to whom such claim is made shall investigate same and consult with the party making such claim regarding the same and the party to whom such claim is made shall grant any extension for the performance of the unsatisfied obligation equal to

the period of the delay, which period shall commence to run from the time of the commencement of the Force Majeure; provided that the failure of performance was caused by such Force Majeure.

Section 11. Assignment.

This Agreement or the Note may not be assigned by the Developer without the prior written consent of the City, which consent shall not be unreasonably withheld.

Section 12. Developer's Indemnification.

The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman; from any default or breach of the terms of this Agreement by the Developer; or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer). The Developer shall, at its own cost and expense, appear, defend and pay all charges of attorneys, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at its own expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

Section 13. Waiver.

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

Section 14. Severability.

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

Section 15. Notices.

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To the Developer : BT Bloomington, LLC
c/o BET Investments, Inc.
200 Witmer Road
Suite 200
Horsham, Pennsylvania 19044
Attention: Gregory F. Gambel, Jr., General Counsel

With a copy to: Richard Klawiter
DLA Piper LLP
203 North LaSalle Street
Suite 1900
Chicago, Illinois 60601

To the City : City Manager
City of Bloomington
109 East Olive Street
Bloomington, Illinois 61702

With a copy to : Kathleen Field Orr
Kathleen Field Orr & Associates
53 West Jackson Blvd., Suite 964
Chicago, Illinois 60604

Corporation Counsel
City of Bloomington
109 East Olive Street
Bloomington, Illinois 61702

Section 16. Successors in Interest.

This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

Section 17. No Joint Venture, Agency or Partnership Created.

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

Section 18. No Discrimination – Construction.

The Developer for itself and its successors and assigns agree that in the construction of the improvements on the Subject Property provided for in this Agreement the Developer shall

not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.

Section 19. Amendment.

This Agreement, and any exhibits attached to this Agreement, may be amended only in a writing signed by all the parties with the adoption of any ordinance or resolution of the City approving said amendment, as provided by law, and by execution of said amendment by the parties or their successors in interest. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof.

Section 20. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Bloomington, Illinois.

City of Bloomington, McLean County, an Illinois municipal corporation

By: Tami Renee
Mayor

Attest:

[Signature]
City Clerk

BT Bloomington, LLC, an Illinois limited liability company

By: [Signature]
~~President~~ Manager

Attest: WITNESS

[Signature]
~~Secretary~~

Exhibit A

Legal Description of Subject Property

Lot 1 in Colonial Plaza Subdivision to the City of Bloomington, according to the plat thereof recorded August 8, 1994, as Document No. 94-21218, in McLean County, Illinois.

METES AND BOUNDS LEGAL DESCRIPTION OF SAID LOT 1

A part of the Southwest Quarter of Section 35, Township 24 North, Range 2 East of the Third Principal Meridian, McLean County, Illinois, more particularly described as follows: Beginning at a point which is the Southwest Corner of a tract of land conveyed to Martin Oil Service, Inc., an Illinois Corporation, recorded on March 18, 1954, as Document No. 22235, McLean County, Illinois, said Southwest Corner also being the Southeasternmost Corner of Lot 1 in Colonial Plaza Subdivision, according to Plat recorded August 8, 1994, as Document No. 94-21218, McLean County, Illinois. From said Point of Beginning, thence south 87°-47'-00" west, 143.03 feet along the North Right-of-Way Line of S.B.I. Route 9 (FA Rte 10) (said North Right-of-Way Line also being the South Line of said Lot 1); thence northwest 89.67 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1) and also being the arc of a curve concave to the northeast with a radius of 333 feet and the 89.40 foot chord of said arc bears north 60°-30'-59" west, to a point of reverse curve; thence northwest 120.64 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1) being an arc of a curve concave to the southwest with a radius of 360.09 feet and the 120.08 foot chord of said arc bears north 60°-38'-12" west; thence north 74°-40'-16" west, 37.21 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1) to a point of curve; thence northwest, west and southwest 135.33 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1) and also being the arc of a curve concave to the southeast with a radius of 109 feet and the 126.80 foot chord of said arc bears south 69°-45'-41" west, to a point of tangency; thence south 34°-11'-38" west, 38.70 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1); thence south 47°-20'-17" west, 79.32 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1); thence south 87°-49'-00" west, 256.10 feet along said North Right-of-Way Line (said North Right-of-Way Line also being the South Line of said Lot 1) to a point lying 256 feet east of the Southeast Corner of Lot 503 in the Ninth Addition to Fairway Knolls in the City of Bloomington, Illinois; thence north 2°-11'-00" west, 158 feet along the West Line of said Lot 1 (said West Line also being parallel with the East Line of Lot 503 in said Ninth Addition); thence south 87°-49'-00" west, 256 feet along the South Line of said Lot 1 to the Southwest Corner of said Lot 1 being also on the East Line of said Lot 503; thence north 2°-11'-00" west, 385 feet along the West Line of said Lot 1 (said West Line also being the East Line of said Lot 503 and the East Line of the Sixth Addition to Fairway Knolls, Bloomington, Illinois); thence north 6°-47'-00" west, 312.98 feet along the West Line of said Lot 1 (said West Line also being the East Line of said Sixth Addition) to the Northwest Corner thereof (said Northwest Corner also being the Southwest Corner of Lot 330 in the Seventh Addition to Fairway Knolls, Bloomington, Illinois); thence north 74°-38'-00" east, 259.04 feet along the North Line of said

Lot 1 (said North Line also being the South Line of said Seventh Addition); thence north 87°-46'-00" east, 1028.66 feet along the North Line of said Lot 1 (said North Line also being the South Line of the Seventh Addition to Fairway Knolls and also the South Line of the Tenth Addition to Fairway Knolls, Bloomington, Illinois); thence south 2°-45'-00" east, 237.83 feet along the East Line of said Lot 1 to a point which is 50 feet normally distant north from the North Line of said Martin Oil Service Inc. Tract; thence north 87°15'-00" east, 400 feet along the North Line of said Lot 1 (said North Line also being parallel with the North Line of said Martin Oil Service Inc. Tract) to a point which is 60 feet west of the West Right-of-Way Line of Veterans Parkway (FA Route 5); thence south 2°-45'-00" east, 50 feet along the East Line of said Lot 1 to the Northeast Corner of said Martin Oil Service Inc. Tract; thence south 87°-15'-00" west, 592.15 feet along the South Line of said Lot 1 (said South Line also being the North Line of said Martin Oil Service Inc. Tract); thence south 2°-45'00" east, 624 feet along the East Line of said Lot 1 (said East Line also being the West Line of said Martin Oil Service Inc. Tract) to the Point of Beginning, excepting therefrom the following:

A part of the Southwest Quarter of Section 35, Township 24 North, Range 2 East of the Third Principal Meridian, McLean County, Illinois, described as follows: Commencing at a point which is the Southwest Corner of a tract of land conveyed to Martin Oil Service, Inc., an Illinois Corporation, recorded on March 18, 1954, as Document No. 22235, McLean County, Illinois, said Southwest Corner also being the Southeasternmost Corner of Lot 1 in Colonial Plaza Subdivision according to Plat recorded August 8, 1994, as Document No. 94-21218, McLean County, Illinois. From said Point of Commencement thence north 2°-45'-00" west, 624 feet along the East Line of said Lot 1 (said East Line also being the West Line of said Martin Oil Service Inc. Tract); thence north 87°-15'-00" east, 592.15 feet along the South Line of said Lot 1 to the Northeast Corner of said Martin Oil Service Inc. Tract; thence north 2°-45'-00" west, 50 feet along the East Line of said Lot 1; thence south 87°-15'-00" west, 400 feet along the North Line of said Lot 1 (said North Line also being 50 feet north of and parallel with the North Line of said Martin Oil Service Inc. Tract); thence north 2°-45'-00" west, 237.83 feet along the East Line of said Lot 1; thence south 87°-46'-00" west, 592.55 feet along the North Line of said Lot 1 (said North Line also being the South Lines of the Seventh and Tenth Additions to Fairway Knolls); thence south 2°-48'-18" east, 38.14 feet to the Northeast Corner of Lot 2 in said Colonial Plaza Subdivision, said Northeast Corner being the Point of Beginning. From said Point of Beginning, thence south 2°-48'-18" east, 503.69 feet along the East Line of said Lot 2 to the Southeast Corner thereof; thence south 87°-11'-42" west, 224.00 feet along the South Line of said Lot 2 to the Southwest Corner thereof; thence north 2°-48'-18" west, 323.56 feet along the West Line of said Lot 2; thence north 87°-11'-42" east, 75 feet along the North Line of said Lot 2; thence north 2°-48'-18" west, 180.13 feet along the West Line of said Lot 2 to the Northwest Corner thereof; thence north 87°-11'-42" east, 149 feet along the North Line of said Lot 2 to the Point of Beginning.

Said property contains 878,635 square feet, more or less = 20.171 acres, more or less.

NOTE

CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

SPECIAL TAX INCREMENT REVENUE NOTE

Empire Street Tax Increment Redevelopment Project Area

§ _____, 2016

WHEREAS, pursuant to its powers and in accordance with the requirements of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, (the “TIF Act”), the Mayor and City Council of the City of Bloomington, McLean County, Illinois (the “Corporate Authorities”) pursuant to Ordinance Nos. _____, _____ and _____, adopted on _____, 20____, designated a Redevelopment Project Area and approved a Redevelopment Plan for the redevelopment of the Redevelopment Project Area known as the Empire Street Redevelopment Project Area and adopted the TIF Act as applicable to the Redevelopment Project Area; and,

WHEREAS, on _____, 2016, the Corporate Authorities approved a certain Redevelopment Agreement (the “Redevelopment Agreement”) with BT Bloomington, LLC, an Illinois limited liability company (the “Developer”) the terms and provisions of which are incorporated herein by reference, pertaining to the renovation

and redevelopment of certain property, legally described therein and commonly known as Colonial Plaza (the “Subject Property”), which Redevelopment Agreement provided for reimbursement to the Developer of certain “Reimbursable Project Costs” as defined by the TIF Act, to be incurred by the Developer in connection with the renovation and redevelopment of the Subject Property (the “Project”); and,

WHEREAS, pursuant to Section 3 of the Redevelopment Agreement, the City promised to reimburse the Developer an amount equal to the lesser of 36.52% of the total costs of the Project or \$4,000,000 (the “Reimbursement Amount”) from City’s Sales Taxes as defined in the Agreement for a period not to exceed ten (10) years commencing in the year 2018 and Incremental Taxes both of which are defined as Pledged Funds and limited by the terms of the Redevelopment Agreement. The City has agreed to issue this Note with interest at the rate of three and one-half percent (3 ½%) per annum in the outstanding Reimbursement Amount as hereinafter set forth.

NOW, THEREFORE, the City, by and through the Corporate Authorities, covenants and agrees as follows:

1. *Incorporation of recitals and definitions of terms.* The foregoing recitals are incorporated into this Note as if they were fully set forth in this *Section 1*.

2. *Promise to pay.* Subject to the terms, conditions and limitations contained in the Redevelopment Agreement, the City promises to pay to the order of the Developer, when and as provided in the Redevelopment Agreement, the Reimbursement Amount of \$_____, together with interest on the balance of such principal sum outstanding from time to time at the rate of three and one-half percent (3 ½%) per annum.

3. *Pledge of, and lien on, Incremental Taxes deposited in the STAF.* THIS NOTE SHALL BE PAYABLE SOLELY FROM PLEDGED FUNDS AS SET FORTH IN THE REDEVELOPMENT AGREEMENT AND SUBJECT TO THE TERMS AND CONDITIONS OF SAID REDEVELOPMENT AGREEMENT.

4. *Payments.* So long as the no event of default is outstanding and the Redevelopment Agreement is in full force and effect, payments on account of the indebtedness evidenced by this Note shall be made annually as set forth in the Redevelopment Agreement by check payable to the order of the Developer and mailed to the Developer at such address as the Developer may designate in writing from time to time.

5. *Limited obligation of the City.* THIS NOTE IS NOT SECURED BY THE FULL FAITH AND CREDIT OF THE CITY AND IS NOT PAYABLE OUT OF ANY FUND OF THE CITY OTHER THAN THE PLEDGED FUNDS. THIS NOTE CONSTITUTES A LIMITED OBLIGATION OF THE CITY, AND ALL PAYMENTS DUE UNDER THIS NOTE SHALL BE PAYABLE SOLELY FROM PLEDGED FUNDS AND SUBJECT TO THE TERMS AND CONDITIONS OF THE REDEVELOPMENT AGREEMENT.

6. *Default.* If Pledged Funds are available to make any payment required by this Note, and the Redevelopment Agreement is in full force and effect, and if the City thereafter fails to make such payment, the City shall be deemed to be in default under this Note. After any default, the Developer may bring an action in any court of competent jurisdiction to enforce payment of this Note, provided that the Developer shall have first given the City notice of its intent to bring such action and thirty (30) days to cure any such default. Failure of the Developer to exercise its right to bring an action to remedy a default hereunder shall not constitute a waiver of its right to bring an action to remedy any subsequent default.

7. *Miscellaneous.*

(a) If any provision of this Note is found by a court of competent jurisdiction to be in violation of any applicable law, and if such court should declare such provision to be unlawful, void or unenforceable as written, then it is the intent of the City and the Developer that such provisions shall be given full force and effect to the fullest possible extent that is legal, valid and enforceable, that the remainder of this Note shall be construed as if such unlawful, void or unenforceable provision was not contained herein, and that the rights, obligations and interests of the City and the Developer shall continue in full force and effect.

(b) This Note may not be assigned by the Developer.

(c) Any notice, request, demand, instruction or other document to be given or served hereunder shall be addressed, delivered and deemed effective as provided in the Development Agreement.

(d) The provisions of this Note shall not be deemed to amend the provisions of the Redevelopment Agreement in any respect. To the extent of any conflict or inconsistency between the provisions of the Redevelopment Agreement and the provisions of this Note, the Redevelopment Agreement shall in all instances supersede and control.

This Note is executed as of _____, 201__.

City of Bloomington, an Illinois municipal corporation

By: _____
Mayor

Attest:

City Clerk

Exhibit C

Form of Request for Reimbursement

REQUEST FOR REIMBURSEMENT

City of Bloomington
c/o City Manager
109 East Olive Street
Bloomington, Illinois 61702
Attn: City Manager

Re: Redevelopment Agreement, dated _____, 2016 (the "Agreement"), by and between the City of Bloomington, McLean County, an Illinois municipal corporation and BT Bloomington, LLC, an Illinois limited liability company (collectively the "Developer")

Dear Sir:

You are requested to disburse funds pursuant to Section 6 of the Redevelopment Agreement described above in the amount(s) and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. Amount to be Disbursed: \$ _____, an amount not in excess of the Reimbursable Project Costs as defined in the Agreement.
2. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for those Reimbursable Project Costs detailed in Schedule 1 attached to this Request for Reimbursement with paid invoices, bills of sale and mechanic lien waivers.
3. The undersigned certifies that:
 - (I) the amounts included in 1 above were made or incurred or financed and were necessary for the development of the Subject Property and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect;
 - (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represents a part of the funds due and payable for Reimbursable Project Costs;
 - (iii) the expenditures for which amounts are requisitioned represent proper Reimbursable Project Costs.
 - (iv) the moneys requisitioned are not greater than those necessary to reimburse the Developer for its funds actually advanced for Reimbursable Project Costs.
 - (v) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.

Date: _____

By: BT Bloomington, LLC

President

APPROVED:
City of Bloomington, McLean County, an Illinois
municipal corporation

Date: _____
