CITY OF Bloomington ILLINOIS

REGULAR AGENDA ITEM NO. 9B

FOR COUNCIL: June 12, 2017

SUBJECT: Consideration of an Ordinance authorizing a Redevelopment Agreement between the City of Bloomington and JNB Bloomington LP and TIF Bloomington, Inc. for the proposed redevelopment of the former Bloomington High School building at 510 East Washington Street.

RECOMMENDATION/MOTION: That the Ordinance approving a Redevelopment Agreement between the City of Bloomington and JNB Bloomington LP and TIF Bloomington, Inc. 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; Goal 6: Prosperous Downtown Bloomington.

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. Objective 6a. More beautiful, clean Downtown area; 6b. Downtown Vision and Plan used to guide development, redevelopment and investments; 6c. Downtown becoming a community and regional destination; 6d. Healthy adjacent neighborhoods linked to Downtown; 6e. Preservation of historic buildings.

BACKGROUND: The 102 year old former Bloomington High School Building located at 510 East Washington Street (the "Subject Property") was last used as a public school over 25 years ago. At the time of its construction in 1915, it was referred to as the "half-million-dollar-High School." In September 2016, the Subject Property was acquired by Iceberg Development Group, LLC (the "Developer") for $400,000. The Developer is highly experienced in the renovation of historic properties and leveraging the Housing and Urban Development (HUD) Low Income Housing Tax Credit program ("LIHTC") and the National Park Service Federal Historic Preservation Tax Incentives program to make historic renovation projects financially feasible. The Developer purchased the Subject Property with the intent to renovate the existing building into approximately 57 age-restricted apartments with commercial spaces on the ground level (the "Project").

The Developer has requested the City support its proposed $17 million investment in the Subject Property through multiple methods. In addition to the LIHTCs and the Historic Tax Credits that the Developer intends to apply for, the Project would not be financially feasible without local municipal financial assistance through the form of rebates of property tax increment generated by the Subject Property as a result of the Developer's investment. The Developer has requested that the City establish a new Tax Increment Financing (TIF) District around the Subject Property. City Staff have engaged the services of PGAV (the City's Economic Development and TIF Consultant) to review the Developer's request for TIF assistance. In the attached Economic Development Incentive Binder is a memo from PGAV summarizing the Developer's proposed Project, validating the Developer's need for municipal assistance to help make the Project financially viable, and recommending a structure for the City's assistance.

In addition to TIF assistance, the Developer has also requested the City financially contribute to a Rental Assistance Program for the Project. Details of the proposed Rental Assistance Program are provided in the Financial Impact section of this memo. The Developer has also requested that the City provide a letter of support for the proposed Project to the Illinois Housing Development Authority (IHDA). IHDA will review the Developer's application for LIHTCs later this year. The IHDA LIHTC application process is a competitive process and the Developer's proposed Project will be competing with similar projects in other cities all across Illinois proposed by other developers. Local municipal support for the Project strengthens the Developer's application to IHDA for LIHTCs. As City support for the Project is vital to securing the LIHTCs which are critical to the financial viability of the Project, City Staff recommends the City support the requested Rental Assistance Program and provide the requested letter of support.

Over the last few months, City Staff have worked with PGAV and Kathleen Field Orr, the City's Special Council for Economic Development, to negotiate a redevelopment agreement that is beneficial for the Developer and for the City. As the Subject Property is a historic building that many local residents have a strong sentimental attachment to, City Staff believes that the proposed renovation of the former school building with a combination of private residences targeted to low-income seniors and publicly accessible commercial spaces is a favorable outcome for the community and is an endeavor that is worthy of municipal financial support. To ensure that the Project is carried out to the highest standards, the proposed redevelopment agreement includes a provision requiring the Developer to follow the United States Secretary of the Interior's Standards for Rehabilitation, as determined by the National Park Service, in order to receive the National Park Service's Historic Preservation Certification (Section 2G of the proposed agreement).

The proposed incentive is supported by 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. Staff is supportive of entering into a redevelopment agreement with the Developer to provide municipal assistance to help the Developer overcome the extraordinary costs that will be encountered in the redevelopment of the Subject Property. The City's Comprehensive Plan 2035 recommends that incentives be offered to promote in-fill development over greenfield development on the fringe of the City to "support the goals of compact development, leveraging Bloomington's investment in city services, and keeping growth contiguous to the City."

Demographic trends highlighted in the Comprehensive Plan indicate a future increase in the City's population of senior residents. Affordable and appropriately sized dwelling units will be needed and desired by this growing cohort. Redeveloping the Subject Property in Downtown Bloomington for low-income senior housing will meet this demand in concert with the goals outlined in the

Comprehensive Plan. Additional support for the proposed project from the Comprehensive Plan is outlined in the Community Development Impact section of this memo.

If the proposed incentive agreement is approved by the City Council and IHDA awards the proposed project with LIHTCs, the Developer has indicated that the proposed Project will proceed. If the incentive agreement is not approved by the City Council and IHDA does not award LIHTCs, the Developer has indicated that the Subject Property will be listed for sale and only minimal investment will be made until a new owner is found.

As the Subject Property is an obsolete former school building which is in a state of rapid deterioration due to years of minimal investment and maintenance due to prior owners lacking the financial resources to maintain the 150,000 plus square foot building, Staff believes that the Developer's proposed Project is the best hope for saving this prominent building and stabilizing the neighborhood. If the proposed Project does not proceed, demolition is a highly probable fate for the building however the ultimate timing of that potential outcome is uncertain. It is likely that over the past 25 years the protracted and uncertain fate of the deteriorating former school building has had a negative effect on the value of surrounding properties. It is City Staff's hope that the Developer's proposed Project, if implemented, will attract new interest and investment to surrounding properties and uplift the neighborhood which is a key gateway into the City's Downtown.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Subject Property has been a subject of concern of City Officials and the City's Office of Economic Development for quite some time. In the spring of 2015, the real estate broker for the then owner of the Subject Property, Mount Moriah Christian Church, contacted City Staff to inquire as to what economic development tools could be available to assist with the Church's active sale of the Subject Property. City Staff toured the building with Elizabeth Au from the National Development Council (the City's Economic Development Consultant at that time). Ms. Au advised that a mix of economic development tools and programs would likely need to be leveraged to assist in the redevelopment of the Subject Property. Unfortunately, the Church was not successful in finding a buyer so the Subject Property was auctioned and the bank holding the mortgage was the winning bidder. City Staff expressed to the bank's asset manager the City's desire to assist a future owner with a redevelopment project. In the fall of 2016, the bank sold the Subject Property to the Developer (Iceberg). City Staff have been in negotiations with the Developer to formulate a public private partnership that will enable the redevelopment of the Subject Property. City Staff have involved the leadership of the Bloomington Housing Authority in the negotiation process and intend to continue to partner with the Bloomington Housing Authority to support the proposed Project. City Staff have also met with the leadership of Bloomington School District 87 to discuss the proposed Project and the Project's potential positive impact on District 87.

FINANCIAL IMPACT:

Below is a table provided by the Office of Economic Development which summarizes the key dates and figures in the proposed incentive agreement:

Number of Housing Units:	Approximately 57 Age-Restricted Units
Deadline to receive LIHTC Award:	On or before December 31, 2018
Date of Construction Plans Submittal:	On or before April 15, 2019
Construction Commencement Date:	On or before June 15, 2019
Obtain Certificate of Occupancy:	On or before August 15, 2020
Total Investment:	$17 Million
Total Incentive:	$1.3 Million or 11.8% of the TIF-Eligible Costs
Source of Incentive:	80% of the Property Tax Increment created from parcels 21-04-408-001 and 21-04-404-001
Term of Incentive:	Until December 31, 2041
Additional Municipal Assistance:	City will financially support a Rental Assistance Program targeted to 4 units for 10 years.

As set forth in the proposed redevelopment agreement, the Developer will commit to apply to IHDA for LIHTCs and invest approximately $17 million in the Subject Property to create approximately 57 age-restricted dwelling units. The City will commit to establishing a new TIF District (which will include the subject property) and rebate to the Developer up to $1,300,000 or 11.8% of the total project costs (whichever is less) from the property tax increment that will be created as a result of the redevelopment project over a period ending December 31, 2041. At this time, the Developer has estimated that the entire Project will require an investment of approximately $17 million, however only $11 million of the $17 million is budgeted for what are considered "TIF-eligible costs" per the TIF Act (which exclude property acquisition, developer fees, reserves, etc.).

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 procced with the proposed project:

- The total amount of municipal assistance is capped / limited to $1,300,000 based on a minimum investment of $11 million of TIF-eligible costs. Should the minimum investment of $11 million of TIF-eligible costs not be expended by the Developer, the total amount of municipal assistance will be recalculated to be 11.8% of the actual documented investment 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 language in the redevelopment agreement outlining these terms is a form of a "lookback provision."

- The City agrees to support the project through rebates of new / increased revenues generated by the project, only if those revenues materialize, and on a "pay as you go" basis:

    - Based on projections modeled by the Developer and reviewed by PGAV, the property tax increment that will be generated by the proposed redevelopment project will be sufficient to cover the proposed incentive of $1.3 million.

- As the source of the incentive is limited to 80% of the property tax increment from the Subject Property, the remaining 20% will be deposited annually into the new TIF District's fund and can initially be used to reimburse the City for its costs to establish the TIF District. In future years, the 20% of uncommitted TIF increment from the Subject Property can be invested by the City in TIF-eligible infrastructure improvements within the boundaries of the TIF District, or declared surplus to the benefit of all of the taxing districts (including the City).

- The $1.3 million municipal incentive will be sourced solely from 80% of property tax increment generated by the subject property, <u>not by the full faith and credit of the City.</u> Should the 80% of property tax increment be insufficient to cover the incentive during the term of the redevelopment agreement, the City will not be obligated to make up the difference from any other fund of the City or revenue source.

- Rental Assistance Program:

    - IHDA looks favorably upon proposed projects that have strong backing from the host municipality, therefore a key component to the success of the proposed Project is for the City to establish and financially contribute to a Rental Assistance Program for the Project. City Staff, the Developer, PGAV, Kathleen Field Orr, and the leadership of the Bloomington Housing Authority have held extensive discussions as to how to best establish a Rental Assistance Program specific to this Project. After thorough evaluation, it is the recommendation of City Staff that the City allocate funding from the City's General Fund over the next ten (10) years to support this proposed program.

    - The envisioned Rental Assistance Program will be targeted to four (4) units / apartments at the subject property. It is estimated that if the tenants that lease the four apartments have zero income (a highly improbable scenario, even among subsided renters) that the maximum exposure to the City over the ten year program would be around $225,000. A more likely scenario would be that that the tenants have an amount of income typical of that of existing Bloomington Housing Authority tenants, which would enable the tenants to finically contribute to their rent, lowering the City's financial commitment to around $125,000 over the ten year period.

    - Section 3D of the proposed redevelopment agreement details that the City and the Developer will work together to negotiate an agreement detailing the City's financial support of a Rental Assistance Program. City Staff intend to outsource the administration of the program to the Bloomington Housing Authority (a neutral third party) to ensure that the Developer is using the funds appropriately for qualifying tenants. The agreement between the City, the Developer, and the Bloomington Housing Authority will be presented to the City Council for consideration in the near future.

- As the redevelopment project is not anticipated to be complete until early 2020, City Staff will have sufficient time to plan for this new financial obligation during the City’s future annual budgeting process.

COMMUNITY DEVELOPMENT IMPACT: The City’s Comprehensive Plan 2035 (Adopted August 24, 2015) indicates that “affordable housing is critical for young professionals, college graduates, seniors on a fixed income, or people working in low paying professions such as pre-school teachers. In Bloomington nearly 13,000 households earn less than median income.” The Comprehensive Plan guides City Officials “to ensure safe, decent and affordable housing opportunity for all residents and to protect the older housing stock in the City” by calling for “a diversity of housing types that are affordable and accessible.”

Related Comprehensive Plan Goals:
H-1.2 Ensure an adequate supply of affordable housing for low to moderate income households.

H-1.2a Educate the policy makers and community at large on affordable housing issues.
H-1.2b Work with community partners like Habitat for Humanity, MCCA and Bloomington Housing Authority to have a collective impact on affordable housing issues.
H-1.2c Encourage collaborations among affordable housing providers.
H-1.2d Identify creative solutions for affordable housing such as home sharing, micro units, and tiny homes.
H-1.2e Increase supply of affordable rental housing, especially in areas close to job centers, schools and community facilities.
H-1.2f Identify and reduce barriers for mixed income housing.

FUTURE OPERATIONAL COST ASSOCIATED WITH NEW FACILITY CONSTRUCTION: *NA*

Respectfully submitted for Council consideration.

Prepared by:	Austin Grammer, Economic Development Coordinator
Reviewed by:	Tom Dabareiner, Community Development Director
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Finance Director
Legal review by:	Kathleen Field Orr, Special Counsel to the City

Recommended by:

David A. Hales

City Manager
Attachments:

- Economic Development Incentive Application Binder: 510 East Washington Street
- Ordinance Approving the Redevelopment Agreement
- Redevelopment Agreement and Associated Exhibits

CITY OF Bloomington ILLINOIS

Office of Economic Development

Economic Development Incentive Binder

Redevelopment of the former Bloomington High School building
at 510 East Washington Street by
JNB Bloomington LP and TIF Bloomington, Inc.
(Iceberg Development Group, LLC)

June 12, 2017

Table of Contents:

Timeline of and newspaper clippings related to the former
Bloomington High School / Junior High School
at 510 East Washington Street
Compiled by the City of Bloomington Office of Economic Development
Source: Archives of The Pantagraph Newspaper unless otherwise noted.

1915: Arthur L. Pillsbury, noted Bloomington architect, served as architect of the Bloomington City Board of Education (today known as District 87), and was in charge of planning and building five schools in the City including Bloomington High School. BHS opened in 1915 and was located at 500-510 East Washington Street. The Bloomington School Board asked Pillsbury to design the new high school to allow for areas for "teaching of woodworking, domestic science (sewing and cooking), printing, bookkeeping and stenography (writing shorthand)." Pillsbury designed it as a brick structure in the style of a 17th century English manor house. The building was also coined the "half-million-dollar-High School." [McLean County Museum of History]

1936: Building addition. [Auction listing]

September 9, 1959: New Bloomington High School building opens on Empire Street. Former High School building at 510 E Washington is converted into use as Bloomington Junior High School.

1970: Building addition. [Auction listing]

March 1987: A consultant hired by District 87 finds the BJHS building at 510 E. Washington to be "an old facility that is not conducive to an effective program. It is totally inappropriate for middle-level education." – Ann Grooms, President of Educational Service Institute Inc., Cincinnati.

August 1990: District 87's new Bloomington Junior High School building opens on Colton Avenue.

November 3, 1990: Advertisement for an auction to be held at 510 E Washington to sell the contents of the building including hundreds of school desks, large oak built-in wall cabinets, a large auditorium chandelier, all kitchen equipment and "any fixtures that can be sold." The theater-style seats in the school's auditorium were sold during the auction.

December 12, 1990: District 87 School Board votes to sell former BJHS. Superintendent Leonard Roberts said that it is costing the district $75,000 a year to maintain the vacant building. District 87 Administrative Assistant Ron Blake is quoted as saying "It's a solid building. A well-built building. But it probably needs to have the roof looked at and some other things." The minimum bid was set at $200,000.

February 13, 1991: District 87 School Board's first deadline for bids for former BJHS passes with no formal offers.

February 14, 1991: Local businessman Rick Feeney proposes to acquire the former BJHS from District 87 and invest $2 million to convert the building into a 43-unit apartment complex. Feeney requests that the Downtown TIF be extended to include 510 E Washington. Feeney was the only potential buyer to attend the recent bid-opening at the District 87 office. The Downtown TIF had been created in 1986.

March 1991: District 87 School Board again advertises former BJHS, Parking Lot, and Playground for sale. Accepting sealed bids starting at $200,000.

February 10, 1992: At a Bloomington City Council meeting, Mayor Jesse Smart reported that the United Way had surveyed local social service agencies to determine interest in relocating to the former BJHS. Commitments for 23,000 square feet of space were secured which could have potentially generated $161,000 annually in rental revenue leaving the City looking for a way to raise $731,000 annually if the City were to buy and lease 510 E Washington to a variety of users. $900,000 in upgrades and operation costs were estimated for the first year of operation. 58,000 square feet of useable space had been identified (classrooms and meeting rooms) with the remaining 93,000 square feet consisting of hallways, a gymnasium, auditorium, and other spaces which could house youth recreation programs.

January 13, 1992: District 87 advertises former BJHS, Parking Lot, and Playground for sale. Accepting sealed bids with no minimum bid amount defined. All submitted bids are to be opened on February 26, 1992.

February 26, 1992: A group of three local businessmen are the successful bidders for the former BJHS: William Galloway, president of local company Nu-Air Corp., and Chip Henrichs and Scott Henrichs who operate Henrichs Building Systems. The group submitted a bid of $30,000, but after being bid against by another person representing another group of developers, their final bid was $80,000. No minimum bid was set by the School Board.

March 1992: District 87 Board of Education transfers ownership of 510 E Washington St and 504 E Jefferson St. to Washington Square East Limited for $80,000.00.

April 13, 1992: Bloomington City Council approves rezoning of 510 E Washington from S-2 to B-3. [City Council Proceedings]

June 1992: Rob Knight leases the pool in 510 E Washington and opens “Rob Knight’s Swim America.”

July 1992: 510 E Washington building co-owner Scott Henrichs tells the Pantagraph the building is about 25% leased since purchasing the building two months earlier. Tenants at the time included the YWCA and the Twin City School of Dance.

August 1992: Blooming Grove Academy relocates from One Normal Plaza to 510 E Washington leasing 12,000 square feet of space including eight classrooms in the east wing, most of the cafeteria, and the library and office spaces.

February 2004: EAV listed in newspaper for “Washington Square East” parcels 21-04-430-013: $9,949; 21-04-408-001: $110,049; 21-04-404-001: $3,867

June 2005: Mt. Moriah, a 1,000-member non-denominational church which was based at 814 Jersey Avenue in Normal acquires 510 E Washington for $1.8 million. The church renamed the building “The Attractive Alternative.” Many of the existing tenants including Twin Cities Ballet, the Urban League, the Kumon Math & Reading Center, Swim America, Blooming Grove Academy, and various studio artists are expected to remain. The church envisions adding a toddler care center, and a Christian Academy.

October 2005: Mount Moriah Christian Church, based at 510 E Washington St. registers the business known as “The Attractive Alternative.”

September 2011: Blooming Grove Academy closes citing financial problems due to declining enrollment. The school had been in operation for 25 years.

December 10, 2014: 510 E Washington listed for sale on LoopNet.com [LoopNet]

March 16, 2015: An appraisal values 115 E Washington at $1.5 million. [Auction listing]

March & April, 2015: City Staff and representative from the National Development Council tour 510 E Washington and issue memo on economic development tools that could aid in the redevelopment of the property. [City Records]

September 23, 2015: An absolute auction is held for 510 E Washington St. Busey Bank is the winner of the auction. [Auction listing]

October 27, 2015: Mount Moriah Christian Church deeds 510 E Washington to Pillar Properties XIII, LLC (Busey Bank). [McLean County Recorder]

September 15, 2016: Pillar Properties XIII, LLC deeds 510 E Washington to Iceberg Development Group, LLC. Transaction value: $400,000. [McLean County Recorder]

New study, old news: BJHS is 'inappropriate'

By PAUL SWIECH
Pantagraph staff

An education consultant told the Bloomington District 87 school board last night something it has heard before: the junior high is an inadequate facility.

"It's an old facility that is not conducive to an effective program," said Ann Grooms, president of Educational Services Institute Inc., Cincinnati. "It's totally inappropriate for middle-level education."

The board awarded a contract for $18,690 to ESI in December to study the district's kindergarten-through-eighth-grade program. Ms. Grooms presented the board with ESI's 50-page report last night.

She said ESI officials found at the junior high that some classrooms were too small; that space and equipment for science labs were inadequate; and that there was little space for physical education. She said instruction time is lost when students change classes because they often must go from one side of the building to the other.

Limiting the junior high to seventh- and eighth-graders also is a problem, she said. Just when students get used to the school, and teachers get used to students, they must transfer to the high school, she said. It also is bad for teachers, who lose some communication with the fifth- and sixth-grade teachers, she said.

Some research indicates that a school for sixth- to eighth-graders is a good combination, she said.

Communication between junior high and upper elementary teachers should be improved, even if they remain in separate buildings, she said.

The report will be combined with a middle-level program study and a demographic and facilities study. That will be presented to the board next month, with options written by administrators to build a new facility or add onto or renovate existing ones, he said.

Ms. Grooms said principals report directly to Roberts and those short lines of communication were beneficial. She said the district's move to team decision-making and increased responsibility for principals was good. She also said finances would be more of a problem as enrollment continued to decline while salaries and material costs increased.

Ms. Grooms recommended that district policies and goals be more concise; that reliance on textbooks and workbooks be decreased; and that more academic learning take place in kindergarten.

Ms. Grooms said the district staff was highly motivated and thought the report would be a "launching pad" for staff improvement. Roberts agreed.

In other business last night, the board voted to advertise for bids to remove asbestos from Centennial Elementary School. The board could select a contractor April 8, and district officials hope removal will be completed this summer, Roberts said.

A January study revealed asbestos at five district schools, including Centennial, was below the concentration level that would have required action. But the district must remove asbestos at Centennial before installation of new gas pipes, which could have jarred loose some asbestos into the air.

BLOOMINGTON JUNIOR HIGH SCHOOL

LARGE PUBLIC AUCTION

OF

ENTIRE CONTENTS OF OLD BJHS BUILDING

SATURDAY, NOV. 3—10:00 A.M. SHARP

Located: 510 E. Washington St., Bloomington, IL

School District 87

Public Viewing Dates: Tuesday, Oct. 30—9:00 a.m.-12 noon
Wednesday, Oct. 31—5:00 p.m.-9:00 p.m.
Thursday, Nov. 1—9:00 a.m.-12 noon

PARTIAL LISTING

HUGE AMOUNT OF MERCHANDISE

Hundreds of late model theatre seating, in nice condition (to be sold by units with spring loaded seats); trophy cases; hundreds of school desks; teacher's desks; clocks; chairs; lockers; map displays; display racks; file cabinets; metal shelving; bookcases; large number of antique Hale oak stacking bookcases without doors; old oak desks; oak tables and chairs; large oak built-in wall cabinets; showcases; folding chairs; stacking chairs; flags; Radio Shack TRS80 computers; large oak counter with file storage; large oak storage cabinets with pull out drawers; oak laboratory tables; slate top science tables; large auditorium chandelier; several late model almond 36" gas stoves; Tappan overhead micro-oven gas range; Wurlitzer piano; captains chairs; fiberglass basketball hoops and backboards; shop tools; heavy shop tables; tables with vises; Delta lathe; Delta radial arm saw; jig saws; typewriters; shop equipment; full line of clean stainless steel cafeteria equipment including coolers and freezers; large commercial dishwasher; sinks; 3-hole sinks; work tables; commercial gas stoves and ovens; full line of stainless serving and steam table equipment; all equipment older but very clean; tables and chairs; Dukane telecom system; Herning-Hall Safe Co. 4'x7' safe insert; plus any fixtures that can be sold and many old items that have been in the school for many years.

AUCTIONEER'S NOTE: Any merchandise to be removed or disassembled will be the responsibility of the Buyers, including liability. Everything sells to the highest bidders. Doors open at 7:00 a.m. sharp sale day. Nothing to be removed until settled for; buyers responsible for items after purchase. Inventory may change by sale day, more or less. Plan to Attend. Removal of any merchandise will be under supervision of school officials.

Ronald Blake: Secretary of Board of Education

★ HAYCRAFT AUCTION CO. ★

Wapella, Illinois

Auctioneers—Liquidators—Appraisers

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Lunch by Corn Belt Concession Co.

The Pantagraph/MAUREEN O'CONNOR

District 87 auctioned off the contents of the old Bloomington Junior High School yesterday. More than 300 people gave auctioneer Jay Haycraft of Wapella a listen as everything from band uniforms to bookcases from the school library went on the block. Haycraft said the auction was a success while Bill Barry, director of operations for District 87 said he hoped the proceeds would tally over $20,000.

FOR SALE BY SEALED BIDS

Former Bloomington Junior High School, Parking Lot, and Playground

Bloomington, Illinois

BID OPENING Wednesday, March 27, 1991, 2:00 p.m. at the Educational Service Center, 300 East Monroe Street, Bloomington, Ill.

Three tracts of land to be sold as one parcel and not separately. Minimum bid $200,000 with right to raise bid at bid opening.

Tract 1: Playground at corner of Clinton and Jefferson Streets. North half of city block consisting of approximately .80 acres.

Tract 2: Parking lot at 504 East Jefferson Street. Two lots totaling approximately .32 acres.

Tract 3: Former Bloomington Junior High School at 510 East Washington Street, with 152,528 square feet. Entire city block consisting of approximately 1.98 acres.

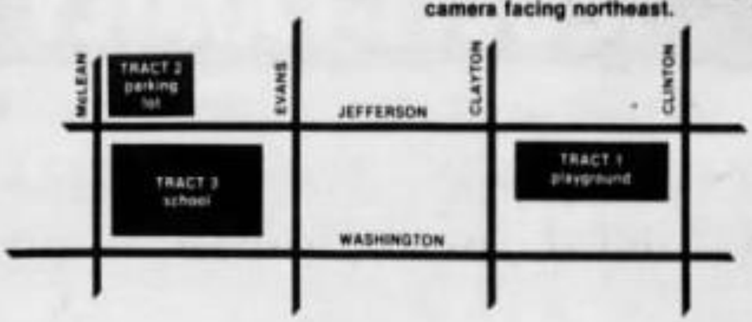
TRACT 1 — View from Clayton Street on west end of site. Camera facing east.

TRACT 2 — View from Jefferson Street, camera facing north.

TRACT 3 — Front view Washington Street, camera facing northeast.

FOR ADDITIONAL INFORMATION CONTACT

Bloomington Public Schools
Ronald Blake, Board Secretary
300 East Monroe Street
Bloomington, Illinois 61701
309/827-6031



January 13, 1992

NOTICE OF SALE
EAST JEFFERSON STREET PROPERTIES
BLOOMINGTON, ILLINOIS
ON SEALED BIDS

On Wednesday, February 26, 1992, at 1:30 p.m.

NOTICE IS HEREBY GIVEN that the undersigned Secretary of the Board of Education of Bloomington School District 87, McLean County, Illinois, will receive until 1:30 p.m. on February 26, 1992, sealed bids for the purchases of the Bloomington School District premises legally described as follows:

Tract #1: (Former Junior High School Playground) Lots 1, 2, 3, 4, and 5 in Assessor's Subdivision of Block 2 in Dimmett's Addition to the City of Bloomington and the North ½ of the vacated alley lying south of and adjoining said lots, in McLean County, Illinois. This tract of land consists of the north half of the city block bounded on the north by Jefferson Street, on the east by Clinton Street, on the south by Washington Street, and on the west by Clayton Street.

Tract #2: (Former Junior High School Parking Lot) Lots 7 and 8 in Block 1 in Evans' Addition to the City of Bloomington, in McLean County, Illinois. This tract of land consists of two city lots at the northeast corner of the intersections of McLean and Jefferson Streets, approximately 120 feet east to west along the north and south lines, and approximately 115 feet north to south along the east and west lines.

Tract #3: (Former Junior High School Site) Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 in Block 4 Evans' Addition to the City of Bloomington, in McLean County, Illinois. This tract consists of the city block bounded on the north by Jefferson Street, on the east by Evans Street, on the south by Washington Street, and on the west by McLean Street.

Bids accompanied by a check in the amount of 10% of the bid shall be received by the Secretary of the Board of Education until 1:30 P.M. on February 26, 1992, and such bids shall be opened by the Secretary of the Board of Education at 1:30 P.M. on the same date in the Administrative Education Service Center, 300 East Monroe Street, Bloomington, Illinois. Bidders are invited to attend the bid opening and shall be given the opportunity to raise their bids. The right is reserved to reject any and all bids and to waive any irregularities in the biddidng.

All three tracts shall be sold as one parcel and not separately.

The terms of sale shall be 10% of the bid price in cash upon the acceptance of the bid by the Board of Education and the balance in cash on or before 30 days from the date of acceptance of the bid and upon delivery of deed and possession to the successful bidder. The successful bidder shall be furnished a Chicago Title Insurance Company owner's title guaranty policy in the amount of the purchase price, subject only in easements of record and the standard and usual exceptions. The successful bidder shall be required to enter into a written contract for the purchase of the premises upon these terms.

The bids shall be presented to the BOard of Education by the Board Secretary in the regular meeting of the Baord of Education to be held at 7:30 P.M. on that same day.

The former Junior High School building will be open for inspection from 12 o'clock noon to 4:00 P.M. on January 20, 1992 and at other times by special arrangement with the undersigned Board Secretary.

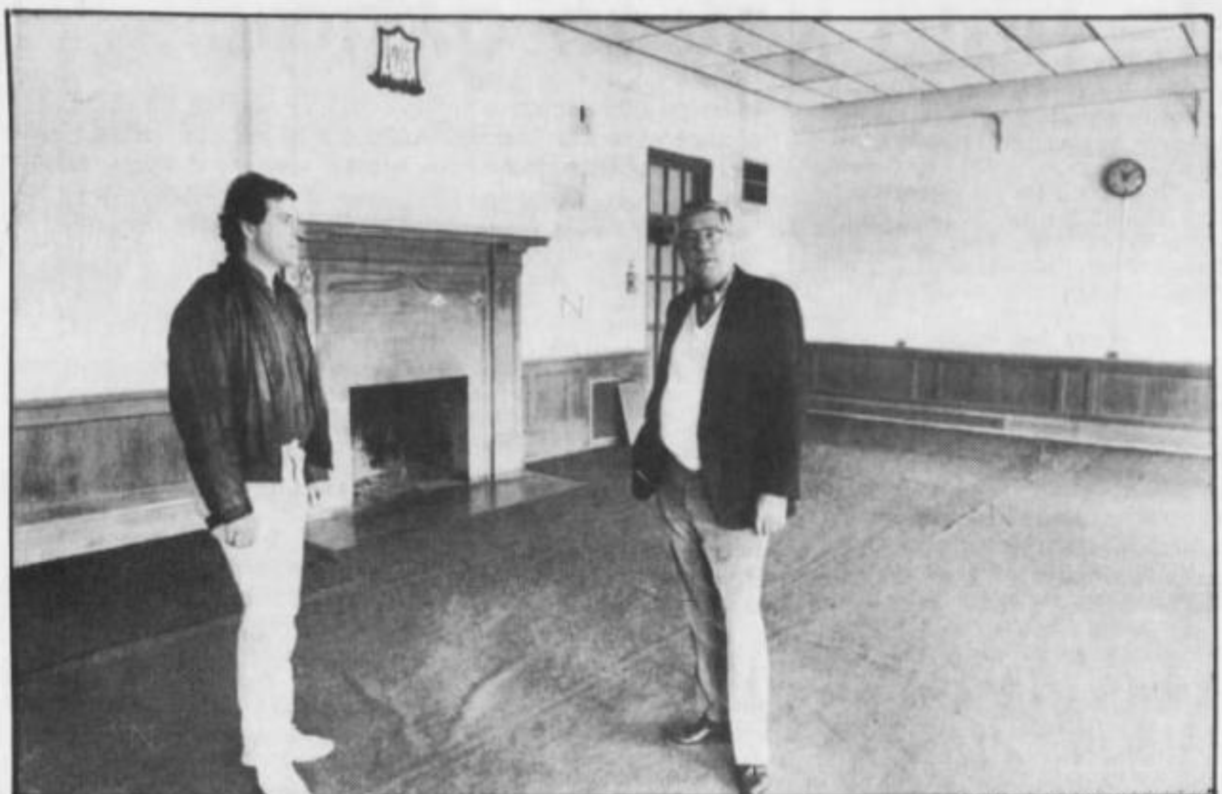
For further information, contact the Secretary or attorneys.

BLOOMINGTON BOARD
OF EDUCATION
School District #87
McLean County, Illinois
By: Ronald Blake, Secretary
300 East Monroe Street
Bloomington, IL 61701
Ph. (309) 827-6032

John T. Pratt
Pratt and Pratt, P.C.
200 W. Front, Suite 500B
Bloomington, IL 61701
Ph. (309) 828-2302

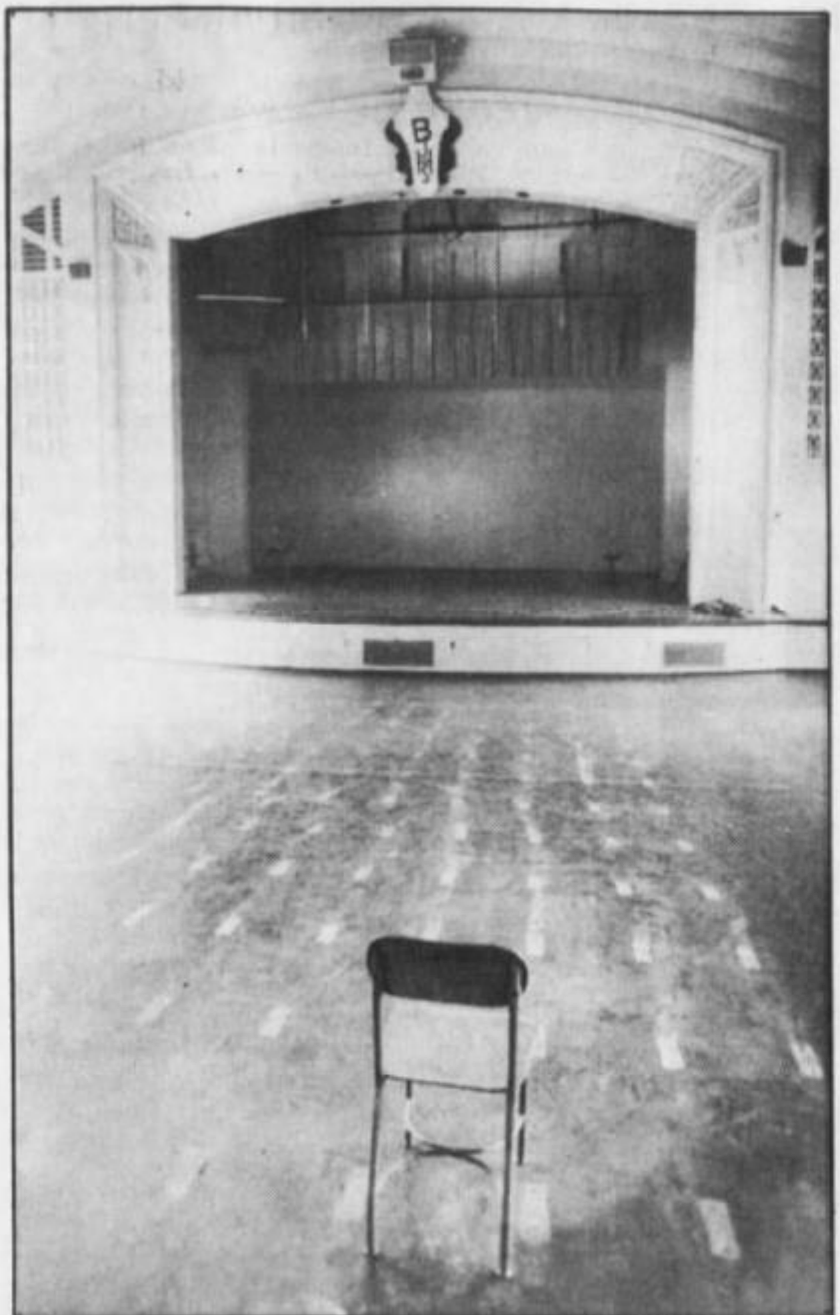
The Pantagraph/MAUREEN O'CONNOR

The buyers of the former Bloomington Junior High School, from left, W.L. Galloway, Scott Henrichs and Chip Henrichs, listened as spokesman Stan Zimmerman, far right, addressed the District 87 board yesterday. Zimmerman, an electrical contractor, has advised the trio on the building's condition and possible uses but is not one of the buyers.



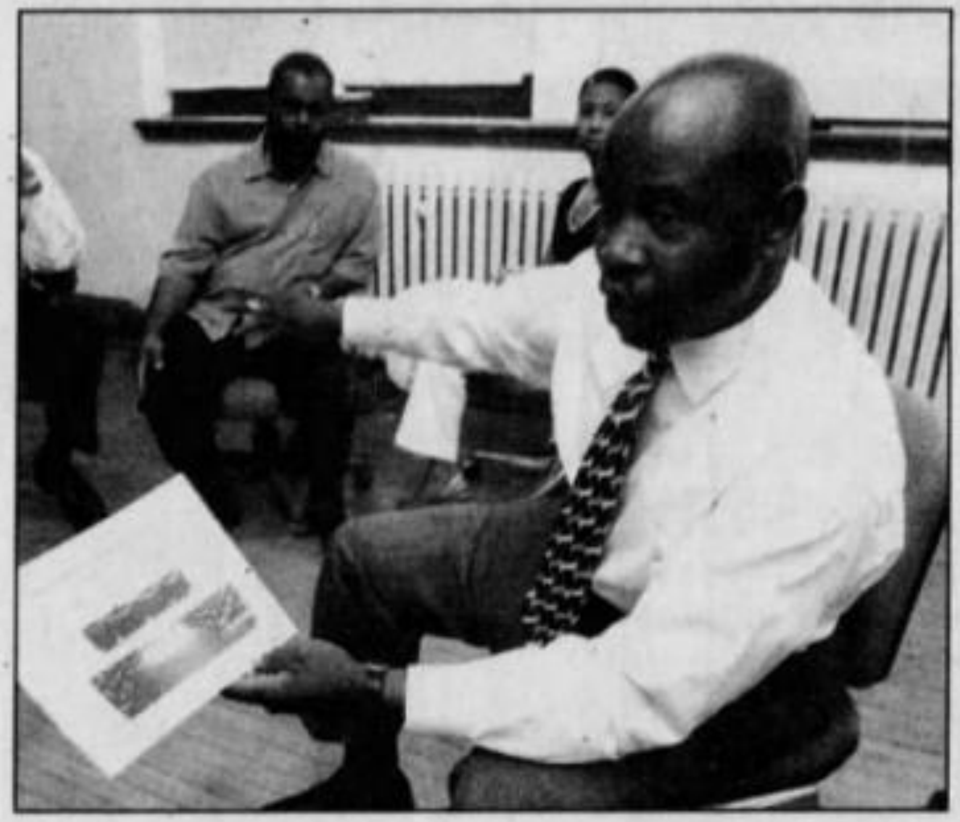
The Pantagraph/MARC FEATHERLY

Scott Henrichs, left, and William Galloway expect the old library to be the showpiece of what can be done with the former Bloomington Junior High School. The Twin City businessmen plan to make it and the adjoining room into a banquet and reception hall.



The Pantagraph/MARC FEATHERLY

Plans call for the school's auditorium to be renovated for use as a dinner theater or for other large catered events. It also could be used for speaking engagements.



The Rev. John Rayford, Mount Moriah's senior pastor, explained the church's new sanctuary will be a theater-like setting with outstanding acoustics and shared use with other tenants.

WE MUST BE ABOUT OUR FATHER'S BUSINESS

BY THE REV. JOHN RAYFORD

When Jesus was 12 years old, as recorded in Luke 2, he became separated from his mother and earthly father. When they finally found him three days later, engaged in conversation with the leaders in the temple, he told his parents, "didn't you know, I must be about my Father's business?"

His response could be construed as disrespectful or dishonoring, but one thing was very clear about Jesus: He was committed to doing what his Father sent him to do.

This thought has remained at the forefront of my mind through these almost 13 years of Mount Moriah Christian Church's existence in the Twin Cities. Through trial and error, success and failure, the call to be about our Father's business shouts loudly in my mind and echoes in the ministries here at his church. Our vision statement is "to be a hub of hope to a hurting world, calling all people to a safe place in Christ Jesus!" The building (The Attractive Alternative) owned by the church mirrors that vision statement.

We the church can approach giving hope to a hurting world through traditional means of ministry or we can engage others, who are like-minded, and provide a safe and affordable place for all of us to flourish. We choose to do both. That's why the building is called "The Attractive Alternative"!


John Rayford

It is our hope that the church and building vision statements ("our Father's business") can be seen through the collaborative relationships of each tenant and the church.

We hope you see it through the Volunteer Income Tax Assistance program funded by the United Way of McLean County. It's one of three sites that prepare income tax returns "free" for qualified taxpayers.

Another tenant is the Immigration Project, whose mission is to help non-naturalized residents become citizens of the United States.

Then there is the first Barber College of McLean County, to open soon. Rob Knight's Swim America continues to serve the community; Ameriprise handles the financial investments of the people in this community; Illinois Peoples Action protects our rights; the NAACP educates and informs us about our rich history as a collective people and the ongoing need to embrace ourselves and our destiny; Shyreeta's La Essential Boutique is building confidence, one client at a time; and Ann Champion's "Language Connection" teaches grammar and, more importantly, communication.

These are but a few of the tenants who come alongside to help us "give hope to a hurting world..." Some would write off the church as irrelevant; some would ask what good can come from a building built in the early 1900s (the old Bloomington High School building).

What good can come from a building in need of a new roof, updated heating and air conditioning, new windows and doors and more?

Ask the patrons, the many who come through this building weekdays and nights. Ask the many whose lives have been changed for the good because an attractive alternative was offered to them, because they came to a place that provided authentic hope for their future. It's a church, a place and model that dared embrace the interests of others to advance a cause greater than them. It's a church, a people, firmly planted in God's word and a divine calling, despite human failure, that is committed to being about our Father's business.

Rayford is senior pastor of Mount Moriah Christian Church, 510 E. Washington St., Bloomington.

FINANCING MEMORANDUM

TO: AUSTIN GRAMMER
FROM: ELIZABETH AU
SUBJECT: FINANCING STRATEGY – OLD BLOOMINGTON HS BUILDING
DATE: APRIL 7, 2015
CC:

Developing a financing strategy for the old Bloomington High School building will largely depend on the use of the redeveloped facility. Outlined below are some potential financing options for a mixed- income residential or mixed use facility. The use of any of the financing options outlined below will have specific rules and requirements regarding the beneficiaries of the project which include limits on household income, creation of job opportunities for low – moderate income individuals, and limits on rents etc. Further discussion of the potential use of the facility should continue in conjunction with the financing strategies to ascertain what options are most viable.

Below are federal financing options that are locally controlled and the use of these funds are dependent on availability of funds, use of the redeveloped facility, and local approval. Historically, the City has had tremendous demand for CDBG funds which could greatly impact their availability for this project.

- HOME Investment Partnerships Program – The HOME program provides formula grants to States and localities that communities use to fund a wide range of housing activities, including the development of rental housing units. Potentially HOME funds could be utilized in part to finance the affordable units in the potential development. The affordable units would be restricted to households with certain incomes and there would be limits on the maximum rent charged to these households.

- Community Development Block Grant – The CDBG program provides annual grants on a formula basis to entitled cities and counties to develop viable urban communities by providing decent housing, and expanding economic opportunities, principally for low- and moderate income persons. These funds can be used for rehabilitation of residential and non-residential structures. Grantees are required to utilize 70% of their CDBG grant for activities that benefit low-moderate income persons, which can include housing activities and job creation or retention activities. Most likely, any CDBG funds used on the project would have to demonstrate some benefit to this population.

- HUD Section 108 Loan Guarantee Program – The Section 108 program is a loan guarantee provision of the CDBG program that provides grantees with a source of financing for economic development, housing rehabilitation, public facilities, and large –scale physical development projects. The program allows grantees to leverage a portion of their CDBG funds into a federally guaranteed loan large enough to pursue revitalization projects. The program does require local governments borrowing funds guaranteed by Section 108 to pledge their current and future CDBG allocations to cover the loan amount as security for the loan. Therefore, it is essential that careful underwriting of the project take place. Additionally, the funds must also comply with a national objective, again most likely benefit to low-moderate income persons.

- CD Float – The CD float is an incentive that can be provided to developers and businesses that assists in reducing front – end costs for development projects. The incentive is a short-term loan provided to the developer of CDBG funds that have been committed but not yet spent. This allows the grantee to pass along very low construction interest rates to the project. The borrower must provide an irrevocable letter of credit to the grantee for security.

The Illinois Housing Development Authority (IHDA) provides funding through several programs that support the rehabilitation of buildings to support affordable housing.

- State HOME funds – IHDA also receives an allocation of HOME funds for the creation of affordable housing units, including multi-family rental housing. All applicable HOME rules and regulations apply.

- Private Activity Bonds – IHDA receives a portion of the Private Activity Bond Cap for allocation to certain private activity bonds, which include affordable multi-family housing bonds as designated by Section 7C of the Iowa Code. Bond financing is generally beneficial for larger projects, typically $10 million or more given the carrying costs associated with issuing the bonds. The bond financing may also be paired with 4% LIHTC.

- IHDA Trust Funds – Created by the Illinois General Assembly in 1989, trust funds assist in the creation and preservation of affordable, decent and safe housing for low and very low-income households. Generally application for these funds coincide with applications for Low Income Housing Tax Credits (LIHTC).

The financing mechanisms outlined below are competitive funding opportunities administered either through a federal agency or a private agency.

- Federal Home Loan Bank Competitive Affordable Housing Program – The FHLB of Chicago provides support for affordable housing initiatives in the communities in which there are member financial institutions. The program supports subsidies to members and housing providers to assist with the purchase, construction or rehabilitation of affordable housing for low-moderate income families and individuals. The competitive grant encourages member financial institutions to partner with local governments and non-profits to secure funds for the purchase, construction or rehabilitation of affordable rental housing. Income limits do apply in addition to maximum rents. The AHP grant is often only a portion of the financing and the other financing needs to be secured in order to be competitive.

Tax credits are another large source of funding for the redevelopment of properties. Again, the use of these credits largely depend on the end use of the facility.

- Low Income Housing Tax Credits (LIHTC) – LIHTC's are federal income tax credits for the creation of affordable housing units for low to moderate income individuals.

This is a ten year tax credit and the amount of tax credits generated from a property are either 9% rate or 4% rate of the eligible uses in the development budget. These credits are both competitive and non-competitive depending on the other financing utilized in the development. These credits are administered through the state housing finance agency in each state and in Illinois, IHDA.

- Rehabilitation Tax Credits (RTC) – RTC's are also federal income tax credits on the rehabilitation of historic properties. This is a 20%, one-time credit that can be utilized, however the rehabilitation plans must be approved by the Department of the Interior.

- New Markets Tax Credits (NMTC) – NMTC's are structured completely differently than LIHTC and RTC, however they still are a federal income tax credit that investors purchase. This is a 39% credit that is received over a seven year period and the amount of the tax credit is based on the amount of other financing in the project. In order to qualify for NMTC's the project must either serve a low income population or be located in a distressed census tract as determined by the CDFI fund. Tax credits are administered on a competitive basis to Community Development Entities (CDEs) and then those entities make investments in projects. This tool is relatively competitive and therefore ensuring that a project is ready to proceed with close of financing and also has strong community impacts is relatively important.

Absolute Auction | 132,809+/-sf Office/Multiple Use Building
Bloomington, Illinois

Property #: TAA-1586

Auction Date & Time:
September 23rd at 11:00 am CT

Preview Date & Time:
September 15th at 11:00 am CT

Property Location:
510 E. Washington Street
Bloomington, Illinois 61701

Auction Location:
On-site

Property Description:

- 67,036 sf +/- Rentable Space
- Partially Leased Four Story Building
- Just East of Downtown in the Culture District
- 2.3 Acres +/- Includes Parking Lot to the North
- $1,500,000 Appraisal Available 3-16-15
- Excellent Visibility and Location
- Numerous Classrooms/Offices/Meeting Rooms
- Indoor Swimming Pool with Locker Room & Showers
- Auditorium seats 300+ with Balcony and Oversized Stage
- Gymnasium with balcony bleachers on three sides
- Tall Ceilings and Wide Hallways
- Fourth Floor could be converted into an Apartment
- Outdoor Playground
- Elevator Serves all 4 Levels
- Drone Aerial Video: https://www.youtube.com/watch?v=nY_rgmn3g74&feature=youtu.be
- Heavy Traffic 11,400 ADT
- Former Bloomington Jr. High School
- Built in 1915 with additions in 1936 & 1970
- Previously known as Mount Moriah Christian Church & Attractive Alternative
- Bloomington Population grew 45% between 1990 & 2010
- Zoning is B-3, Central Business District
- 2014 Property Taxes $10,636
- On Bus Route
- All Utilities are available and connected; city water and sewer, electricity, natural gas and telephone

Directions to Property: On E. Washington Street, Bloomington

Auction Summary of Terms of Sale: All property sold in "as-is" condition. A 10% buyer's premium will be added to the high bid to determine the contract price. High bidder will execute a purchase agreement and provide a deposit of 10% of the total purchase price or $25,000 (whichever is greater). Balance of the purchase price is due at closing on or before October 15, 2015. Seller will provide a special warranty deed at closing. Please see Terms and Conditions on separate page in the property information package.

Cooperating Broker's Fee: Tranzon Asset Advisors is offering 2% to properly registered brokers. See Broker Acknowledgement Form.

Vance Luksetich
Tranzon Asset Advisors

888-791-7307 ext. 87
vancel@tranzon.com
www.tranzon.com

Tranzon Asset Advisors, Vance Luksetich, Il Broker #471.014411
In Cooperation with Coldwell Banker Commercial Heart of America Realtors, Greg Yount

COLDWELL BANKER COMMERCIAL

ATTENTION PROSPECTIVE BIDDERS:

ALL INFORMATION CONTAINED IN THIS AND ANY OTHER MARKETING MATERIALS WAS OBTAINED FROM SOURCES BELIEVED TO BE ACCURATE. HOWEVER, NO WARRANTY OR GUARANTEE, EITHER EXPRESS OR IMPLIED, IS INTENDED OR MADE WITH RESPECT TO SUCH INFORMATION. BIDDERS MUST INDEPENDENTLY INVESTIGATE, VERIFY AND CONFIRM ANY INFORMATION OR ASSUMPTIONS ON WHICH ANY BID IS BASED. NEITHER AUCTION COMPANY NOR TRUSTEE SHALL BE LIABLE FOR ANY ERRORS IN OR THE CORRECTNESS OF ANY INFORMATION REGARDING THE PROPERTY BEING SOLD.

ALL ANNOUNCEMENTS MADE AT THE AUCTION TAKE PRECEDENCE OVER ANY OTHER PROPERTY INFORMATION OR PRINTED TERMS OF SALE. ITEMS MAY BE ADDED OR DELETED.

THE PROPERTY IS SOLD "AS IS, WHERE IS, WITH ALL FAULTS". THE PROPERTY WILL BE SOLD WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, INCLUDING ANY REPRESENTATIONS REGARDING ENVIRONMENTAL CONDITIONS AFFECTING THE PROPERTY. THE PROPERTY IS OFFERED FOR SALE TO QUALIFIED PURCHASERS WITHOUT REGARD TO RACE, COLOR, RELIGION, SEX, MARITAL STATUS OR NATIONAL ORGIN.

THE PROPERTY SHALL BE SOLD FREE AND CLEAR OF LIENS, BUT SUBJECT TO CONDITIONS, RESTRICTIONS, RIGHTS-OF-WAY, EASEMENTS, AND RESERVATIONS, IF ANY, OF RECORD; SUBJECT TO THE RIGHTS, IF ANY OF TENANTS-IN-POSSESSION, UNDER LAW. NEITHER THE AUCTION COMPANY NOR THE TRUSTEE MAKE OR HAS MADE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE ACCURACY, CORRECTNESS, COMPLETENESS, CONTENT OR MEANING OF THE INFORMATION CONTAINED HEREIN. ALL PROSPECTIVE BIDDERS RECOGNIZE AND AGREE THAT ANY INVESTIGATION, EXAMINATION, OR INSPECTION OF THE PROPERTY IS WITHIN THE CONTROL OF THE OWNER OR OTHER PARTIES IN POSSESSION AND THEIR AGENTS.

ANY DECISION TO PURCHASE OR NOT TO PURCHASE IS THE SOLE AND INDEPENDENT BUSINESS DECISION OF THE PURCHASER. NO RECOURSE OR CAUSE OF ACTION WILL LIE AGAINST THE SELLERS, THE AUCTION COMPANY OR THE NOTEHOLDER SHOULD PURCHASER BECOME DISSATISFIED WITH ITS DECISION, WHATEVER IT MAY BE, AT A LATER DATE.

MCR SEP 16 '16 2:21PM

Prepared by:

Michael R. Seghetti
Elias, Meginnes & Seghetti, P.C.
416 Main Street, Suite 1400
Peoria, Illinois 61602

Mail tax statement to and after recording return to:

Iceberg Development Group, LLC
20 Sandstone Ct.
Le Claire, IA 52753

COUNTY STAMP TAX
PAID $200.00 MS

Type: OFFICIAL RECORDS
Recorded: 09/19/2016 11:07:24 AM
Fee Am t: $633.00 Page 1 of 3
IL Rental Housing Fund: $9.00
McLean County, IL
Kathy Michael McLean County Clerk
File# 2016-00017917

STATE OF ILLINOIS
STATE TAX
SEP.19.16
MCLEAN COUNTY
0000027743
REAL ESTATE TRANSFER TAX
0040000
FP351011

McLEAN COUNTY TITLE
1601148

SPECIAL WARRANTY DEED

THIS INDENTURE WITNESSETH that Pillar Properties XIII, LLC, an Illinois liability company, of Champaign, IL (the "Grantor"), for and in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, GRANTS, BARGAINS and SELLS to Iceberg Development Group, LLC, an Illinois limited liability company ("Grantee"), the real estate described on Exhibit A attached hereto and made a part hereof, hereinafter referred to as the "Premises."

Said conveyance is subject to general real estate taxes in respect of 2016 and subsequent years; easements, covenants, conditions, restrictions, dedications and reservations of record; and zoning and use ordinances, rules and regulations.

The Grantor warrants to the Grantee and its successors in title that Grantor has not, during the time Grantor held title to said real estate, created any lien, charge, or encumbrance against said real estate other than those described above; and Grantor covenants that it will defend said premises to the extent of the warranties made herein against lawful claims of all persons claiming by, through or under Grantor, but against none other.

The Grantor hereby releases and waives all rights under and by virtue of the Homestead Exemption Laws of the State of Illinois.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed as of the date stated below.

Dated: 9/15, 2016

PILLAR PROPERTIES XIII, LLC

By: Busey Bank, an Illinois banking corporation, its sole member

By: ____________________
Steven E. Henderson
Senior Vice President

State of Illinois)
) ss.
County of McLean)

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that Steven E. Henderson, personally known to me to be the Senior Vice President of Busey Bank, an Illinois banking corporation and the sole member of Pillar Properties XIII, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Senior Vice President, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act as such Senior Vice President and as the free and voluntary act of Busey Bank, as manager of Pillar Properties XIII, LLC, for the uses and purposes therein set forth; and on his oath stated that he was duly authorized to execute said instrument.

GIVEN under my hand and notarial seal this 15 day of Sept., 2016.

Notary Public

"OFFICIAL SEAL"
REBECCA S. LEHMANN
Notary Public, State of Illinois
My Commission Expires 04-28-2018

316-2072.dI

EXHIBIT A

LEGAL DESCRIPTION OF REAL PROPERTY

TRACT NO. 1:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 4 in Evans Addition to the City of Bloomington, in McLEAN COUNTY, ILLINOIS.

TRACT NO. 2:

Lots 7 and 8 in Block 1 in Evans Addition to the City of Bloomington, in McLEAN COUNTY, ILLINOIS

PINs: 21-04-408-001 and 21-04-404-001

Street Address of Building: 502 E. Washington, Bloomington, IL
Street Address of Parking Lot: 500 E. Jefferson St., Bloomington, IL

ICEBERG DEVELOPMENT GROUP, LLC

"Problems are opportunities we have yet to see"

20 Sandstone Court
LeClaire, IA 52753

Phone: 563-505-5611
Fax: 563-594-5192
E-mail: Jim@jnbice.com

26 October 2016

David Hales
City Manager
City of Bloomington
109 East Olive Street
Bloomington, IL 61702

RE: 510 E Washington Street
Project Overview and City Requests

Dear Mr. Hales:

This letter is in follow-up to a call that the Iceberg Development Group team had with City Economic Development Coordinator Austin Grammer and City Special Counsel Kathleen Field Orr on Friday October 14, 2016. In that call, we provided a general overview of our company / partnership and the vision we have for the restoration and repurposing of the historic Bloomington School at 510 E. Washington.

In a separate email Brian Fritz has provided Mr. Grammer with a variety of information about my development experience. If you need anything else on that, please let me know.

We have recently purchased 510 E Washington Street as it had been foreclosed and is need of a substantial rehabilitation to maintain its integrity. As the building has a rich history and excellent architectural features, we have pursued getting a national landmark designation on the property. To date, we have filed a Project Determination Information Letter (PDIL) with the State Historic Preservation Office (SHPO), which was accepted. We have now filed the Part I Historic Application with SHPO and hope to have confirmation from the National Park Service of its success early next year. Obtaining the historic designation allows us to leverage the federal historic tax credits which enables us to cover the additional costs of meeting historic standards.

The building currently includes many of the features of the original school – specifically a pool with locker rooms, small gymnasium, large gymnasium, auditorium, wide hallways, tall ceilings and many classrooms used for offices today. Our plan for the development is to renovate the entire structure and maintain the non-profit and office uses in the basement (pool mainly) and ground floor, where there are many existing office tenants. The gymnasiums and auditorium would be available for approved community uses (outside classes and events) as well as for the future residents. The second and third floors would be renovated into approximately 47 one-bedroom and 16 two-bedroom apartments for seniors (55 years and older). The entire renovation would be completed to historic requirements.

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LeClaire, IA 52753

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Fax: 563-594-5192
E-mail: Jim@jnbice.com

Overall, our budget is approximately $11 million to complete this full rehabilitation. To cover these costs, we will obtain private debt, syndicate the historic tax credits, and apply for Low Income Housing Tax Credits (LIHTCs) from the Illinois Housing Development Authority (IHDA). The LIHTCs provide restrictions on the rent levels that can be charged as well as the maximum household incomes. These restrictions are set by HUD based on local economic conditions. As Bloomington is a higher income area, we are able to rent these unit to moderate income seniors. For 2016, the maximum incomes Bloomington seniors may have are $36,840 for one person and $42,140 for two person households.

The competition for IHDA LIHTCs is very strong. Generally, for every 10 applications submitted for small cities (Bloomington, Peoria, St Louis, Decatur, etc), IHDA can only fund 2 or maybe 3 each round. Thus, it is critical that we submit an application that obtains all potential points. For 510 E Washington to be very competitive with scoring, we need some form of rental assistance on at least 4 residential units (worth 5 points) as well as obtain TIF funding (reimbursement of property taxes) as this provides an additional 2 points for leveraging as well as the TIF fills the financial gap in the transaction.

The rental assistance is something we or our consultant have successfully worked on with other cities, including East Dundee and Yorkville. In these cases, the city provides funding that covers the difference between 30% of a residents' income and their total rent obligation. Generally, the resident has some funds to contribute toward rent (from social security or retirement income) and the village/ City funds the balance. IHDA requires a 10 year rental commitment period. The worst case scenario for rental assistance funding, assuming all 4 units are occupied by a senior with zero income, is $216,000 over a 10 year period. More realistically, if we assume the 4 covered households obtain $733 per month in social security, then the maximum rental assistance over this 10 year period is $110,448.

As we discussed, we have worked with other communities in Illinois who appreciate the importance of receiving the millions of investment dollars generated by the LIHTC. As these resources are very competitive, we respectfully request that the City of Bloomington work with us on a plan to obtain rental assistance and TIF assistance as soon as possible.

For the TIF, as the project is not currently located in an existing district, we would look to the City to determine the appropriate boundaries. Per the very preliminary projections attached, the total increment generated by the project would be approximately $1.6m. We would be seeking approximately 90% of the increment generated from our own property tax increment less the value of any rental assistance. Based on the attached estimates, the combination of the TIF rebate and rental assistance to the property would then be approximately $1.45 million over the TIF period.

Our attorney has worked with communities to enable some of the TIF funds to be used to fund rental assistance. Thus, we would expect that the $100k - $200k needed to cover the rental assistance could be deducted from this total TIF request.

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LeClaire, IA 52753

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E-mail: Jim@jnbice.com

For timing, the IHDA application is 2/15/17 with announcements in May. IHDA has a second and final round on 6/23/17 with announcements in September. If funded in either of these rounds, we could begin construction in 2018. Our best case scenario would be to have the City provide a commitment letter for rental assistance prior to 2/15 and the City create the TIF district and execute a redevelopment agreement with us by 6/15/17.

We look forward to working with you and the City of Bloomington to move the project toward a successful rehabilitation.

Regards,

Jim Bergman
Iceberg Development

Project Overview

510 E Washington TIF Application v2

Project Overview

Developer	Iceberg/ Fritz
Location	510 E Washington St Bloomington IL 61701
# of Buildings	1

Square Footage

Site Area Sq.Ft.	87,120
Building Gross	139,390
Building Net	58,000
Commercial Space	10,000
Other Non-Residential Space	-

Schedules

Construction Loan Closing	4/1/2018
Construction Completion	05/2019
Lease-Up Begins	05/2019
100% Occupancy Date	11/2019

Tax Credit Overview

# LIHTC Units	58
LIHTC Allocation Amount	1,289,660
Price Per LI Credit	0.9000
Est. Historic Credits	-
Price Per Historic Credit	NA
When will LIHTC rate be locked?	Receipt of Reservation Letter

Issuing Agency:	
Reservation Date	06/01/2017
Rate Locked?	No

Affordability Overview

Description	0 BR	1 BR	2 BR	Total
30% AMI	1	2	0	3
30% SRN	3	6	0	9
50% AMI	0	7	3	10
60% AMI	0	21	15	36
Res Mngr	0	1	0	1

Development Costs

Category	Amount	Per Unit	Per Gross SF
Acquisition	532,125	9,019	3.82
Construction	12,721,800	215,624	91.27
Construction Period	53,250	903	0.38
Professional Fees	1,583,200	26,834	11.36
Marketing & Leasing	29,500	500	0.21
Lender Fees	196,000	3,322	1.41
Developer Fee	1,502,031	25,458	10.78
Reserves	549,835	9,319	3.94
Interest	435,127	7,375	3.12
Total Uses	**17,602,868**	**298,354**	**126.29**

Eligible Basis	Acquisition	Construction	Historic
Building Basis	NA	13,667,615	NA
Personal Property	NA	367,771	NA
Site Work	NA	294,171	NA
Total Eligible Basis	**NA**	**14,329,557**	**NA**

Income & Expenses

Number of Bedrooms	# of Units	Avg. GSF	Avg. Rent	Monthly Income	Annual Income
0 BR	4	530	375	1,500	18,000
1 BR	37	620	565	20,900	250,800
2 BR	18	800	783	14,100	169,200
Gross Residential Income	**59**	**669**	**619**	**36,500**	**438,000**
Less Residential Vacancy			6.00%	2,190	26,280
Less Rental Allowance			0.00%	-	-
Effective Residential Income			**94.00%**	**34,310**	**411,720**
Effective Commercial Income				6,250	75,000
Effective Other Income				3,594	43,133
Gross Effective Income				**44,154**	**529,853**

	Annual Per Unit	Monthly	Annual
Less Operating Expenses	5,811	28,569	342,830
Less Replacement Reserves	450	2,212	26,550
Net Operating Income	2,720	13,373	160,473
Total Debt Year 1	2,366	11,632	139,584
Cash Flow Year 1	354	1,741	20,889
DCR			1.15

Permanent Sources of Funds

Lien	Loan Description	Lender	Amount	Perm Term / Amtz	Initial Perm Rate	Fixed/ Varied	Payment Year 1
1	First Mortgage - Tier A		1,300,000	16 / 35 years	6.000%	Fixed	88,950
2	First Mortgage - Tier B		575,000	100% over 20 years	6.000%	Fixed	49,434
3	HOME Loan		1,000,000	20 / Balloon	0.000%	Fixed	1,200
4	Deferred Developer Fee		770,928				
5	Tax Credit Equity		11,606,940	LIHTC Price: $ 0.9000			
6	Historic Master LIHTC		2,350,000				
Total			**17,602,868**				**139,584**

Detailed Project Rental Income
510 E Washington TIF Application v2

Residential Unit Types - General Information

Unit Type	Avg. Rent	Unit Count	# BRs	# BAs	Gross SF	Vac Rate	Esc Rate	Comments
Studio	375	4	-	1.0	530	6.00%	2.00%	
1 BR	565	37	1	1.0	620	6.00%	2.00%	RM unit on top floor (accesssed only by stairs)
2 BR	783	18	2	1.0	800	6.00%	2.00%	
Totals	**619**	**59**			**39,460**	**6.00%**	**2.00%**	

Residential Income by AMI Description

Unit Type	Monthly Rent	Total Units	Monthly Rent PSF	Annual Rent PSF	Monthly Rent	Annual Rent	Vacancy	Effective Gross Income
Studio	375	1	0.71	8.49	375	4,500	(270)	4,230
1 BR	400	2	0.65	7.74	800	9,600	(576)	9,024
30% AMI	**392**	**3**	**0.67**	**7.99**	**1,175**	**14,100**	**(846)**	**13,254**
Studio	375	3	0.71	8.49	1,125	13,500	(810)	12,690
1 BR	375	6	0.60	7.26	2,250	27,000	(1,620)	25,380
30% SRN	**375**	**9**	**0.64**	**7.67**	**3,375**	**40,500**	**(2,430)**	**38,070**
1 BR	600	7	0.97	11.61	4,200	50,400	(3,024)	47,376
2 BR	700	3	0.88	10.50	2,100	25,200	(1,512)	23,688
50% AMI	**630**	**10**	**0.94**	**11.28**	**6,300**	**75,600**	**(4,536)**	**71,064**
1 BR	650	21	1.05	12.58	13,650	163,800	(9,828)	153,972
2 BR	800	15	1.00	12.00	12,000	144,000	(8,640)	135,360
60% AMI	**712**	**36**	**1.03**	**12.34**	**25,650**	**307,800**	**(18,468)**	**289,332**
1 BR	0	1	0.00	0.00	0	0	0	0
Res Mngr	**0**	**1**	**0.00**	**0.00**	**0**	**0**	**0**	**0**

Residential Income Summary		Monthly	Annual	PSF Income
Gross Residential Income		36,500	438,000	11.10
Vacancy & Collection Loss	6.00%	(2,190)	(26,280)	(0.67)
Rental Allowance / RM Unit	0.00%	0	0	0.00
Effective Residential Income	**94.00%**	**34,310**	**411,720**	**10.43**

Detailed Project Rental Income
510 E Washington TIF Application v2

Commercial Income

Description	Gross SF	Monthly Rent	Annual Rent	Annual Rent PSF	Vacancy / Coll Loss	Effective Gross Income	Esc Rate	Tenant	Comments
East School - Ground Floor	10,000	8,333	100,000	10.00	25.00%	75,000	2.00%	To Be Determined	Excludes spaces that may be used for residential supports such as laundry, lounges, etc.
Commercial Total	**10,000**	**8,333**	**100,000**	**10.00**	**25.00%**	**75,000**	**2.00%**		

Other Income

Description	Income Per		Gross Annual Income	Vacancy / Coll Loss	Effective Gross Income	Years	Esc Rate	Comments
TIF Income	43,133	Year	43,133	0.00%	43,133	21	3.61%	Increment is calculated based off 3% annual increase in property taxes. Projections assume 80% of project-generated increment is used to support debt on the property; another 10% of project increment supports the rental assistance fund.
Other Income Total			**43,133**	**0.00%**	**43,133**		**3.61%**	

Grand Total Income

Type	Gross Annual Income	Vacancy / Coll Loss	Vacancy / Coll Loss Amt	Rental Allowance	Effective Gross Income	Y1 Avg. Esc Rate
Residential	438,000	6.00%	(26,280)	0	411,720	2.00%
Commercial	100,000	25.00%	(25,000)	0	75,000	2.00%
Other	43,133	0.00%	0	0	43,133	3.61%
Grand Total	**581,133**	**8.82%**	**(51,280)**	**0**	**529,853**	**2.13%**

Operating Costs

510 E Washington TIF Application v2

Budget Line Item	Amount	Per Unit
Legal	590	10
Office Supplies	2,950	50
Accounting	7,000	119
Telephone Service	4,425	75
LIHTC Monitoring Fee	1,475	25
Administration Total:	**16,440**	**279**
Advertising/Marketing	2,950	50
Marketing Total:	**2,950**	**50**
Management Fee	26,493	449
Management Fee Total:	**26,493**	**449**
Administrative	38,000	644
Maintenance	33,000	559
Payroll Total:	**71,000**	**1,203**
Real Estate Taxes	64,900	1,100
Property Insurance	22,302	378
Taxes & Insurance Total:	**87,202**	**1,478**
Elevator Contract	7,000	119
Fire Monitoring System	885	15
Pest Control	885	15
Scavenger Service	4,425	75
Carpet Cleaning	1,475	25
Decorating	2,950	50
Maintenance Supplies	5,900	100
Landscaping	5,000	85
General Repairs	8,850	150
HVAC	1,475	25
Snow Removal	1,475	25
Maintenance Total:	**40,320**	**683**
Gas	29,500	500
Water/ Sewer	17,700	300
Electricity	16,225	275
Utilities Total:	**63,425**	**1,075**
Replacement Reserve	26,550	450
Reserves Total:	**26,550**	**450**
All Commercial Related Costs	35,000	593
Commercial Total	**35,000**	**593**
Total Operating Costs	**369,380**	**6,261**

	Amount	Per Unit
Effective Gross Income (EGI)	529,853	8,981
Total Operating Costs	369,380	6,261
Net Operating Income (NOI)	**160,473**	**2,720**

Development Costs

510 E Washington TIF Application v2

Budget Line Item	Budget	Per Unit
Building Cost	475,000	8,051
Carrying Costs	50,000	847
Title and Transfer Taxes	7,125	121
Acquisition Total:	**532,125**	**9,019**
Net Construction Costs	10,140,000	171,864
Commercial	1,050,000	17,797
Utility Fees	40,000	678
Building Permits	275,000	4,661
Contingency	1,216,800	20,624
Construction Total:	**12,721,800**	**215,624**
Builders Risk Insurance	44,250	750
Real Estate Taxes	9,000	153
Construction Period Total:	**53,250**	**903**
Architect -- Design	683,200	11,580
Engineering Fees	120,000	2,034
Furniture Fixtures & Equipment	175,000	2,966
Legal - Organizational	125,000	2,119
Legal - Tax Credits	50,000	847
Accountant -- General	35,000	593
Plats & Surveys	25,000	424
Appraisal	15,000	254
Environmental Reports	20,000	339
Market Study	10,000	169
Consultant -- Historic	45,000	763
Title & Recording Fees	30,000	508
Consultant -- Financial	225,000	3,814
Materials Testing	25,000	424
Professional Fees Total:	**1,583,200**	**26,834**
Marketing & Leasing	29,500	500
Marketing & Leasing Total:	**29,500**	**500**
Application Fee	5,000	85
Construction Points	113,000	1,915
Lender Legal Costs	45,000	763
Permanent Loan Points	13,000	220
Construction Inspection	20,000	339
Lender Fees Total:	**196,000**	**3,322**
Developer Fee	1,502,031	25,458
Developer Fee Total:	**1,502,031**	**25,458**
Lease-Up Expense	50,000	847
Tax & Insurance Escrow	59,112	1,002
Replacement Reserve	59,000	1,000
Operating Deficit	381,723	6,470
Reserves Total:	**549,835**	**9,319**
Equity Bridge Loan	327,696	5,554
First Mortgage - Tier A	82,853	1,404
First Mortgage - Tier B	24,578	417
Interest Total:	**435,127**	**7,375**
Total Development Cost	**17,602,868**	**298,354**

Sources of Funds

510 E Washington TIF Application v2

Construction Sources of Funds

Lien	Source Description	Amount	Term	Interest Type	Avg. Interest Rate	Total Paid Interest
1	First Mortgage - Tier A	1,300,000	18 Months	Fixed	4.000%	82,853
2	First Mortgage - Tier B	575,000	18 Months	Fixed	4.000%	24,578
2	Equity Bridge Loan	8,000,000	18 Months	Fixed	4.000%	327,696
3	HOME Loan	1,000,000	18 Months	Fixed	0.000%	
4	Deferred Developer Fee	770,928	18 Months			
5	Tax Credit Equity	3,606,940				
6	Historic Master LIHTC	2,350,000				
Total Construction Sources		**17,602,868**				**435,127**

Permanent Sources of Funds

Lien	Source Description	Amount	Term	Amortization Period	Initial Interest Rate	Initial Annual Payment	DCR
1	First Mortgage - Tier A	1,300,000	16 Years	35 Years	6.000%	88,950	1.80
2	First Mortgage - Tier B	575,000	16 Years	20 Years	6.000%	49,434	1.16
3	HOME Loan	1,000,000	20 Years	Balloon	0.000%	1,200	1.15
4	Deferred Developer Fee	770,928					
5	Tax Credit Equity	11,606,940		LIHTC Price: $ 0.9000			
6	Historic Master LIHTC	2,350,000					
Total Permanent Sources		**17,602,868**				**139,584**	**1.15**

Lien	Source Description	Comments
1	First Mortgage - Tier A	Interest rate estimated based on rates available in January 2017 for a 24-month forward lock commitment with minimum 15 year term.
2	First Mortgage - Tier B	Tier B is a loan that is sized so that it will be repaid with the pay-as-you-go TIF proceeds to the project, rather than being a loan that is funded up front by actual TIF dollars. It will be funded by the same lender that will be providing the Tier A loan.
3	HOME Loan	Needed soft loan from IHDA to fill gap ($1m is limit)
4	Deferred Developer Fee	Deferred developer fee paid through project cash flow. Will apply for FHLB AHP funding to reduce DDF.
5	Tax Credit Equity	LIHTCs do not have HTC reduction in basis because structured as master lease.
6	Historic Master LIHTC	Master Lease structure so HTCs do not reduce LIHTC basis; HTCs sold at $0.88

Operating Proforma

510 E Washington TIF Application v2

	'20 Rates	2020 Per Unit	2020	2021	2022	2023	2024	2025	2026	2027
Studio	2.00%	305	18,000	18,360	18,727	19,102	19,484	19,873	20,271	20,676
1 BR	2.00%	4,251	250,800	255,816	260,932	266,151	271,474	276,903	282,442	288,090
2 BR	2.00%	2,868	169,200	172,584	176,036	179,556	183,148	186,810	190,547	194,358
Gross Residential Income	**2.00%**	**7,424**	**438,000**	**446,760**	**455,695**	**464,809**	**474,105**	**483,587**	**493,259**	**503,124**
Ground Floor	2.00%	1,695	100,000	102,000	104,040	106,121	108,243	110,408	112,616	114,869
Gross Commercial Income	**2.00%**	**1,695**	**100,000**	**102,000**	**104,040**	**106,121**	**108,243**	**110,408**	**112,616**	**114,869**
TIF Income	3.61%	731	43,133	44,690	46,294	47,947	49,650	51,402	53,208	55,068
Gross Other Income	**3.61%**	**731**	**43,133**	**44,690**	**46,294**	**47,947**	**49,650**	**51,402**	**53,208**	**55,068**
Gross Income	2.12%	9,850	581,133	593,450	606,029	618,877	631,998	645,397	659,083	673,061
Vacancy / Collection Loss (8.82%)		(869)	(51,280)	(52,306)	(53,351)	(54,418)	(55,507)	(56,617)	(57,749)	(58,904)
Effective Gross Income	**2.13%**	**8,981**	**529,853**	**541,144**	**552,678**	**564,459**	**576,491**	**588,780**	**601,334**	**614,157**
Administration	3.00%	279	16,440	16,933	17,441	17,965	18,503	19,059	19,629	20,219
Marketing	3.00%	50	2,950	3,038	3,130	3,224	3,320	3,420	3,522	3,628
Management Fee	2.00%	449	26,493	27,023	27,563	28,115	28,677	29,250	29,835	30,432
Payroll	3.00%	1,203	71,000	73,130	75,324	77,584	79,911	82,308	84,778	87,321
Taxes & Insurance	3.00%	1,478	87,202	89,818	92,512	95,288	98,147	101,091	104,124	107,248
Maintenance	3.00%	683	40,320	41,529	42,775	44,060	45,381	46,743	48,143	49,586
Utilities	3.00%	1,075	63,425	65,328	67,288	69,305	71,386	73,527	75,733	78,005
Reserves	0.00%	450	26,550	26,550	26,550	26,550	26,550	26,550	26,550	26,550
Commercial	3.00%	593	35,000	36,050	37,131	38,245	39,393	40,575	41,792	43,046
Total Expenses	**2.71%**	**6,261**	**369,380**	**379,399**	**389,714**	**400,336**	**411,268**	**422,523**	**434,106**	**446,035**
Net Operating Income		**2,720**	**160,473**	**161,745**	**162,964**	**164,123**	**165,223**	**166,257**	**167,228**	**168,122**
Total Principal		499	29,448	31,190	33,041	35,004	37,089	39,303	41,653	44,147
Total Interest		1,867	110,136	108,393	106,543	104,579	102,494	100,281	97,931	95,435
Total Loan Payments		**2,366**	**139,584**	**139,583**	**139,584**	**139,583**	**139,583**	**139,584**	**139,584**	**139,582**
Debt Coverage Ratio			*1.15*	*1.16*	*1.17*	*1.18*	*1.18*	*1.19*	*1.20*	*1.20*
Cash Flow		**354**	**20,889**	**22,162**	**23,380**	**24,540**	**25,640**	**26,673**	**27,644**	**28,540**

Operating Proforma

510 E Washington TIF Application v2

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Studio	21,090	21,512	21,942	22,381	22,828	23,285	23,751	24,226	24,710	25,204
1 BR	293,852	299,729	305,724	311,838	318,075	324,437	330,925	337,544	344,295	351,181
2 BR	198,245	202,210	206,254	210,379	214,586	218,878	223,256	227,721	232,275	236,921
Gross Residential Income	**513,187**	**523,451**	**533,920**	**544,598**	**555,490**	**566,600**	**577,932**	**589,490**	**601,280**	**613,306**
Ground Floor	117,166	119,509	121,899	124,337	126,824	129,361	131,948	134,587	137,279	140,024
Gross Commercial Income	**117,166**	**119,509**	**121,899**	**124,337**	**126,824**	**129,361**	**131,948**	**134,587**	**137,279**	**140,024**
TIF Income	56,984	58,957	60,989	63,082	65,238	67,459	69,746	72,102	74,529	77,028
Gross Other Income	**56,984**	**58,957**	**60,989**	**63,082**	**65,238**	**67,459**	**69,746**	**72,102**	**74,529**	**77,028**
Gross Income	687,337	701,917	716,808	732,017	747,552	763,420	779,626	796,179	813,088	830,358
Vacancy / Collection Loss (8.82%)	(60,083)	(61,284)	(62,511)	(63,760)	(65,036)	(66,336)	(67,663)	(69,016)	(70,397)	(71,805)
Effective Gross Income	**627,254**	**640,633**	**654,297**	**668,257**	**682,516**	**697,084**	**711,963**	**727,163**	**742,691**	**758,553**
Administration	20,824	21,451	22,094	22,757	23,439	24,142	24,866	25,613	26,382	27,173
Marketing	3,737	3,849	3,965	4,083	4,206	4,332	4,462	4,596	4,734	4,876
Management Fee	31,041	31,662	32,295	32,941	33,600	34,272	34,957	35,656	36,369	37,097
Payroll	89,940	92,639	95,418	98,281	101,229	104,266	107,393	110,616	113,934	117,352
Taxes & Insurance	110,465	113,779	117,192	120,708	124,329	128,059	131,901	135,858	139,933	144,132
Maintenance	51,074	52,610	54,186	55,812	57,487	59,212	60,987	62,818	64,703	66,644
Utilities	80,345	82,755	85,238	87,795	90,429	93,142	95,936	98,814	101,778	104,831
Reserves	26,550	26,550	26,550	26,550	26,550	26,550	26,550	26,550	26,550	26,550
Commercial	44,337	45,667	47,037	48,448	49,902	51,399	52,941	54,529	56,165	57,850
Total Expenses	**458,313**	**470,962**	**483,975**	**497,375**	**511,171**	**525,374**	**539,993**	**555,050**	**570,548**	**586,505**
Net Operating Income	**168,941**	**169,671**	**170,322**	**170,882**	**171,345**	**171,710**	**171,970**	**172,113**	**172,143**	**172,048**
Total Principal	46,797	49,609	52,595	55,765	59,131	62,703	66,497	70,523	74,799	79,339
Total Interest	92,787	89,975	86,989	83,819	80,453	76,881	73,087	69,059	64,784	60,244
Total Loan Payments	**139,584**	**139,584**	**139,584**	**139,584**	**139,584**	**139,584**	**139,584**	**139,582**	**139,583**	**139,583**
Debt Coverage Ratio	*1.21*	*1.22*	*1.22*	*1.22*	*1.23*	*1.23*	*1.23*	*1.23*	*1.23*	*1.23*
Cash Flow	**29,357**	**30,087**	**30,738**	**31,298**	**31,761**	**32,126**	**32,386**	**32,531**	**32,560**	**32,465**

510 E Washington Street, Bloomington, IL
Preliminary TIF Estimates

Year	Base Property Taxes	Anticipated Taxes	Increment	90% of Increment	Balance to TIF Fund
2017	4,500	4,500	-	-	-
2018	4,500	4,500	-	-	-
2019	4,500	35,000	30,500	27,450	3,050
2020	4,500	62,500	58,000	52,200	5,800
2021	4,500	64,375	59,875	53,888	5,988
2022	4,500	66,306	61,806	55,625	6,181
2023	4,500	68,295	63,795	57,416	6,380
2024	4,500	70,344	65,844	59,260	6,584
2025	4,500	72,454	67,954	61,159	6,795
2026	4,500	74,628	70,128	63,115	7,013
2027	4,500	76,867	72,367	65,130	7,237
2028	4,500	79,173	74,673	67,206	7,467
2029	4,500	81,548	77,048	69,343	7,705
2030	4,500	83,994	79,494	71,545	7,949
2031	4,500	86,514	82,014	73,813	8,201
2032	4,500	89,109	84,609	76,148	8,461
2033	4,500	91,782	87,282	78,554	8,728
2034	4,500	94,535	90,035	81,032	9,004
2035	4,500	97,371	92,871	83,584	9,287
2036	4,500	100,292	95,792	86,213	9,579
2037	4,500	103,301	98,801	88,921	9,880
2038	4,500	106,400	101,900	91,710	10,190
2039	4,500	109,592	105,092	94,583	10,509
TOTAL	103,500	1,723,380	1,619,880	1,457,892	161,988

Notes:

1. Base Property Taxes estimated from 2016 payments

2. Anticipated Taxes assumes income approach based on Section 42 requirements in property tax code

3. Taxes anticipated to increase 3% annually

4. 90% of increment utilized to reimburse developer for TIF-eligible project costs

5. Project is rehabilitated in 2018 and fully occupied starting 2019

Iceberg Development Group
Section 42 Tax Credit Experience

- Currently Owns/Operates over 3,000 Units
  Has Developed over $700 Million in Residential Projects
- 25 years of Tax Credit Experience
- Developed properties in 6 different states
  Iowa, Illinois, Wisconsin, Missouri, Mississippi, Texas
- Licensed Tax Attorney and Certified Public Accountant
- Headquartered in Bettendorf, IA
- Experienced in working with local nonprofit development partners

Pending Projects (Awarded Tax Credits)

- Rosenwald Courts Chicago, IL
  239 Unit Acquisition Rehab
  $120 Million Total Project Cost
  Under Construction Est. Completion May 2016

- Villas at Fox Pointe Knoxville, IA
  50 Unit Section 42 Family Tax Credit Project
  $10.5 Million Total Project Cost
  Under Construction Estimated Completion May 2015

- Citrus Cove Senior Apartments Bridge City, TX
  80 Unit Section 42 Family Tax Credit Project
  $8.5 Million Total Project Cost; Awarded in 2014

- Holman Place Apartments Hannibal, MO
  48 Unit Section 42 Family Acquisition Rehab
  $7 Million Total Project Cost
  2014 MHDC Round 1 Award; Completion TBD

New Construction Properties Since 2006

- Oswego Mill Street Station Oswego, IL
  Established June 2014
  63 Unit Section 42 Family Project

- Gardiner Place Senior Apartments East Dundee, IL
  Established March 2014
  80 Unit Section 42 Senior Independent Living

- River Haven Townhomes East Dundee, IL
  Established February 2014
  68 Unit Section 42 Family Project

- Thomas Place Orland Park Orland Park, IL
  Established February 2013
  80 Unit Section 42 Senior Independent Living

New Construction Properties (cont.)

- Thomas Place Gurnee Gurnee, IL
  Established March 2012
  101 Unit Section 42 Senior Independent Living

- Timberline Terrace Senior Apartments Quincy, IL
  Established July 2012
  57 Unit Section 42 Senior Independent Living

- Hunter's Chase Senior Apartments Rockdale, TX
  Established January 2014
  80 Unit Section 42 Senior Independent Living

- Green Gables Phase 2 Senior Apartments Wentzville, MO
  Established August 2014
  48 Unit Section 42 Senior Indendent Living (48 units in phase 1 also)

New Construction Properties (cont.)

- Westport Terrace Keokuk
  Established November 2011
  72 Unit Section 42 Family Project

- Timberline Terrace Senior Apartments Quincy, IL
  Established July 2012
  57 Unit Section 42 Senior Independent Living

- Sterling Townhomes Sterling, IL
  Established December 2011
  22 Unit Acquisition Rehab Family Project

- JNB Badger South Apartments Scattered Site WI
  Established June 2013
  96 Unit Section 42 Family Rehab Project of Section 515 (5 Total Projects)

New Construction Properties (Cont.)

- Hometown Harbor Assisted Living Racine, WI
  Established March 2006
  110 Unit Section 42 Assisted Living Facility

- Thomas Place Senior Apartments Glenview, IL
  Established August 2006
  143 Unit Section 42 Senior Independent Living

- Acorn Hill Senior Assisted Living Mosinee, WI
  Established October 2008
  29 Unit Section 42 Assisted Living Facility

- Crown Road Estates Gulfport, MS
  Established October 2008
  Section 42 Family property consisting of 335 single family homes

- Thomas Place Fox Lake Senior Apartments Fox Lake, IL
  Established August 2010
  100 Unit Section 42 Senior Independent Living

New Construction Properties (Cont.)

- Thomas Place Bettendorf Senior Apartments Bettendorf, IA
  Established November 2010
  116 Unit Section 42 Senior Independent Living

- Thomas Place Waukee Senior Apartments Waukee, IA
  Established March 2011
  116 Unit Section 42 Senior Independent Living

- Green Gables Senior Living Wentzville, MO
  Established June 2011
  48 Unit Section 42 Senior Independent Living

- Waukee Family Townhomes
  Established August 2011
  Section 42 Family property consisting of 45 duplexes totaling 90 units

- Hometown Harbor East Moline
  Established September 2011
  80 Unit Section 42 Senior Independent Living

ROSENWALD COURTS

OPENING FALL 2016
47TH & MICHIGAN AVENUES
CHICAGO, IL 60653

The redevelopment of Rosenwald Courts in Chicago's Bronzeville neighborhood is intended to exemplify and honor its founder and the multitude of successful musicians, athletes, and agents for change that once were residents. In this pursuit, the development team intends to transform the Rosenwald to its former status as a beacon for opportunity and success, a status not only intended for the residents who will find homes there, but also for the Bronzeville area residents and its business community.

Building History

The Michigan Boulevard Garden Apartments was developed in 1929 by Julius Rosenwald, then president of Sears, Roebuck & Company, to provide quality, affordable housing for working African-American families living in the Washington Park and Grand Boulevard neighborhoods. At that time, the burgeoning Bronzeville area was bursting with people who had migrated north during the Great Migration and were in desperate need of quality, affordable housing.

The 400+ unit apartment complex, which the residents dubbed “the Rosenwald,” was almost exclusively rented by middle-class African-Americans who enjoyed the spacious apartments, many attached retail storefronts, massive interior courtyard and innumerable resident-organized clubs and activities. Throughout the 1960’s, the Rosenwald remained a very successful enterprise. Sadly, the 1970’s saw the building’s descent into disrepair, along with the overall decline of the neighborhood. The building was shuttered in 1999.

<u>The Person And His Vision</u>

Julius Rosenwald devoted substantial philanthropic resources and personal efforts to improve outcomes for African-Americans. Through a long-standing relationship with Booker T Washington, Rosenwald helped to establish thousands of rural schools throughout the South. By 1928, one in every five rural schools for black students in the South was a Rosenwald school, and these schools housed one-third of the region's rural black schoolchildren and teachers. At the program's conclusion in 1932, it had produced 4,977 new schools, 217 teachers' homes, and 163 shop buildings.

Chicago’s segregated neighborhoods in that era meant that blacks had very limited housing options. As a result, they paid exorbitant rent for substandard, overcrowded housing in designated areas of the City (initially the South Side). Rosenwald believed that a market existed to provide quality apartments to black families on the South Side. That belief led to him personally bankrolling the construction of the Michigan Avenue Apartments, which consisted of over 400 spacious apartments (by 1920s standards). It was also one of the first apartment complexes to incorporate substantial retail space and an interior private courtyard. With community activist Robert Taylor as its first building manager, Rosenwald remained “the place” to live in Bronzeville for decades, while producing many creative, determined, and inspiring residents. Some of the better-known residents include:

Athletes:
Ralph Metcalfe, 4-time Olympic Medalist & Congressmen
Joe Louis, Boxing Champion, World Heavyweight Champion 1937 – 1949
Jesse Owens, 4-Time Olympic Medalist
Entertainers:
Nat King Cole, Singer
Duke Ellington, Musician
Marla Gibbs, Actress
Lorraine Hansberry, Playwright & Writer
John Johnson, Publisher (founded Ebony Magazine)
Quincy Jones, Record Producer (his mother was a manager at the Rosenwald)
Community Activists:
William Dawon, Congressman from 1943 – 1970
Vivian Harsh, Library Director
Robert Rochon Taylor, Architect that assisted in the design of the building; later recruited by Julius Rosenwald to manage it; served as the chairman of the Chicago Housing Authority for 11 years advocating for desegregated public housing; he also was part of a group that started the Illinois Federal Savings and Loan Association, one of only two savings and loan institutions that provided mortgages to would-be black homeowners on Chicago's South Side.
Dr. Daniel Hale Williams, Surgeon who helped establish Provident Hospital

The Future

The redevelopment of the building is now underway. Construction began in February 2015 and will be completed in the summer of 2016. The redeveloped building maintains the innovative mix of residential, service and retail space while serving a diversity of ages and income for its residents. The development team is currently seeking partners interested in utilizing portions of the building, who share the Rosenwald ideals in the pursuits of education, workforce training, social programming, child development and community activism.

Highlights include:

Historic Renovation
The redevelopment is being completed to National Historic standards to preserve the historic texture of the building.

Residential Units:
239 one and two-bedroom units
120 units for low- income seniors; includes two senior-only entrances, elevators, community room, fitness room, computer room, and laundry lounges.
119 units for families in a series of 3-story walk ups (33 units) and the 5-story elevator building with its own entrances, elevators, community rooms, fitness room, computer room, and washers & dryers in each unit.
All units feature modern kitchens, bathrooms, and central heat and air.

Interior Courtyard
There is a 2-acre interior courtyard. It will be professionally landscaped and will include a variety of activity areas for the residents (such as picnic tables, BBQ area, and walking paths).

Retail Space
12,500 square feet of ground floor and 10,000 SF of basement retail along 47^{th} St. Anticipated retail uses include:
Coffee Shop
Discount Grocery Store
Dry Cleaners
Restaurant
Game Stop shop (or similar)
An additional 3,000 SF space is reserved for a potential day care along 46^{th} street.

THOMAS PLACE FOX LAKE

Thomas Place Fox Lake is a 100 unit elderly property. The building consists of one and two bedroom units. It is a Section 42 Tax Credit building located in Fox Lake, IL a northwest suburb of Chicago.


08/02/2010


A true love story never ends


LIVE
LOVE
LAUGH
HOPE
DREAM
EAT

3-Story Walk-ups

Before

After

ROSENWALD COURTS

A LEGACY REBUILT AS A NEIGHBORHOOD RENEWS

5-Story Units

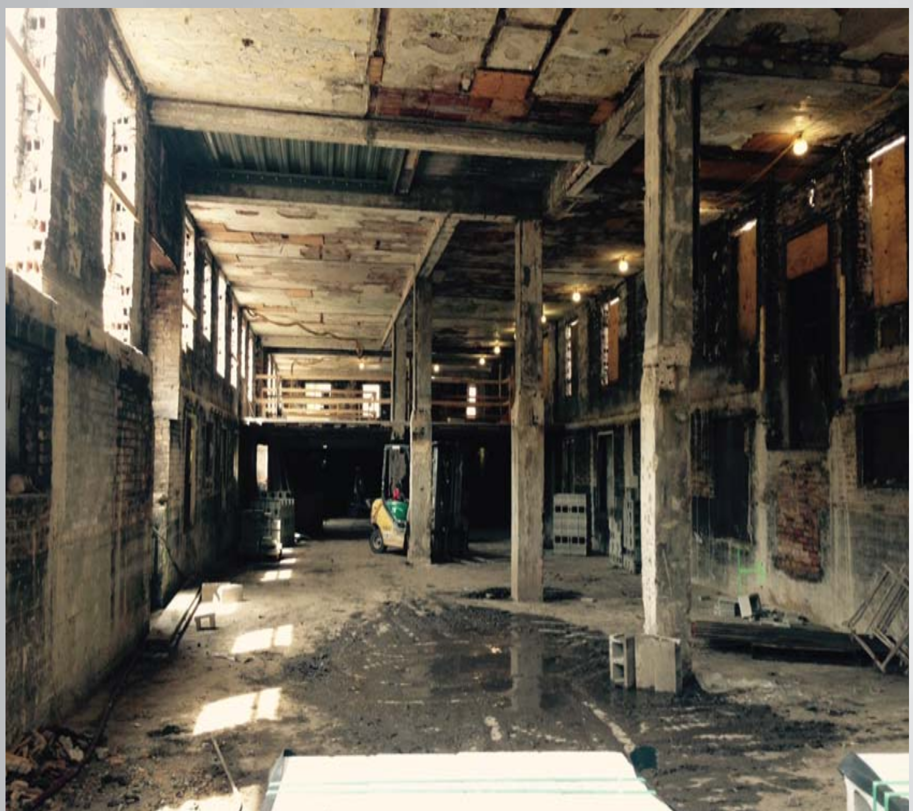
Before

After

ROSENWALD COURTS

A LEGACY REBUILT AS A NEIGHBORHOOD RENEWS

Senior Entrance



Before

After

Courtyard

Before

After

Interior pictures of
510 E Washington Street
taken by City Staff
February 8, 2017








EXIT


You can...


CAUTION:
ASBESTOS. HAZARDOUS.
NOT DISTURB WITHOUT PROPER
AINING AND EQUIPMENT.


CITY DISCONNECTED
RESET
TROUBLE
NORMAL
CITY DISCONNECT SW.
DRILL SWITCH
SILENCE





1915


DANGER ASBESTOS HAZARD
DANGER
ASBESTOS
CANCER AND LUNG
DISEASE HAZARD
AUTHORIZED
PERSONNEL ONLY
RESPIRATORS AND
PROTECTIVE
CLOTHING ARE
REQUIRED IN THIS
AREA


Do not open doors until the
Elevator comes to a
COMPLETE STOP
CIERRE
LAS DOS
PUERTAS
KEEP
OUT

McLEAN COUNTY ILLINOIS REAL ESTATE TAX BILL

McLean County

REBECCA C. McNEIL
McLEAN COUNTY TREASURER/COLLECTOR
P.O. BOX 2400
115 E. WASHINGTON, RM M101
BLOOMINGTON, ILLINOIS 61702-2400
Ph (309) 888-5180 Fax (309) 888-5176
Office Hours: 8AM - 4:30PM, Mon. - Fri.
www.mcleancountyil.gov

Township: 40
Tax Code: 4001
Prop Use Code: 0060

Legal Description
EVANS ADD BLK 4

21-04-408-001

ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

Pay by credit card or Visa debit card at www.mcleancountyil.gov/tax or call 1-877-647-7238. (A fee applies.)

Cards

DUPLICATE

Taxing Body	Current Rate	Current Tax	Prior Rate	Prior Tax	Pension Amount	Difference
MCLEAN COUNTY	**0.91399**	**$1,215.19**	0.91836	$1,162.85	229.87	52.34
CITY OF BLOOMINGTON TOWNSHIP	**0.12166**	**$161.75**	0.12433	$157.43	0.00	4.32
CITY OF BLOOMINGTON	**1.08363**	**$1,440.73**	1.07729	$1,364.10	814.44	76.63
B-N WATER RECLAMATION DIST	**0.17931**	**$238.40**	0.17446	$220.91	34.24	17.49
BLM-NRM AIRPORT AUTH	**0.12442**	**$165.42**	0.13572	$171.85	9.00	-6.43
CUSD 87 BLOOMINGTON	**5.13998**	**$6,833.81**	5.15877	$6,532.19	234.27	301.62
CITY OF BLOOMINGTON LIBRARY	**0.25296**	**$336.32**	0.25098	$317.80	0.00	18.52
HEARTLAND COMM COLLEGE 540	**0.58840**	**$782.30**	0.54046	$684.35	0.00	97.95
Totals	**8.40435**	**$11,173.92**	**8.38037**	**$10,611.48**	**$1,321.82**	**$562.44**

TIF BASE	0
1977 EQUALIZED	0
SR FREEZE BASE	0
FAIR CASH VALUE	398,900
TOTAL ACRES	0.00
LAND VALUE	48,068
+ BUILDING VALUE	84,886
-HOME IMPROVEMENT	0
= ASSESSED VALUE	132,954
x STATE MULTIPLIER	1.0000
= EQUALIZED VALUE	132,954
- HOMESTEAD EXMPT	0
- SR CITZ EXMPT	0
- SR FREEZE EXMPT	0
- DISABLED VET EXMPT	0
- DIS VET HOMESTEAD	0
- DISABLED PER EXMPT	0
- RET VET HOMESTEAD	0
+ FARM LAND	0
+ FARM BUILDING	0
= NET TAXABLE VAL.	132,954
x TAX RATE	8.40435
= CURRENT TAX	$11,173.92
+ DRAINAGE	
PRIOR SALE/FORF	NO
= TOTAL TAX DUE	**$11,173.92**
- TOTAL TAX PAID	$0.00
= TOTAL TAX DUE	**$11,173.92**

Owner Name: ICEBERG DEVELOPMENT GROUP LLC

PENALTIES

PENALTY OF 1 1/2% PER MONTH ADDED AFTER EACH INSTALLMENT DUE DATE.

ADDITIONAL $10 ADDED AFTER DELINQUENT NOTICE IS MAILED

If postmarked after 9/30, contact office. Additional Interest & Penalties apply.

Certified funds required for payments tendered within 30 days of the OCTOBER 27, 2017 tax sale.

1128

McLean County Real Estate Tax Bill

2016 PAYABLE 2017

Parcel Number 21-04-408-001
Bill Number 2016-043542
Prior Sale/Forf **NO**

Second Installment Due Date **09/01/2017**
Total Due 2nd Install **$5,586.96**

Mail is processed by our bank processing center.
Mail Payments To:
MCLEAN COUNTY COLLECTOR
P.O. BOX 843637
KANSAS CITY, MO 64184-3637

IF POSTMARKED AFTER	TAX	PENALTY	PLEASE PAY
09/01/2017	5,586.96	83.80	5,670.76
09/30/2017	5,586.96	Contact Office	Contact Office

DUPLICATE

2

2
ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

McLean County Real Estate Tax Bill

2016 PAYABLE 2017

Parcel Number 21-04-408-001
Bill Number 2016-043542
Prior Sale/Forf **NO**

First Installment Due Date **06/01/2017**
Total Due 1st Install **$5,586.96**

Mail is processed by our bank processing center.
Mail Payments To:
MCLEAN COUNTY COLLECTOR
P.O. BOX 843637
KANSAS CITY, MO 64184-3637

IF POSTMARKED AFTER	TAX	PENALTY	PLEASE PAY
06/01/2017	5,586.96	83.80	5,670.76
07/01/2017	5,586.96	167.61	5,754.57
08/01/2017	5,586.96	251.41	5,838.37
09/01/2017	5,586.96	335.22	5,922.18
09/30/2017	5,586.96	Contact Office	Contact Office

DUPLICATE

1

1
ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

McLEAN COUNTY ILLINOIS REAL ESTATE TAX BILL

McLean County

REBECCA C. McNEIL
McLEAN COUNTY TREASURER/COLLECTOR
P.O. BOX 2400
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BLOOMINGTON, ILLINOIS 61702-2400
Ph (309) 888-5180 Fax (309) 888-5176
Office Hours: 8AM - 4:30PM, Mon. - Fri.
www.mcleancountyil.gov

Township: 40
Tax Code: 4001
Prop Use Code: 0060

Legal Description
EVANS ADD LOT 7 & 8 BLK 1

21-04-404-001

ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

Pay by credit card or Visa debit card at www.mcleancountyil.gov/tax or call 1-877-647-7238. (A fee applies.)

Cards MasterCard DISCOVER NOVUS VISA

DUPLICATE

TIF BASE	0
1977 EQUALIZED	0
SR FREEZE BASE	0
FAIR CASH VALUE	14,020
TOTAL ACRES	0.00
LAND VALUE	4,674
+ BUILDING VALUE	0
-HOME IMPROVEMENT	0
= ASSESSED VALUE	4,674
x STATE MULTIPLIER	1.0000
= EQUALIZED VALUE	4,674
- HOMESTEAD EXMPT	0
- SR CITZ EXMPT	0
- SR FREEZE EXMPT	0
- DISABLED VET EXMPT	0
- DIS VET HOMESTEAD	0
- DISABLED PER EXMPT	0
- RET VET HOMESTEAD	0
+ FARM LAND	0
+ FARM BUILDING	0
= NET TAXABLE VAL.	4,674
x TAX RATE	8.40435
= CURRENT TAX	$392.82
+ DRAINAGE	
PRIOR SALE/FORF	NO
= TOTAL TAX DUE	**$392.82**
- TOTAL TAX PAID	$0.00
= TOTAL TAX DUE	**$392.82**

Taxing Body	Current Rate	Current Tax	Prior Rate	Prior Tax	Pension Amount	Difference
MCLEAN COUNTY	**0.91399**	**$42.72**	0.91836	$40.88	8.08	1.84
CITY OF BLOOMINGTON TOWNSHIP	**0.12166**	**$5.69**	0.12433	$5.53	0.00	0.16
CITY OF BLOOMINGTON	**1.08363**	**$50.65**	1.07729	$47.95	28.62	2.70
B-N WATER RECLAMATION DIST	**0.17931**	**$8.38**	0.17446	$7.77	1.20	0.61
BLM-NRM AIRPORT AUTH	**0.12442**	**$5.82**	0.13572	$6.04	0.32	-0.22
CUSD 87 BLOOMINGTON	**5.13998**	**$240.24**	5.15877	$229.62	8.23	10.62
CITY OF BLOOMINGTON LIBRARY	**0.25296**	**$11.82**	0.25098	$11.17	0.00	0.65
HEARTLAND COMM COLLEGE 540	**0.58840**	**$27.50**	0.54046	$24.06	0.00	3.44
Totals	**8.40435**	**$392.82**	**8.38037**	**$373.02**	**$46.45**	**$19.80**

Owner Name: ICEBERG DEVELOPMENT GROUP LLC

If postmarked after 9/30, contact office. Additional Interest & Penalties apply.

Certified funds required for payments tendered within 30 days of the OCTOBER 27, 2017 tax sale.

PENALTIES

PENALTY OF 1 1/2% PER MONTH ADDED AFTER EACH INSTALLMENT DUE DATE.

ADDITIONAL $10 ADDED AFTER DELINQUENT NOTICE IS MAILED

1127

McLean County Real Estate Tax Bill

2016 PAYABLE 2017

Parcel Number 21-04-404-001
Bill Number 2016-043527
Prior Sale/Forf **NO**

Second Installment Due Date **09/01/2017**
Total Due 2nd Install **$196.41**

Mail is processed by our bank processing center.
Mail Payments To:
MCLEAN COUNTY COLLECTOR
P.O. BOX 843637
KANSAS CITY, MO 64184-3637

IF POSTMARKED AFTER	TAX	PENALTY	PLEASE PAY
09/01/2017	196.41	2.95	199.36
09/30/2017	196.41	Contact Office	Contact Office

DUPLICATE

2

2
ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

McLean County Real Estate Tax Bill

2016 PAYABLE 2017

Parcel Number 21-04-404-001
Bill Number 2016-043527
Prior Sale/Forf **NO**

First Installment Due Date **06/01/2017**
Total Due 1st Install **$196.41**

Mail is processed by our bank processing center.
Mail Payments To:
MCLEAN COUNTY COLLECTOR
P.O. BOX 843637
KANSAS CITY, MO 64184-3637

IF POSTMARKED AFTER	TAX	PENALTY	PLEASE PAY
06/01/2017	196.41	2.95	199.36
07/01/2017	196.41	5.89	202.30
08/01/2017	196.41	8.84	205.25
09/01/2017	196.41	11.78	208.19
09/30/2017	196.41	Contact Office	Contact Office

DUPLICATE

1

1
ICEBERG DEVELOPMENT GROUP LLC
20 SANDSTONE CT
LE CLAIRE, IA 52753-9250

Farnsworth GROUP

PRELIMINARY
NOT FOR CONSTRUCTION

Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DRAWING INDEX

ARCHITECTURAL

A0.2	SITE PLAN
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AD1.1	FIRST FLOOR DEMOLITION PLAN
AD1.2	SECOND FLOOR DEMOLITION PLAN
AD1.3	THIRD FLOOR DEMOLITION PLAN
A1.0	BASEMENT FLOOR PLAN
A1.1	FIRST FLOOR PLAN
A1.2	SECOND FLOOR PLAN
A1.3	THIRD FLOOR PLAN
A1.4	FOURTH FLOOR PLAN
A3.1	EXTERIOR ELEVATIONS
A3.2	EXTERIOR ELEVATIONS
A3.3	ENLARGED PLANS
A5.1	WALL SECTIONS

APARTMENT TOTALS

UNIT TOTALS

APARTMENT TYPE	BASEMENT	FIRST	SECOND	THIRD	FOURTH	TOTAL
STUDIO	0	0	2	2	0	**4**
1 BEDROOM	5	3	13	12	0	**33**
2 BEDROOM	0	0	11	9	1	**21**
TOTAL PER FLOOR	**5**	**3**	**26**	**42**	**1**	**58**

PROPOSED AREAS (NET SQUARE FEET)

	BASEMENT	FIRST	SECOND	THIRD	FOURTH	TOTAL
RESIDENTIAL						
STUDIO (400 AVG)	0	0	800	800	0	**1,600**
1 BEDROOM (650 AVG)	3,450	1924	8,415	7,680	0	**21,469**
2 BEDROOM (825 AVG)	0	0	8,800	7,370	0	**16,170**
MANAGER'S SUITE	0	0	0	0	1,155	**1,155**
COMMERCIAL	0	12,909	0	0	0	**12,909**
CIRCULATION	2,671	8,673	8,233	7,194	0	**26,771**
COMMON (GENERAL)	12,252	2,250	1,561	937	524	**17,524**
GYMNASIUM	6,591	3,000	0	0	0	**9,591**
AUDITORIUM	0	0	6,376	3,845	0	**10,221**
N.I.S. (NOT IN SCOPE)	20,443	0	0	0	0	**20,443**
TOTAL PER FLOOR	45,407	28,756	34,185	27,826	1,679	**137,853**

PROJECT IMAGE

LOCATION MAP

MAP DATA © 2016 GOOGLE

DEVELOPMENT TEAM

Developer:
Jim Bergman, Prime
Iceberg Development Group, LLC
PO Box 703
Platteville, WI 53818

Brian Fritz, Second Prime
Pioneer Property Management

Financial Consultant:
Virginia Pace, President
LGG Lightengale Group
140 South
Dearborn St. Suite 1500A
Chicago, IL 60603

Architect:
Farnsworth Group, Inc.
David R. Leggans
200 W. College Street, Suite 301
Normal, IL 61761

Historic Preservation Consultant:
John D. Cramer
MHA MiDNest
53 West Jackson Boulevard, Suite 1142
Chicago, IL 60604

PROJECT NO.: 0161438.00

Design Firm Registration #184001856

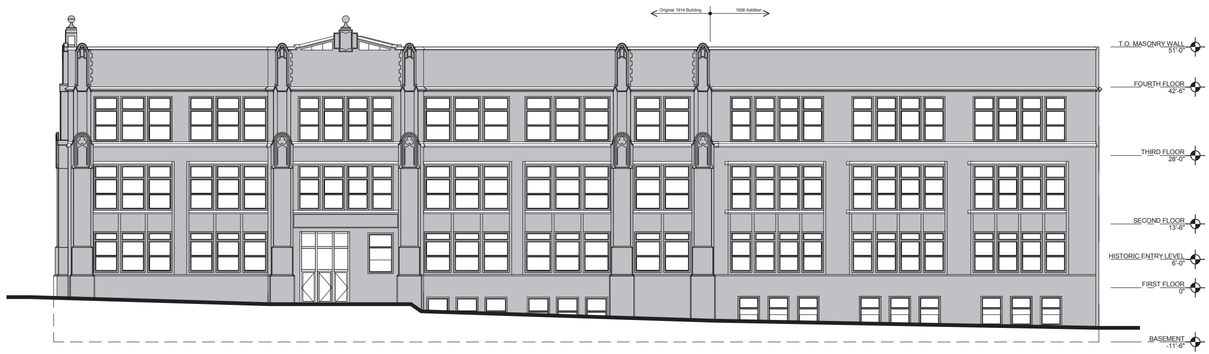
DATE: 2/24/2017

200 W. College Avenue, Suite 301 - Normal, Illinois 61761 - Phone: (309) 663-8436 / info@f-w.com

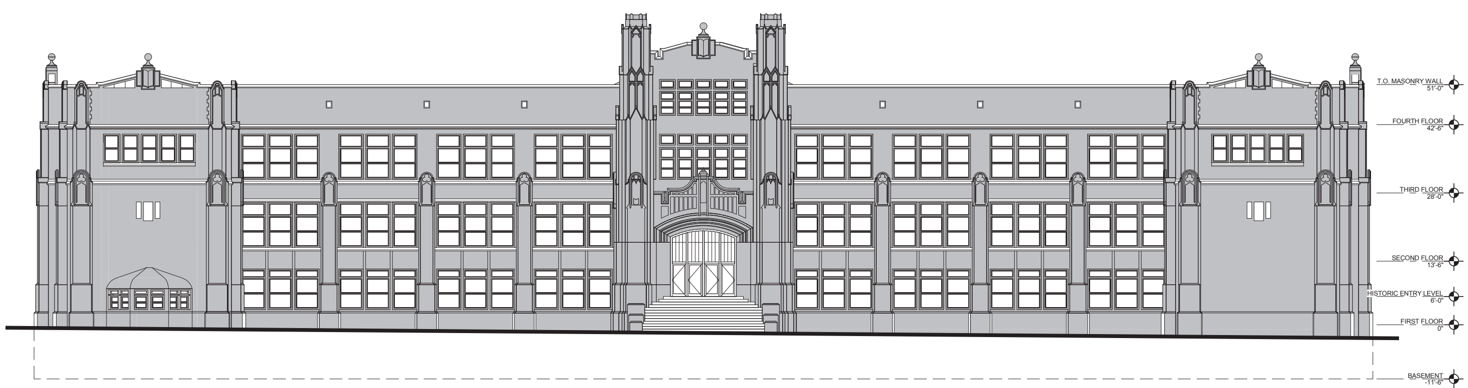
Farnsworth GROUP

PRELIMINARY
510 E. WASHINGTON DEVELOPMENT

Iceberg Development Group, LLC



2 **EAST ELEVATION**
Scale: 3/32" = 1'-0"



1 **SOUTH ELEVATION**
Scale: 3/32" = 1'-0"

Farnsworth
GROUP
200 W. COLLEGE AVENUE, SUITE 301
NORMAL, ILLINOIS 61761
(309) 663-8436 / info@f-w.com
www.f-w.com
Engineers | Architects | Surveyors | Scientists

ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

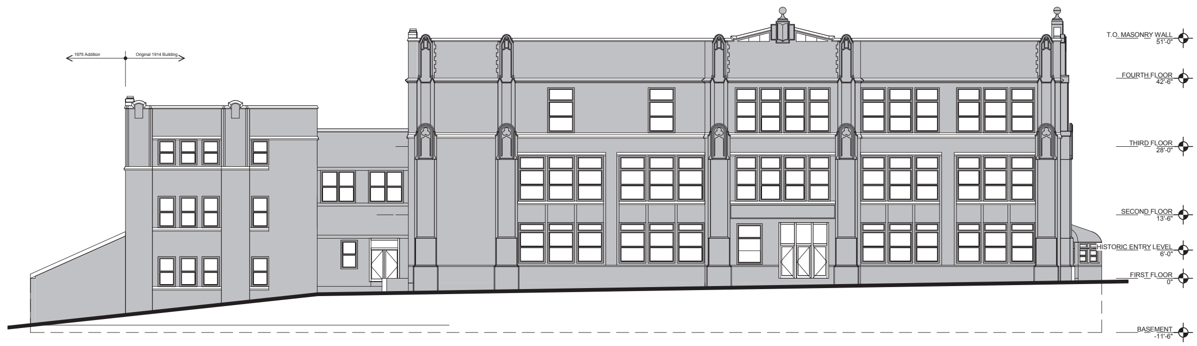
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
EXTERIOR ELEVATIONS

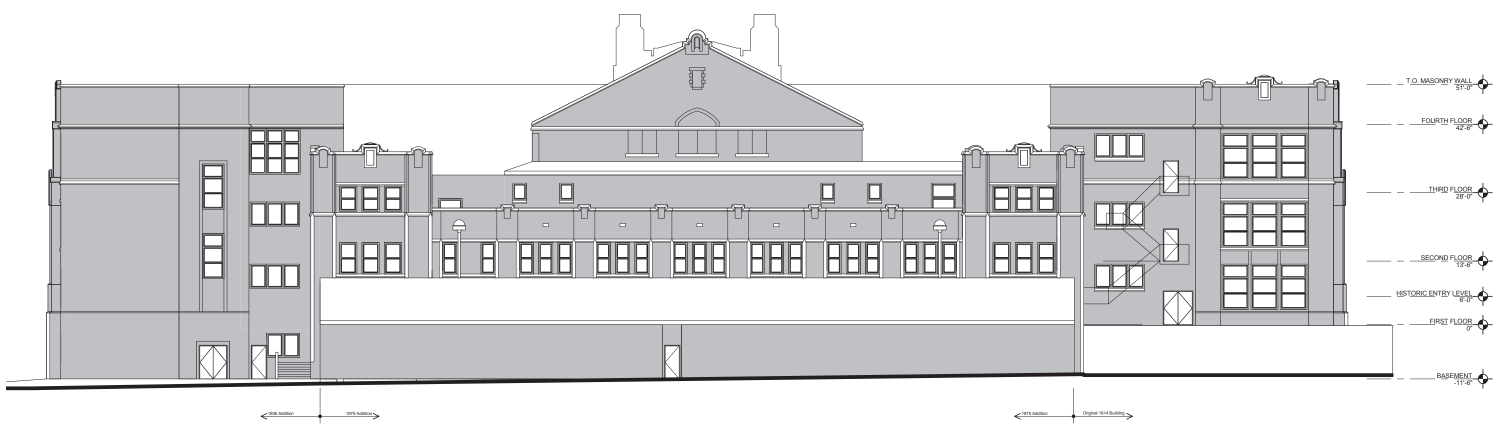
SHEET NUMBER:
A3.1

PROJECT NO.: 0161438.00



2 **WEST ELEVATION**

Scale: 3/32" = 1'-0"



1 **NORTH ELEVATION**

Scale: 3/32" = 1'-0"

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ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:

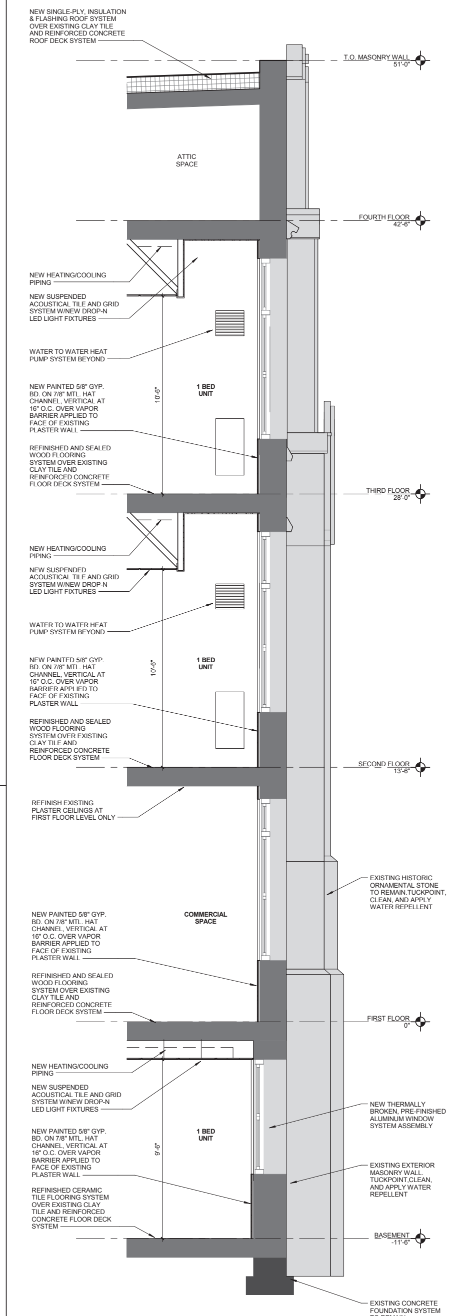
EXTERIOR ELEVATIONS

SHEET NUMBER:

A3.2

PROJECT NO.: 0161438.00

2 **BUILDING SECTION AT EAST WING**
Scale: 3/32" = 1'-0"



1 **TYPICAL EXTERIOR WALL SECTION**
Scale: 3/8" = 1'-0"

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PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

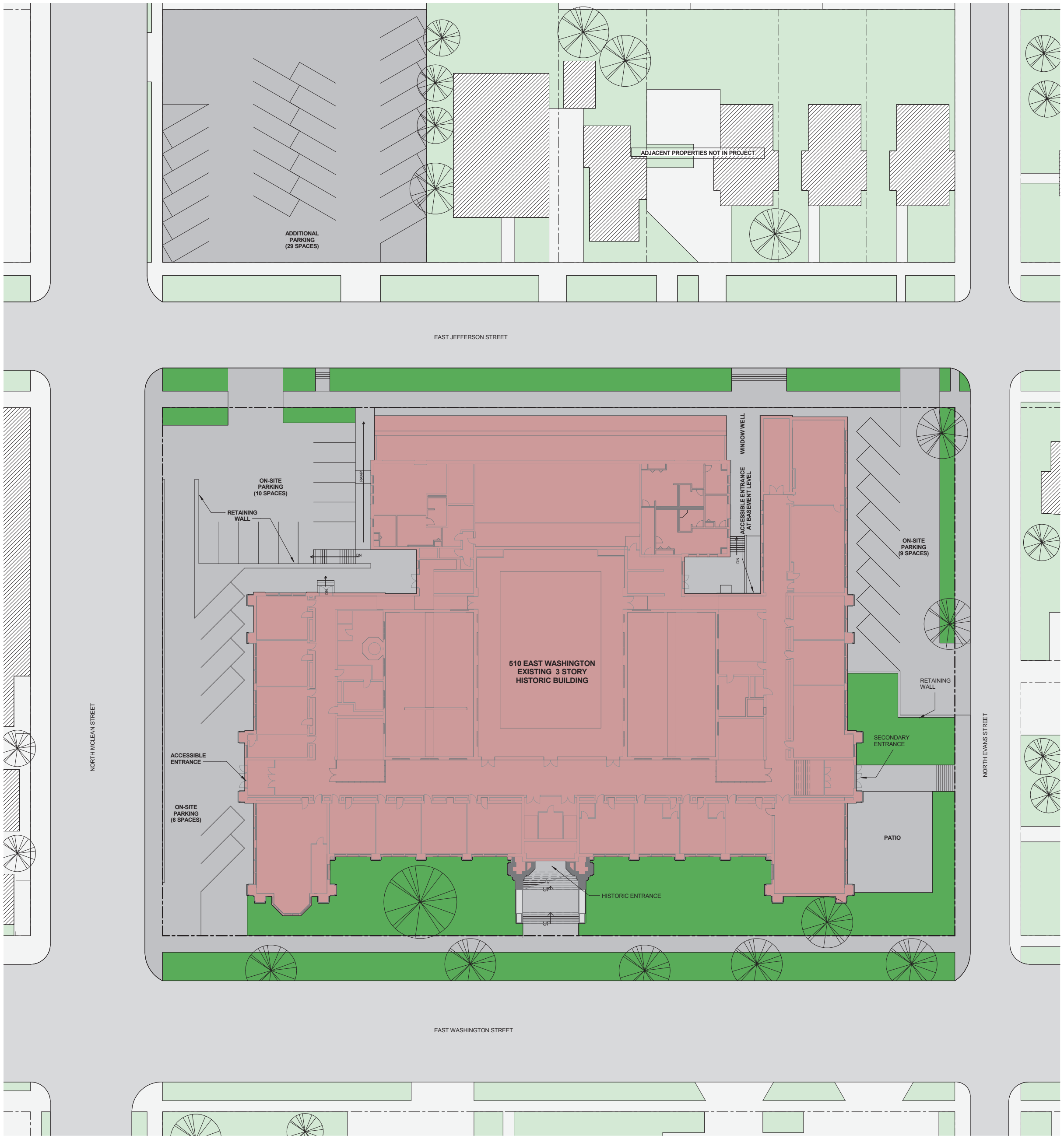
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
WALL SECTIONS

SHEET NUMBER:
A5.1

PROJECT NO.: 0161438.00



SITE PLAN

Scale: 1" = 20'-0"

Farnsworth GROUP

200 W. COLLEGE AVENUE, SUITE 301
NORMAL, ILLINOIS 61761
(309) 663-8436 / info@f-w.com

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ISSUE:

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PRELIMINARY
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PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

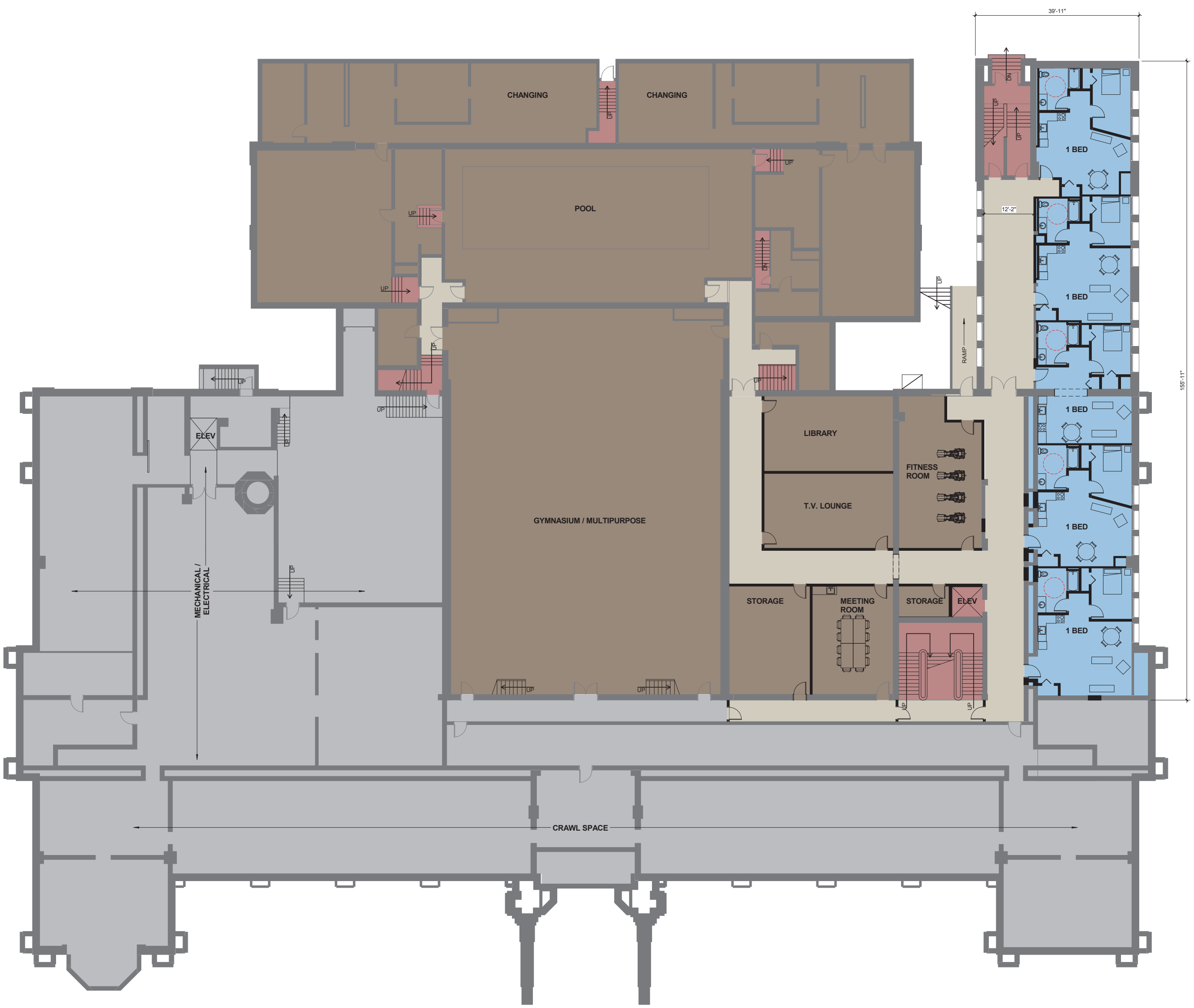
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
SITE PLAN

SHEET NUMBER:
A0.2

PROJECT NO.: 0161438.00



BASEMENT PLAN

Scale: 3/32" = 1'-0"

ROOM LEGEND

STUDIO
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR --------TOTAL: 0
SECOND FLOOR ---------TOTAL: 2
THIRD FLOOR ---------TOTAL: 2
FOURTH FLOOR ---------TOTAL: 0

TOTAL: 4

1 BED
BASEMENT FLOOR --------TOTAL: 5
FIRST FLOOR ---------TOTAL: 3
SECOND FLOOR ---------TOTAL: 13
THIRD FLOOR ---------TOTAL: 12
FOURTH FLOOR ---------TOTAL: 0

TOTAL: 33

2 BED
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR ---------TOTAL: 0
SECOND FLOOR ---------TOTAL: 11
THIRD FLOOR ---------TOTAL: 9
FOURTH FLOOR ---------TOTAL: 1

TOTAL: 21

MANAGER'S SUITE

COMMERCIAL

CIRCULATION

COMMON SPACES

VERTICAL CIRCULATION

MECHANICAL / ELECTRICAL STORAGE & OTHER

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Engineers | Architects | Surveyors | Scientists

ISSUE:

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PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

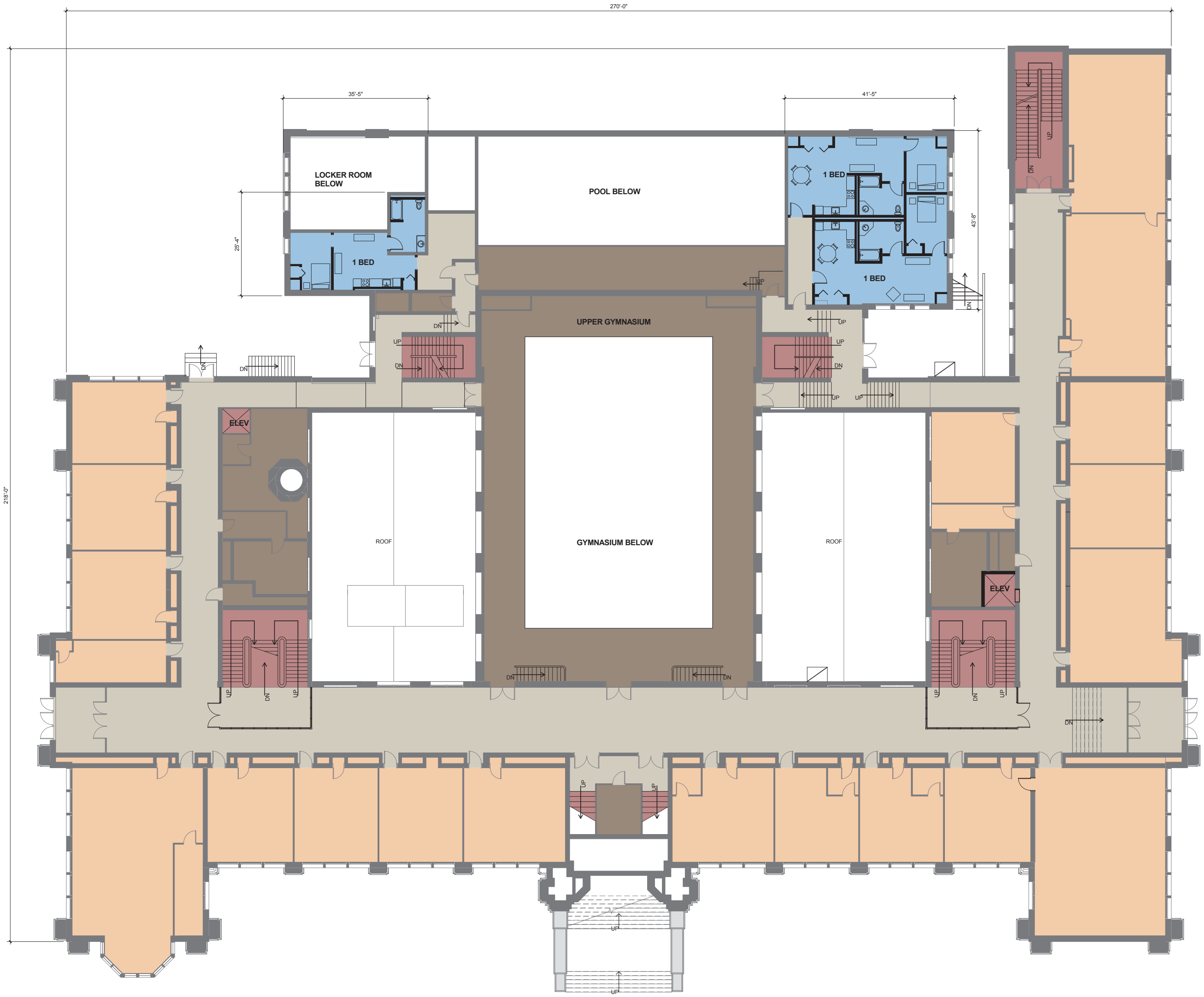
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
BASEMENT FLOOR PLAN

SHEET NUMBER:
A1.0

PROJECT NO.: 0161438.00



FIRST FLOOR PLAN
Scale: 3/32" = 1'-0"

ROOM LEGEND

STUDIO
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR --------TOTAL: 0
SECOND FLOOR ---------TOTAL: 2
THIRD FLOOR ---------TOTAL: 2
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 4

1 BED
BASEMENT FLOOR --------TOTAL: 5
FIRST FLOOR ---------TOTAL: 3
SECOND FLOOR ---------TOTAL: 13
THIRD FLOOR ---------TOTAL: 12
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 33

2 BED
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR ---------TOTAL: 0
SECOND FLOOR ---------TOTAL: 11
THIRD FLOOR ---------TOTAL: 9
FOURTH FLOOR ---------TOTAL: 1
TOTAL: 21

MANAGER'S SUITE

COMMERCIAL

CIRCULATION

COMMON SPACES

VERTICAL CIRCULATION

MECHANICAL / ELECTRICAL STORAGE & OTHER

Farnsworth GROUP
200 W. COLLEGE AVENUE, SUITE 301
NORMAL, ILLINOIS 61761
(309) 663-8436 / info@f-w.com
www.f-w.com
Engineers | Architects | Surveyors | Scientists

ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

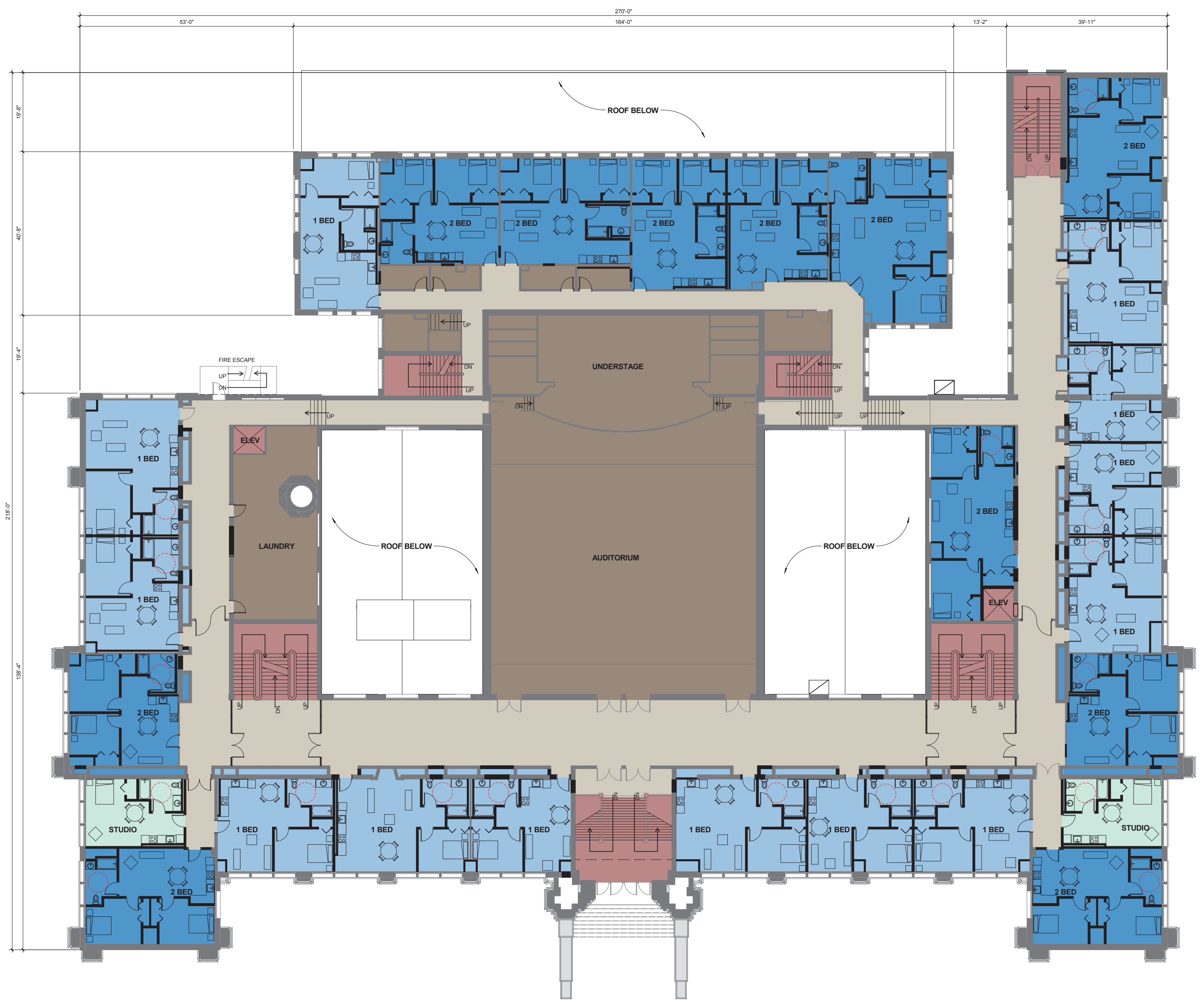
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
FIRST FLOOR PLAN

SHEET NUMBER:
A1.1

PROJECT NO.: 0161438.00



SECOND FLOOR PLAN

Scale: 3/32" = 1'-0"

ROOM LEGEND

<u>STUDIO</u>
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR --------TOTAL: 0
SECOND FLOOR ---------TOTAL: 2
THIRD FLOOR ---------TOTAL: 2
FOURTH FLOOR ---------TOTAL: 0

TOTAL: 4

<u>1 BED</u>
BASEMENT FLOOR --------TOTAL: 5
FIRST FLOOR ---------TOTAL: 3
SECOND FLOOR ---------TOTAL: 13
THIRD FLOOR ---------TOTAL: 12
FOURTH FLOOR ---------TOTAL: 0

TOTAL: 33

<u>2 BED</u>
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR ---------TOTAL: 0
SECOND FLOOR ---------TOTAL: 11
THIRD FLOOR ---------TOTAL: 9
FOURTH FLOOR ---------TOTAL: 1

TOTAL: 21

MANAGER'S SUITE

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CIRCULATION

COMMON SPACES

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ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

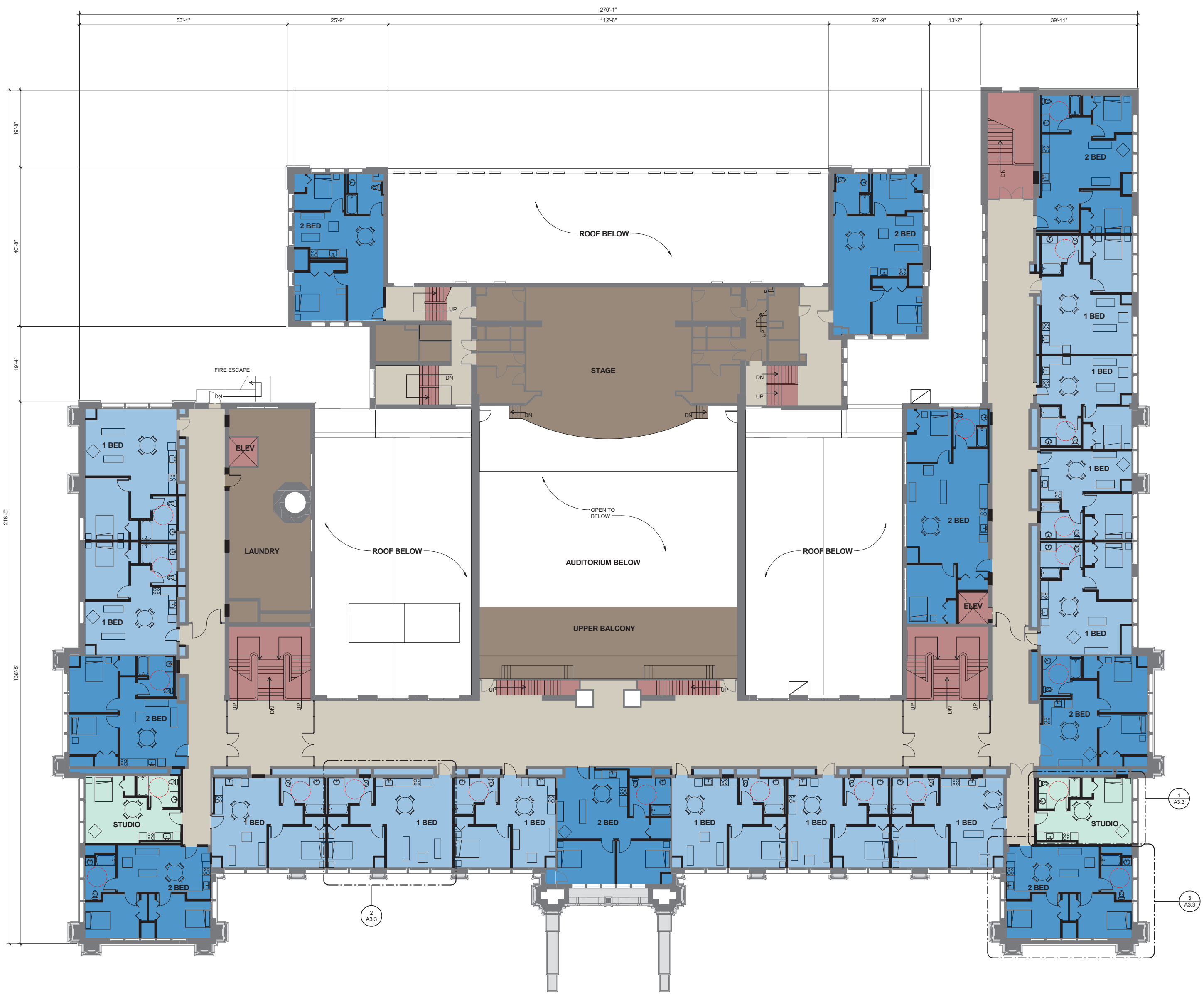
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
SECOND FLOOR PLAN

SHEET NUMBER:
A1.2

PROJECT NO.: 0161438.00



THIRD FLOOR PLAN

Scale: 3/32" = 1'-0"

ROOM LEGEND

STUDIO
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR --------TOTAL: 0
SECOND FLOOR ---------TOTAL: 2
THIRD FLOOR ---------TOTAL: 2
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 4

1 BED
BASEMENT FLOOR --------TOTAL: 5
FIRST FLOOR ---------TOTAL: 3
SECOND FLOOR ---------TOTAL: 13
THIRD FLOOR ---------TOTAL: 12
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 33

2 BED
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR ---------TOTAL: 0
SECOND FLOOR ---------TOTAL: 11
THIRD FLOOR ---------TOTAL: 9
FOURTH FLOOR ---------TOTAL: 1
TOTAL: 21

MANAGER'S SUITE

COMMERCIAL

CIRCULATION

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ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

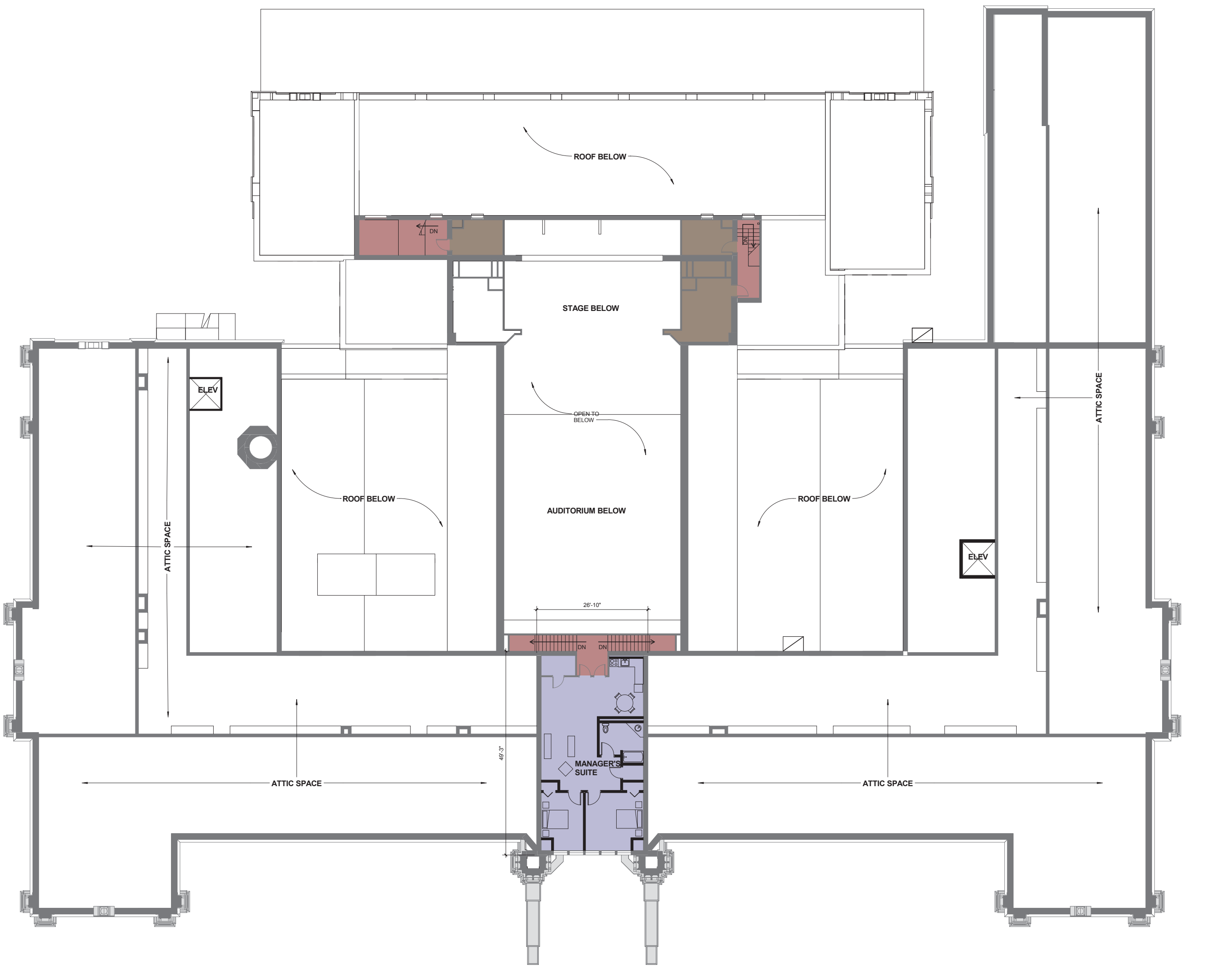
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE: 2/24/2017
DESIGN/DRAWN: AMN/LRB
REVIEWED: DRL

SHEET TITLE:
THIRD FLOOR PLAN

SHEET NUMBER:
A1.3

PROJECT NO.: 0161438.00



FOURTH FLOOR PLAN
Scale: 3/32" = 1'-0"

ROOM LEGEND

STUDIO
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR --------TOTAL: 0
SECOND FLOOR ---------TOTAL: 2
THIRD FLOOR ---------TOTAL: 2
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 4

1 BED
BASEMENT FLOOR --------TOTAL: 5
FIRST FLOOR ---------TOTAL: 3
SECOND FLOOR ---------TOTAL: 13
THIRD FLOOR ---------TOTAL: 12
FOURTH FLOOR ---------TOTAL: 0
TOTAL: 33

2 BED
BASEMENT FLOOR --------TOTAL: 0
FIRST FLOOR ---------TOTAL: 0
SECOND FLOOR ---------TOTAL: 11
THIRD FLOOR ---------TOTAL: 9
FOURTH FLOOR ---------TOTAL: 1
TOTAL: 21

MANAGER'S SUITE

COMMERCIAL

CIRCULATION

COMMON SPACES

VERTICAL CIRCULATION

MECHANICAL / ELECTRICAL STORAGE & OTHER

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ISSUE:
DATE: DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

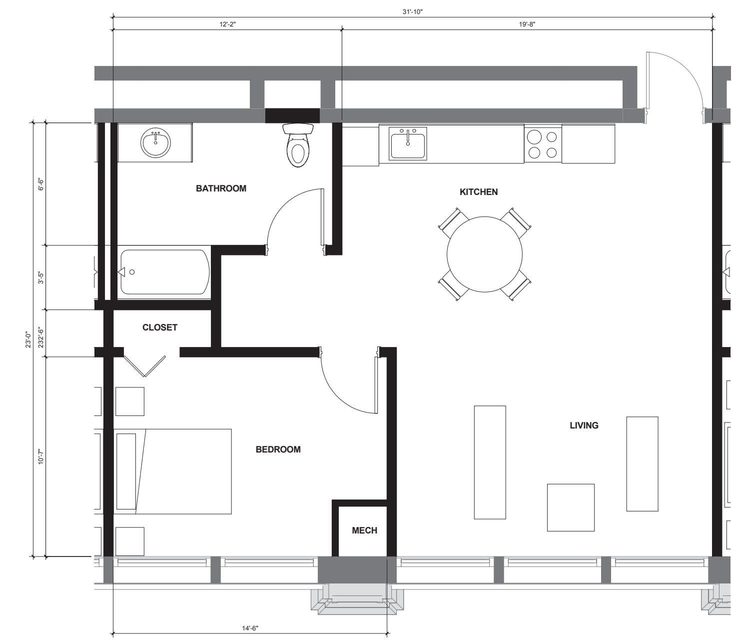
510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE: 2/24/2017
DESIGN/DRAWN: AMN/LRB
REVIEWED: DRL

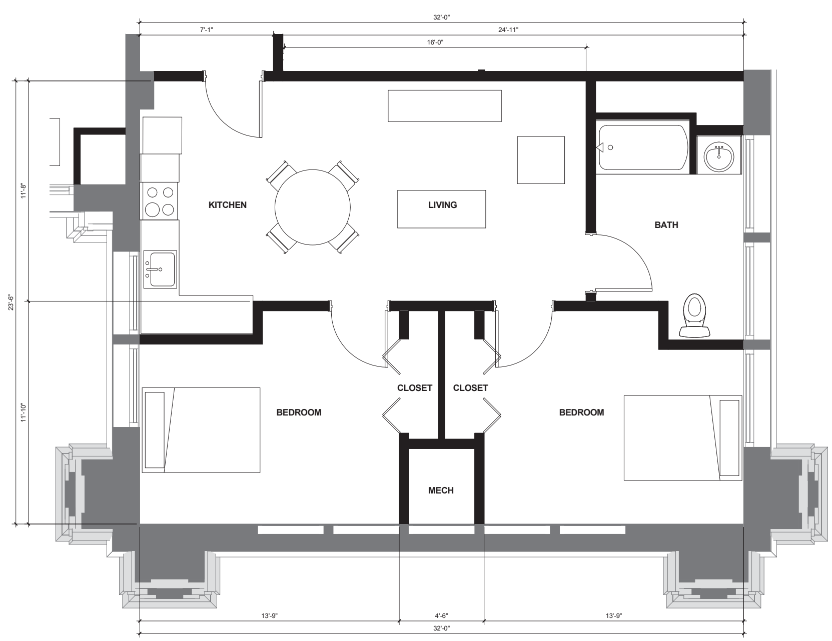
SHEET TITLE:
FOURTH FLOOR PLAN

SHEET NUMBER:
A1.4

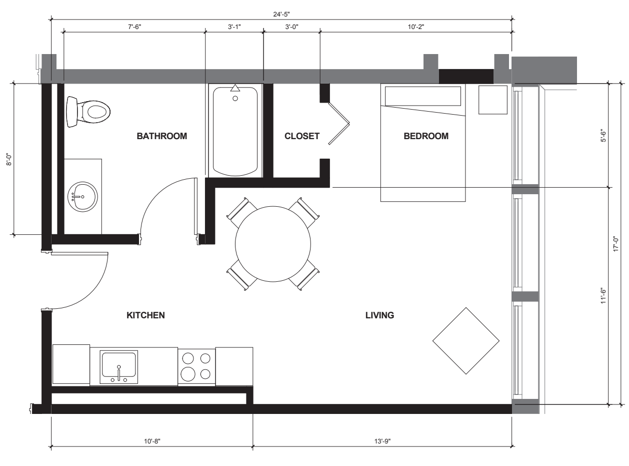
PROJECT NO.: 0161438.00



2 ENLARGED ONE BEDROOM UNIT - 720 SQ FT
Scale: 3/8" = 1'-0"



3 ENLARGED TWO BEDROOM UNIT - 750 SQ FT
Scale: 3/8" = 1'-0"



1 ENLARGED STUDIO UNIT - 400 SQ FT
Scale: 3/8" = 1'-0"

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ISSUE:

#	DATE:	DESCRIPTION:

PRELIMINARY
NOT FOR CONSTRUCTION

PROJECT:
Iceberg Development Group, LLC

510 E. WASHINGTON DEVELOPMENT

510 EAST WASHINGTON
BLOOMINGTON, ILLINOIS

DATE:	2/24/2017
DESIGN/DRAWN:	AMN/LRB
REVIEWED:	DRL

SHEET TITLE:
ENLARGED PLANS

SHEET NUMBER:
A3.3

PROJECT NO.: 0161438.00

MEMORANDUM

Re:	Iceberg Development Group, LLC Financial Incentive Application	**To:**	Austin Grammer, MBA Economic Development Coordinator City of Bloomington, IL
Date:	3/6/2017	**From:**	Mike Weber, Director PGAV Planners
		CC:	File 81270

PGAV has reviewed the Financial Incentive Application that the City received from Iceberg Development Group, LLC (the "Developer"), dated October 24 and 26, 2016, along with updated financial projections and other information submitted at various dates thereafter. We have the following comments and recommendations:

1. The Developer is fee title owner of two parcels of real estate that includes the former High School building located at 510 E. Washington and a parking lot located at 500 E. Jefferson (the "Property").

2. The Developer proposes to renovate the building into a mixed-use facility with 59 apartments (58 rental units and 1 unit for a resident manager), office space and a private swimming pool (the "Project"). The apartments would be for affordable, age restricted (55 years and older), housing. The pool is located in the basement of the building and is currently operational. The building also contains a performing arts theater without fixed seating.

3. The total estimated project cost is approximately $17.6 million of which approximately $12.7 million (or 72%) is for hard construction costs. Included in the total project cost is a "developer fee" of approximately $1.5 million (more on that later).

4. The Developer intends to structure the financing of the Project with private debt, syndicated historic tax credits and Low Income Housing Tax Credits (LIHTCs) from the Illinois Housing Development Authority (IHDA). These LIHTCs and historic tax credits are, in essence, the equity in the deal and represent approximately 79% of the total sources of funds (approximately $14 million of the $17.6 million total Project budget).

5. The LIHTCs provide restrictions on the level of rents as well as limits on household incomes. The rent limit creates a very low margin income producing property compared to market rate housing developments. The tax credits used as equity in the Project enables the suppressed rent levels and, thus, provides an affordable housing option for households of limited financial means.

6. Because of the low margin of return, the Developer seeks to make a profit/return from the developer fee. In this case, the developer fee represents about 8.5% of the total project costs (approximately $1.5 million of the $17.6 million total cost). In our experience with projects involving TIF and LIHTCs, PGAV has witnessed typical developer fees of 10 to 11%. We understand developer fees at this level are standard practice in housing development projects involving LIHTCs. Note that in the instant case, the Developer is deferring a little over 50% of the developer fee (approximately $771,000) and hopes to make it up on a positive cash flow from the project during the ensuing years.

7. In addition to the aforementioned sources of financing, **the Developer is requesting that the City establish a TIF district** that includes the Property. Once the TIF is created, the Developer requests that a TIF agreement be entered into between the Developer and the City that would **commit TIF financing on a "pay-as-you-go" basis**. The Developer is requesting a commitment of 90% of the tax increment generated by the Property (approximately $48,500 of the total 1st year estimated total tax increment of $54,000), proposed to be divided as follows:

    a. 80% for reimbursing TIF eligible expenses incurred totaling approximately $43,100 (e.g., building renovation costs); and

    b. 10% for rental assistance to a limited number of households totaling approximately $5,400.

    With respect to the 80% share of tax increment, there would be more than enough TIF eligible expenses to reimburse. However, the rental assistance component is not a TIF eligible expense under the Illinois TIF Act. If the City were to agree to provide rental assistance, the funds for such would need to come from a different source of funds (e.g., potentially from the City's General Fund as a grant to the Project).

    The Developer is projecting over the life of a 23-year TIF (21 years of increment collection) a total of approximately $1.55 million in tax increment. This projection has an initial tax liability of $1,100 per apartment unit and has a growth factor in the anticipated taxes of 3.0% annually. PGAV's tax increment estimating model yielded approximately $1.67 million total tax increment revenue over the life of a 23-year TIF district. PGAV's model used a valuation multiplier of 6% every quadrennial assessment year. In addition, it included value for the commercial/office portion of the project and a reduced value that would yield an initial year tax liability of approximately $980 per apartment. The difference between the two projections was only $120,000 over the life of the TIF. Therefore, **PGAV finds the Developer's projections to be reasonable**.

8. While TIF makes up a relatively small share of the overall project financing (approximately 8% of the annual gross effective income from the Project), it proves to be key to the project performing "in the black". Upon review of the latest pro-forma submitted by the Developer (received 2/23/17), not receiving annual TIF reimbursement payments puts the cash flow "in the red".

9. The process to secure LIHTCs from IHDA is very competitive. For every 10 applications to IHDA for such credits, only two or three applications are approved in each round. Therefore, it is important for the Developer's IHDA application to score as high as possible with respect to the IHDA's evaluation criteria. We understand from this incentive request, as well as from other LIHTC projects, that local financial support is critical. This proved to be the case in Moline and McLeansboro, Illinois, where municipal support through TIF wound up being important to securing extra evaluation points. Both applications were approved for LIHTCs. PGAV assisted McLeansboro with planning and TIF matters relating to the LIHTC application.

Conclusions and Recommendations:

1. To see a similar project, in terms of scope and financing, see http://www.molinehighschoollofts.com. This project is located in Moline, Illinois and involved the reuse of a former high school building. In addition, it involved the use of LIHTC's and tax increment financing.

2. One of the most critical components of financing this type of project is the Low Income Housing Tax Credits. LIHTC's represent the largest source of equity and percentage of total funding sources. However, other funding sources, including historic tax credits, debt financing, TIF and deferral of half of the developer fee will be critical to making the Project feasible.

3. PGAV toured the subject Property on February 8, 2017 and our preliminary finding is that it would qualify under the definition of "conservation area" as defined in the TIF Act. Also, it appears that two other key findings under the TIF Act will be able to be made, including:

    a. The Property has not been subject to growth and investment by private enterprise; and

    b. The Property will not reasonably be anticipated to be developed (renovated) without the adoption of a TIF redevelopment plan.

4. The alternative would be not to establish a TIF district in support of the Project. If no tax credit or municipal support is offered for the proposed Project, we understand that the Developer will likely put the property up for sale. This would likely lead to the building remaining largely vacant and becoming further deteriorated. There are limited reuse options remaining for this Property.

5. We think that this Property is a prime candidate for TIF and clearly meets the objectives of the TIF Act. If this is the course the City chooses, we recommend the following:

    a. Decide on the boundaries of the new TIF district. This could be a "project-driven" TIF involving just the two parcels owned by the Developer and adjoining street rights-of-way. If the City wishes to include other properties, we suggest that they include properties with near-term development/redevelopment potential.

    b. The deadline for the second and final round of applications for LIHTC's to IHDA is June 23, 2017. Therefore, time is of the essence. Note that there are over 10 weeks of statutorily prescribed timeframes (delays) built into the TIF Act. When taking into account the time required to prepare the TIF eligibility study and redevelopment plan documents, it can take four or more months to establish the TIF.

    c. Concurrently with the process of establishing a TIF district, the City should negotiate the specific terms of a TIF incentive agreement to become effective when the TIF Plan is adopted and the TIF district is established. **PGAV recommends that the TIF portion of any incentive package be limited to 80% of the annual tax increment**

generated by the project over the life of the TIF or $1.3 million, whichever is less. The remaining 20% should be used for recovering the cost of setting up the TIF district, annual administration costs and public works improvements within the district (e.g., sidewalks, crosswalks, etc.). To the extent that 20% of the tax increment is more than needed for the aforementioned costs, it should be declared surplus and returned to the County Treasurer for distribution back to the affected taxing bodies.

d. It is the Developer's request that the City commit to financially support the **rental assistance program** in order to improve the Project's IHDA score to ensure the LIHC award. Since this not TIF eligible, **the City needs to decide if such will be added to the incentive package and the source of funding it**.

Municipal Risk Spectrum: Financing Mechanisms

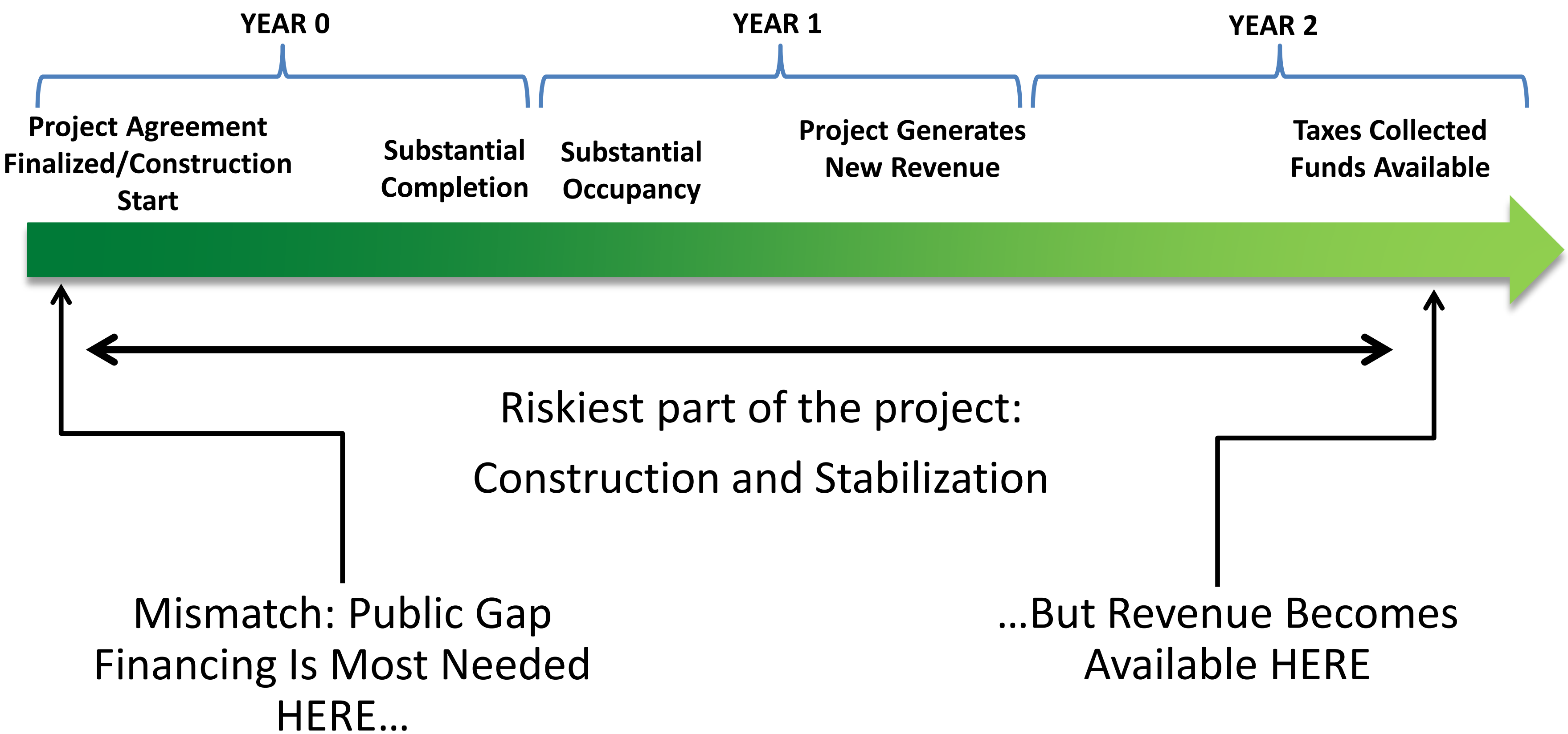
Lesser Risk → **Greater Risk**

Developer Note	Revenue Bond	Alternate Revenue Bond with Special Tax Backing	Alternate Revenue Bond with GO Backing
Revenues from Project itself; only to the extent they can be financed & materialize	Other Special Revenue Pledges (e.g., Special Assessment; Area-Wide Pledge)	Other Municipal Revenue Sources Affecting General Fund (e.g., sales tax, hotel tax)	Full Municipal Faith and Credit

Higher Financing Costs ← **Lower Financing Costs**

Mixing approaches can balance risk and cost

Fundamental Timing Problem



CITY OF BLOOMINGTON

2017 - 47

AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF BLOOMINGTON, LP AND TIF BLOOMINGTON, INC.

Adopted by the City Council
Of the City of Bloomington
On June 12, 2017

Published in pamphlet form by authority of the City Council of the City of Bloomington, McLean County, Illinois, on June 12, 2017.

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. 2017-47 entitled, An Ordinance Approving A Redevelopment Agreement by and among the City of Bloomington, LP and TIF Bloomington, Inc., 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 June 14, 2017 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 06/14/2017.

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

Ordinance No. 2017- 47

ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS AND JNB BLOOMINGTON, LP AND TIF BLOOMINGTON, INC.

WHEREAS, the City of Bloomington, McLean County, Illinois (the "*City*") is a duly organized and validly existing home-rule municipality pursuant to Article VII, Section 6a) of the Constitution of the State of Illinois of 1970; and,

WHEREAS, the Mayor and City Council of the City (the "*Corporate Authorities*") have identified certain areas within the City's boundaries where the existence of certain factors, such as obsolescence, deteriorating buildings, and deteriorating site improvements, if not addressed, will seriously impede the primary goals of the City to promote the health, safety and welfare of its citizens by encouraging private investment in order to enhance the City's tax base, ameliorate blight and provide job opportunities 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 the City's municipal limits in which existing conditions permit such areas to be classified as a "blighted area" or a "conservation area" as defined in Section 11.74.4-3(a) of the TIF Act; and,

WHEREAS, the Corporate Authorities have authorized Peckham Guyton Alberts & Viets ("*PGAV*") to conduct a feasibility study of certain properties 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 "*Proposed Project Area*") pursuant to the provisions of the TIF Act; and,

WHEREAS, if the Feasibility Study demonstrates that the Proposed Project Area qualifies as a "redevelopment project area" under the TIF Act, the Corporate Authorities will authorize PGAV to prepare a redevelopment plan for the Proposed Project Area and thereafter proceed with the necessary steps to approve the redevelopment plan, designate the Proposed Project Area as a "redevelopment project area" and adopt tax increment financing therefor, all in accordance with the requirements of the TIF Act; and,

WHEREAS, JNB Bloomington, LP, an Illinois limited partnership (the "*Developer*") owns certain property located within the Proposed Project Area and commonly known as 510 E. Washington St., Bloomington, Illinois (the "*Subject Property*") and has advised the City that it is prepared to redevelop and renovate the Subject Property with an approximate investment of $17,000,000.00 (the "*Project*"); and,

WHEREAS, the Developer has informed the City that its ability to proceed with the Project shall require financial assistance from the City for certain extraordinary costs to be incurred in connection with the Project and that it is willing to make certain commitments to the City regarding the Project contingent upon receipt of financial assistance from the City; and,

WHEREAS, TIF Bloomington, Inc., an Illinois corporation (the "*Corporation*") is an owner of the Developer and will share in some of the costs and expenses relating to the Project in order for reimbursements made by the City to qualify as Internal Revenue Code Sec. 118 non-shareholder contributions to the capital of a corporation; and,

WHEREAS, in order to induce the Developer to proceed with the Project, the City is prepared to make certain commitments to the Developer, and, upon satisfaction by the Developer of its commitments, to reimburse the Developer via payments made to the Corporation for certain costs incurred in connection with the required improvements to the Subject Property from revenues available to the City upon adoption of the TIF Act as applicable to the Subject Property; and,

WHEREAS, given the current condition of the Subject Property and the extraordinary costs necessary for redevelopment thereof, the Corporate Authorities believe that is in the best interests of the City and the health, safety, morals and welfare of its residents for the City to reimburse the Developer for certain costs to complete the Project in accordance with the terms and conditions as set forth in a redevelopment agreement.

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

Section 1. That the Redevelopment Agreement by and among the City of Bloomington, McLean County, Illinois and JNB Bloomington, LP and TIF Bloomington, Inc., attached hereto and made a part hereof, is hereby approved and the Mayor and City Clerk are hereby authorized to execute and deliver said Agreement and to undertake any and all actions as may be required to implement its terms on behalf of the City.

Section 2. This Ordinance shall be in full force and effect immediately upon its passage by the Corporate Authorities and approval as provided by law.

PASSED this 12th day of June, 2017.

APPROVED:

Tari Renner

Mayor

AYES: 7

NAYS: 1 (Alderman Diana Hauman)

ABSENT: 1 (Alderman Jamie Mathy)

Attest:

City Clerk

REDEVELOPMENT AGREEMENT
by and among
THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS
and
JNB BLOOMINGTON, LP and TIF BLOOMINGTON, INC.

(*Former Bloomington High School at 510 E. Washington Street*)

THIS REDEVELOPMENT AGREEMENT is entered into this 12th day of June 2017, by and among the City of Bloomington, McLean County, Illinois, an Illinois municipal corporation (the "*City*"), JNB Bloomington, LP, an Illinois limited partnership (the "*Developer*"), and TIF Bloomington, Inc., an Illinois corporation (the "*Corporation*").

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 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 areas within its municipal boundaries where the existence of certain factors, such as obsolescence, 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" or as a "blighted area" as defined in Section 11.74.4-3 of the TIF Act; and,

WHEREAS, the Corporate Authorities have 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 "*Proposed 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 510 E. Washington St., Bloomington, Illinois formerly the Bloomington High School (the "*Subject Property*") legally described on *Exhibit A*; and,

WHEREAS, in the event the Feasibility Study demonstrates that the Proposed Project Area, including the Subject Property, qualifies as a "redevelopment project area" under the TIF Act, the Corporate authorities shall, thereafter, direct PGAV to proceed with the preparation of a redevelopment plan to set the goals and objectives of the City for the Proposed Project and all other matters required by the TIF Act, and the Corporate Authorities shall then adopt the TIF Act for the benefit of the Proposed Project 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, and to invest approximately $17,000,000 in the Subject Property; 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 extraordinary 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 contingent upon receipt of financial assistance from the City; and,

WHEREAS, the Corporation is an owner of the Developer and will be sharing in some of the costs and expenses of the redevelopment and renovation of the Subject Property in order for the reimbursements made by the City as further described herein to qualify as Internal Revenue Code Sec. 118 non-shareholder contributions to the capital of a corporation; and,

WHEREAS, in order to induce the Developer to proceed with the needed improvements to the Subject Property, the City is prepared to make the commitments to the Developer, and, upon satisfaction of commitments, made by the Developer, to reimburse the Developer via payments made to the Corporation 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, 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. The Developer covenants and agrees to apply to the Illinois Housing Development Authority for Low Income Housing Tax Credits, in order to proceed with the Project as hereinafter defined, in the amount necessary to proceed with the Project, as hereinafter defined, and notify the City upon receipt of an award of such Low Income Housing Tax Credits, all being accomplished on or before December 31, 2018.

B. On or before April 15, 2019, the Developer shall have submitted to the City for its approval, detailed final construction plans to convert the Subject Property into approximately fifty-seven (57) age-restricted dwelling units ("*Residential Units*") and additional commercial areas (the "*Commercial Space*") (collectively, the "*Project*").

C. On or before June 15, 2019, the Developer shall have commenced construction of the Project 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 for the Residential Units on or before August 15, 2020.

D. The Developer hereby covenants that, in addition to undertaking the improvements to the Commercial Space at the Subject Property to construct such signage as reasonably approved by the City in order to attract tenants with businesses compatible to the Residential Units.

E. 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, 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.

F. Within thirty (30) days of 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 the Residential Units, to submit to the City an itemized list, certified by the Developer, of all costs incurred by the Developer in connection with the Project totaling approximately $17,000,000 (the "*Project Costs*").

G. Developer commits that the Project will be performed in accordance with the Secretary of the Interior's Standards for Rehabilitation, as determined by the National Park Service; and, following the completion of the Project, the National Park Service shall issue Historic Preservation Certification for the Subject Property. Developer shall provide the City with evidence of National Park Service Historic Preservation Certification for the Subject Property upon receipt.

H. The Developer covenants and agrees to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq*. (the "*Prevailing Wage Act*"), if and to the extent the Corporation's receipt of funds from the City pursuant to this Agreement causes the Project to become subject to the Prevailing Wage Act in accordance with its terms.

Section 3. City's Obligations.

A. The City hereby covenants and agrees, upon determination that the Proposed Project Area qualifies for designation as a redevelopment project area under the TIF Act, which Proposed Project Area shall include the Subject Property, to promptly undertake all procedures as required to designate the Subject Property and the Proposed Project Area as a "Redevelopment Project Area" under the TIF Act. The Eligibility Study shall be completed within sixty (60) days of the execution of this Agreement.

B. Upon satisfaction of all of the commitments of the Developer as hereinabove set forth, the City hereby agrees to reimburse the Corporation for Redevelopment Project Costs as defined in the TIF Act in an amount equal to the lesser of: (i) 11.8% of the total Project Costs; or, (ii) $1,300,000 payable from eighty percent (80%) of the Incremental Taxes (as hereinafter defined) generated by the Subject Property, in accordance with the conditions, limitations and procedures hereinafter set forth in Section 4. All such reimbursements shall be treated as Internal Revenue Code Sec. 118 non-shareholder contributions to the capital of the Corporation, which capital contributions shall in turn be either loaned to or contributed to the capital of the Developer by the Corporation.

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 ("EAV") of the Subject Property and its improvements over the initial equalized value of the Subject Property at the time of the establishment of the initial EAV by McLean County calculated in accordance with the TIF Act.

C. Upon approval of this Redevelopment Agreement, the Mayor of the City of Bloomington will submit a letter endorsing the Project to the Illinois Housing Development Authority, as may be requested by the Developer.

D. As a Rental Assistance Program financed by the City for the Project is a key component to the success of the Project, within 20 business days after the adoption of this Redevelopment Agreement, the City commits to make a good faith effort to begin negotiations with the Developer to enter in into a separate agreement for the City to financially support a Rental Assistance Program that would be targeted to four (4) residential units in the Project at the Subject Property for a period of ten (10) years.

Section 4. Pledged Funds.

(a) Upon adoption of the TIF Act, the City shall establish a special tax allocation fund for the Proposed 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), eighty percent (80%) of the Incremental Taxes with respect to the Subject Property shall be transferred and deposited into the JNB Bloomington Subaccount of the STAF (which Subaccount shall be automatically created by the ordinance approving this Agreement) and used solely to reimburse the Corporation for approved Redevelopment Project Costs in accordance with this Agreement.

Section 5. Procedures for and Application of Reimbursement to the Developer.

(a) The Developer or the Corporation 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 is outstanding, the Developer shall submit to the City Manager a written statement in the form attached to this Agreement as *Exhibit B* (a "*Request for Reimbursement*") setting forth the amount of payment and the specific Redevelopment 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 Corporation to reimbursement. 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 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 Corporation 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. In the event the Request for Reimbursement is approved, reimbursement shall be made to the Corporation from funds available in the JNB Bloomington Subaccount. To the extent funds in the JNB Bloomington Subaccount are not sufficient to pay the total amount requested, such unpaid amount shall be paid upon the next deposit of Incremental Taxes into the JNB Bloomington Subaccount but only in the event no notice of default has been issued and remains outstanding. Reimbursement to the Corporation shall continue on an annual basis until the Termination Date as defined in Section 7 hereof.

(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 6. 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 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 as 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 7. Term.

Unless earlier terminated pursuant to Section 6, the term of this Agreement shall commence on the date of execution and end upon the earlier of: (i) payment to the Corporation of an amount equal to the lesser of 11.8% of the Project Costs or $1,300,000; or, (ii) December 31, 2041 (the "*Termination Date*").

Section 8. 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 payable in 2017, and paid in each subsequent year during the term of this Agreement for the Subject Property.

Section 9. 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 10. Assignment.

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

Section 11. 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 the Corporation 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 or the Corporation) to timely pay any contractor, subcontractor, laborer or materialman; from any default or breach of the terms of this Agreement by the Developer or the Corporation; or from any negligence or reckless or willful misconduct of the Developer or the Corporation or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer or the Corporation). 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 12. 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 13. 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 14. 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 or The Corporation :	Jim Bergman 2205 Kimberly Road - Office Bettendorf, Iowa 52722
With a copy to:	Robert T. LeSage 226 West River Street, P. O. Box 404 Dixon, Illinois 61021
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 15. 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 16. 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 17. 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 neither the Developer nor the Corporation shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.

Section 18. 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 19. 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.

[**SIGNATURE PAGE TO FOLLOW**]

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: ______________________________
Mayor

Attest:

____
City Clerk

JNB Bloomington, LP, an Illinois limited partnership

By: ______________________________
Jim Bergman, Managing Member of the General Partner

TIF Bloomington, Inc., an Illinois corporation

By: ______________________________
Jim Bergman, President

Exhibit A

Legal Description of Subject Property

<u>TRACT NO. 1:</u>

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 in Block 4 in Evans Addition to the City of Bloomington, in MCLEAN COUNTY, ILLINOIS

<u>TRACT NO. 2:</u>

Lots 7 and 8 in block 1 in Evans Addition to the City of Bloomington, in MCLEAN COUNTY, ILLINOIS

PINs: 21-04-408-001 and 21-04-404-001

Street Address of Building: 502 E Washington, Bloomington, IL
Street Address of Parking Lot: 500 E Jefferson St., Bloomington, IL

Exhibit B

Form of Request for Reimbursement

REQUEST FOR REIMBURSEMENT

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

Re: Redevelopment Agreement, dated _____________, 2017 (the "*Agreement*"), by and among the City of Bloomington, McLean County, an Illinois municipal corporation and JNB Bloomington, LP, an Illinois limited partnership (the "*Developer*") and TIF Bloomington, Inc., an Illinois Corporation (the "*Corporation*")

Dear Sir:

You are requested to disburse funds pursuant to Section 5 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: $_________________, for expenses qualifying as Redevelopment 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 Corporation for those Redevelopment 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 (as defined in the Agreement) 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 Redevelopment Project Costs;
   (iii) the expenditures for which amounts are requisitioned represent eligible Redevelopment Project Costs.
   (iv) the moneys requisitioned are not greater than those necessary to reimburse the Corporation for its funds actually advanced for Redevelopment Project Costs.
   (v) the Developer or Corporation are not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer or Corporation that would prevent the performance of its obligations under the Redevelopment Agreement.

*Date:*________________ By: JNB Bloomington, LP

____
Managing Member

TIF Bloomington, Inc., an Illinois corporation

By: ____
President

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

*Date:*________________ ____