

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2016

Name of Redevelopment Project Area: Empire Street Corridor
Primary Use of Redevelopment Project Area*: Combination/Mixed
If "Combination/Mixed" List Component Types: Commerical/Retail
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act <u>X</u> Industrial Jobs Recovery Law _____

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits from any source equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K	X	
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L	X	
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only, not actual agreements labeled Attachment M	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2016

TIF NAME: Empire Street Corridor

Fund Balance at Beginning of Reporting Period \$ -

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment			0%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

*must be completed where current or prior year(s) have reported funds

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ -

Cumulative Total Revenues/Cash Receipts \$ - 0%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 52,906

Distribution of Surplus

Total Expenditures/Disbursements \$ 52,906

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (52,906)

FUND BALANCE, END OF REPORTING PERIOD* \$ (52,906)

* if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) \$ (52,906)

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 52,906

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

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

FY 2016

TIF NAME: Empire Street Corridor

FUND BALANCE, END OF REPORTING PERIOD \$ (52,906)

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
NA		

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid		
NA		

Total Amount Designated for Project Costs \$ -

TOTAL AMOUNT DESIGNATED \$ -

SURPLUS*/(DEFICIT) \$ (52,906)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

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

FY 2016

TIF NAME: Empire Street Corridor

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

No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

FY 2016

TIF NAME: Empire Street Corridor

*Page 1 is to be included with TIF Report. Pages 2-3 are to be included ONLY if projects are listed.

Box below must be filled in with either a check or number of projects, not both

Check if NO projects were undertaken by the Municipality Within the Redevelopment Project Area:

ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.

1

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ 6,000,000
Public Investment Undertaken	\$ -	\$ -	\$ 4,000,000
Ratio of Private/Public Investment	0		1 1/2

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Colonial Plaza

Private Investment Undertaken (See Instructions)			\$ 6,000,000
Public Investment Undertaken			\$ 4,000,000
Ratio of Private/Public Investment	0		1 1/2

Project 2:

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

Project 3:

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

Project 4:

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

Project 5:

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

Project 6:

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



Finance Department

CITY OF BLOOMINGTON

Unit Code: 064/025/30

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Tari Renner, Mayor of the City of Bloomington, McLean County, Illinois, certify that the City has complied with all of the requirements of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1 *et seq.*, during the fiscal year ending April 30, 2016, in connection with the administration of the Tax Increment Project Area for the City's Empire Street Corridor Tax Increment Financing District.


Tari Renner, Mayor

LAW OFFICE
KATHLEEN FIELD ORR & ASSOCIATES
53 WEST JACKSON BOULEVARD
SUITE 964
CHICAGO, ILLINOIS 60604
(312) 382-2113
(312) 382-2127 facsimile

KATHLEEN FIELD ORR
kfo@kfoassoc.com

JAMES W. BINNINGER
jwb@kfoassoc.com

March 8, 2017

Susana A. Mendoza, State Comptroller
State of Illinois Building
100 West Randolph Street
Suite 15-500
Chicago, Illinois 60601

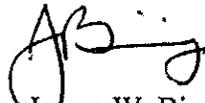
Dear Ms. Mendoza:

This firm has acted as Special Counsel for the City of Bloomington, McLean County, Illinois, in connection with the administration of the Empire Street Corridor Tax Increment Redevelopment Project Area.

I have reviewed all information provided to me by the City's Chief Accountant and, to the best of my knowledge and belief, find that the City has conformed with all of the applicable provisions of the *Tax Increment Allocation Redevelopment Act*, 65 ILCS 5/11-74.4-1, *et seq.*, for the fiscal year ending April 30, 2016.

Very truly yours,

KATHLEEN FIELD ORR & ASSOCIATES



James W. Binninger

ATTACHMENT C

ATTACHMENT D: Statement of Activities

The City continued to market opportunities available within the TIF District.

ATTACHMENT E - AGREEMENT

CITY OF BLOOMINGTON

2016-18

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

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

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

STATE OF ILLINOIS)
) ss.
COUNTY OF MCLEAN)

CERTIFICATE

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

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

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

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



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

Ordinance No. 18

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

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

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

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

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

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

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

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

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

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

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

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

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

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

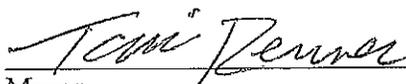
YEAS: 8

NAYS: 1 (Alderman Kevin Lower

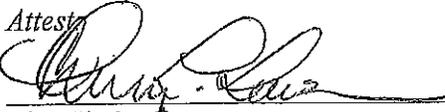
ABSENT: 0

Passed this 14th day of March, 2016.

APPROVED:



Mayor

Attest


City Clerk

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

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

PREAMBLES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 1. Incorporation of Recitals.

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

Section 2. Obligations of the Developer.

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

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

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

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

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

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

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

Section 3. City's Obligations.

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

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

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

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

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

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

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

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

Section 4. Cure Period.

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

Section 5. Pledged Funds.

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

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

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

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

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

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

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

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

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

Section 7. Remedies – Liability.

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

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

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

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

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

Section 8. Term.

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

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

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

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

Section 10. Time; Force Majeure.

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

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

Section 11. Assignment.

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

Section 12. Developer's Indemnification.

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

Section 13. Waiver.

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

Section 14. Severability.

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

Section 15. Notices.

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

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

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

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

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

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

Section 16. Successors in Interest.

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

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

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

Section 18. No Discrimination – Construction.

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

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

Section 19. Amendment.

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

Section 20. Counterparts.

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

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

City of Bloomington, McLean County, an Illinois municipal corporation

By: Tami Renee
Mayor

Attest:

Shirley Ross
City Clerk

BT Bloomington, LLC, an Illinois limited liability company

By: MM
President Manager

Attest: WITNESS

J. G. Williams
Secretary

Exhibit A

Legal Description of Subject Property

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

METES AND BOUNDS LEGAL DESCRIPTION OF SAID LOT 1

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

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

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

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

Exhibit B

NOTE

CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

SPECIAL TAX INCREMENT REVENUE NOTE

Empire Street Tax Increment Redevelopment Project Area

§ _____, 2016

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

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

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

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

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

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

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

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

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

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

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

7. *Miscellaneous.*

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

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

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

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

This Note is executed as of _____, 201__.

City of Bloomington, an Illinois municipal
corporation

By: _____
Mayor

Attest:

City Clerk

Exhibit C

Form of Request for Reimbursement

REQUEST FOR REIMBURSEMENT

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

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

Dear Sir:

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

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

Date: _____

By: BT Bloomington, LLC

President

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

Date: _____



**SUMMARY MINUTES OF THE
JOINT REVIEW BOARD
FOR THE EMPIRE STREET CORRIDOR
REDEVELOPMENT PROJECT AREA
CITY HALL CONFERENCE ROOM
109 E. OLIVE ST., BLOOMINGTON, IL
WEDNESDAY, JANUARY 6, 2016 10:30 A.M.**

Call to Order

The Meeting was called to order by Kathy Field Orr, Managing Partner, Kathy Field Orr & Associates and City TIF Attorney. Ms. Orr explained the Tax Increment Finance (TIF) process. She noted that same was governed by the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq* (TIF Act). Ms. Orr directed the Chief Deputy Clerk to call the roll and the following members answered present:

Roll Call

Public Body Representatives: David Hales, City Manager, City of Bloomington; Dr. Barry Reilly, Superintendent, District 87; Deb Skillrud, Township Supervisor, City of Bloomington Township; Doug Minter, Vice President of Business Services, Heartland Community College District 540; Hannah Eisner, Asst. County Administrator, McLean County and Kathy Field Orr, Partner, Kathy Field Orr & Associates.

Staff Present: Steve Rasmussen, Asst. City Manager; Jeff Jurgens, Corporation Counsel; Patti-Lynn Silva, Finance Director; Tom Dabareiner, Community Development Director; Austin Grammer, Economic Development Coordinator and Renee Gooderham, Chief Deputy Clerk.

Minutes:

This was the first meeting of the Joint Review Board; there were no minutes to approve.

Selection of Joint Review Board (JRB) Public Member

Ms. Orr explained that the Board composition was dictated by statute. That the Board's primary function was to determine whether the Tax Increment Redevelopment Plan Plan) was appropriate under the TIF Act. She noted that the JRB public member would become a voting member here in after.

Motion by David Hales, City Manager, City of Bloomington, seconded by Dr. Barry Reilly, Superintendent, District 87 to appoint Austin Grammer, Economic

Development Coordinator, City of Bloomington as the JRB Public Member.

Motion carried, (viva voce).

Selection of JRB Chairperson

Motion by Austin Grammer, Economic Development Coordinator, City of Bloomington, seconded by Doug Minter, Vice President of Business Services, Heartland Community College District 540 to appoint David Hales, City Manager, City of Bloomington as the JRB Chairperson.

Motion carried, (viva voce).

Public Comment

No one came forward to address the Board.

Deb Skillrud, Township Supervisor, City of Bloomington Township arrived at 10:32 a.m.

Review of Redevelopment Plan for Proposed Area

David Hales, JRB Chairperson, addressed the Board. He introduced Mike Weber, Director, Peckham, Guton, Albers and Viets, Inc. (PGAV). PGAV had completed an evaluation of the Empire St. Corridor.

Mr. Weber addressed the Board. There were three (3) requirements for an Area to qualify as a TIF: 1.) proposed Area must qualify under the Act; 2.) Area had not been subject to growth and investment by private enterprise; and 3.) the Area would not reasonably be anticipated to be developed without the adoption of TIF.

Hannah Eisner, Asst. County Administrator, McLean County arrived at 10:34 a.m.

Review of proposed Redevelopment Project Area

Mr. Weber referred to the PGAV Plan dated November 20, 2015. The document explained the Act. Section III, "Basis for Eligibility of the Area and Findings" contained an eligibility analysis. The Plan was in Section IV, "Redevelopment Plan" and Section V, "Other Findings and Requirements", listed same. He noted that Section V provided findings which included that the area was not subject to growth and the area would not improve without the TIF. The TIF boundaries were on page three (3), Exhibit A, "Redevelopment Project Area Boundary". The Area contained 65 parcels totaling 148 acres.

Review of Eligibility Criteria for the Area

Eligibility was defined as an Area that was Blighted, Conservation Area, combination

of those or Industrial Park Conservation. The belief was the Area met the Conservation eligibility. Half of the buildings were over thirty-five (35) years old. The Area met three (3) of the thirteen (13) conservation factors: 1.) deteriorated buildings and site improvements; 2.) high vacancy rate and 3.) declining property values. Forty-one percent (41%) of the taxable buildings were vacant. The fair market value (FMV) had declined approximately negatively three percent (3%) annually. The equalized assessed value (EAV) was down by \$2.4 million. Tax collection had decreased by eleven percent (11%). Mr. Weber believed the Area could become blighted.

Review of Proposed Redevelopment Plan

Mr. Weber referred to page twenty-seven (27) of the Plan. The proposed general land use was listed on Exhibit G, "General Land Use Plan". Most of the redevelopment projects would be renovation and upgrade of existing buildings.

The estimated Plan costs were listed on page thirty-three (33) Exhibit H, "Estimated Redevelopment Project Costs (TIF Budget)". He noted that these amounts could not be exceeded. Payments were funded by the incremental revenues generated by the development project. Mr. Weber explained that should the Area not generate the taxes funded would not be available.

The objective was to provide financial incentives to induce new private investments that would elevate commercial property values. In the proposed area FMV for commercial buildings was \$52 to \$57 sq. ft. compared to Veterans Parkway (Business 55) at \$80 to \$100 sq. ft. of building space.

"Other findings and requirement" were listed in Section V, page thirty-nine (39). Mr. Weber noted that Exhibit G conformed to the Comprehensive Plan 2035, approved by the City Council on August 25, 2015. The Plan would address one of the areas identified as "Opportunities for Infill Development or Redevelopment" shown on Figure 6-3 of same.

The area did not have growth and development from private investments. He noted that Exhibit I, "EAV Trends (2009-2014)" on page thirty-nine (39) the area had declined fifteen percent (15%). The area lacked private investment and had neglected property conditions.

The need for TIF in this area was confirmed with the passage of Resolution 2015 - 29 "A Resolution of the City of Bloomington, McLean County, Illinois to Induce the Redevelopment of Certain Property within a "Proposed Tax Increment Financing Redevelopment Project Area (Colonial Plaza)" on August 24, 2015 by the City Council. The Resolution identified Colonial Plaza, 1500 E. Empire St. as property owned by BT Bloomington, LLC and its intent to redevelop same. Specifically, the former Kmart building, located at 1608 E. Empire St. was proposed to be retrofitted and renovated for Dick's Sporting Goods (DSG). It was estimated that after same EAV would increase \$12 to \$13 million and FMV would meet the Veterans Parkway comparable.

It was expected that without TIF or new investment, property values would continue to decrease impacting the tax base negatively. The City does not believe that the Plan would place significant demands on facilities or services. If same changed addressing those would be per the Plan on page forty (40). TIF would be "pay as you go" per redevelopment agreements. These would be negotiated on a case by case basis. TIF money would not be spent unless it was generated. Funding sources was from TIF, though the City could use same to leverage other state and/or federal funding. The current taxable valuation was \$13.9 million. Base evaluation would continue to be distributed to the taxing bodies as though a TIF was not in place. The estimated TIF retirement was December 31, 2040.

Board's deliberation and recommendation

Dr. Reilly questioned the retirement recommendation. Mr. Weber stated that if the TIF was successful with investments and recovers all the costs it could retire earlier. Dr. Reilly questioned Exhibit H, "Estimated Redevelopment Project Costs". He questioned funding availability for the school district for improvements. Mr. Weber stated that the belief was there would be success which would assist with same. Building rehabilitation and retrofit had a \$9.7 million budget. He anticipated that \$2.9 million was possible for the school district. Same was based upon the projections of increments, using the formula of \$80 to \$100 sq. ft. of building space equaling the \$12.4 million EAV and taking the school district's tax increment percentage forgone over the life of the TIF. Ms. Orr noted that the TIF Act allowed for capital improvements only no new construction. There could be budget line item changes. Mr. Weber stated the goal was to negotiate redevelopment agreements to reduce private investment pay outs leaving more money available for the school district.

Dr. Reilly questioned the City's retirement intent. Mr. Hales stated his belief that the proposed TIF District could retire prior to December 31, 2040. The TIF's success would provide more funding for District 87. At this time there were no project development plans for Towanda Ave. Mr. Weber noted that projects take time to evolve. He cautioned against a shorter retirement date stating that same could hinder cash flow. The increment was less with existing buildings compared to new development. He believed that GTE/Verizon site had potential for mixed use development and would activate the Plan.

Dr. Reilly cited concern with the length of all TIF's. He cited the previous Downtown TIF as a challenge. He stated that short term abatements work well for District 87. Mr. Hales cited the City Councils concern with TIF lengths. Dr. Reilly cited concern with the proposed DSG move noting that they had not been at their current location for twenty (20) years. He believed that DSG was the only anchor at this time. Mr. Hales stated that based on negotiations with the property owner there would be additional new retailers to assist with the property redevelopment. Future annual reviews and JRB meetings would be critical to review the progress of the Plan.

Doug Minter, Vice President of Business Services, Heartland Community College District 540, questioned the boundary decision. Mr. Weber cited TIF eligibility factors. The key was to have a strong eligibility for the area.

Mr. Minter questioned the proposed move of DSG. Ms. Orr noted that a business moving from a TIF to a TIF was prohibited between communities. The difference was the incentive agreement with sales tax rebate. She stated that the vacant Kmart building, in Colonial Plaza, does not have loading docks and the developer plans to add same to meet the requirement of DSG.

Mr. Minter requested clarity for today's meeting. Ms. Orr responded if the majority of the members present at today's JRB meeting determine that the City not proceed with the establishment of the TIF, then Council must approve the TIF with a 3/5 vote. She noted that Council would be presented with the Plan at the Public Hearing on February 8, 2016. Mr. Minter noted that approval was based on meeting the criteria outlined in the TIF Act. Ms. Orr responded affirmatively.

Hannah Eisner, Asst. County Administrator, questioned approving an earlier retirement date. Ms. Orr explained twenty-three (23) years was the standard. She noted that at future annual JRB meetings there could be a recommendation to end or declare surplus once the goals had been met. A declared TIF surplus provides revenue on top of the tax levy.

Deb Skillrud, Township Supervisor, City of Bloomington Township, noted that Bloomington High School and Bloomington Junior High School rehabilitation might or might not happen. She believed that school districts as well as community growth were equal. She cited concern. She questioned past successes. Mr. Hales responded that the goal was a raising tax base. He believed that the City had not been aggressive, in the past, with economic development incentives but would be more so in the future. Mr. Hales stated that developers would be required to prove need for same. There were older properties which had not benefited from reinvestment and had suffered declines in EAV. He believed interest in redevelopment was increasing.

Ms. Orr noted that two (2) Tax Increment Finance Districts were recently closed in the City. She noted that TIF's are an economic tool available to municipalities. Previous TIF Districts were not required to have annual reviews and lacked coordinated efforts. Ms. Eisner cited previous City TIF Districts: Market St., Downtown Bloomington and Veteran Parkway. Patti-Lynn Silva, Finance Director, noted that the Market St. Area post TIF environment was an example of an area requiring same.

Review of Proposed Ordinances

Ms. Orr stated that the TIF Act required draft ordinances be provided for review at the first (1st) JRB meeting. She noted that Council would be required to take three (3) actions: 1.) Plan approval; 2.) ordinance specifically designating the area and outlining the boundaries and 3.) adopt the TIF Act being applicable to the area. Mr. Hales questioned amending the Plan in the future. Ms. Orr stated that Council could remove parcels any time. Additions, budget changes or land use changes would result in the establishment of a new TIF District. It would not reset the retirement date.

Mr. Minter questioned amendments. Mr. Weber believed redevelopment agreement

negotiations were key. Ms. Orr reminded the Board that at future annual JRB meetings all redevelopment agreements would be available for review.

Dr. Reilly stated that his concerns were expressed. District 87 recognized the need for improvement. District 87 had struggled with two (2) of the school buildings being included in the boundaries. Same had significant needs. There were challenges on all taxing bodies for revenue. The recent Home Rule sales tax increase did not benefit District 87. District 87 believed there were lost opportunities for revenue. He noted that the District 87's tax levy had increased and at same time they were asked to limit same. His vote would be to recommend as he believed the City was following the TIF Act. He was hopeful for the future. He believed District 87 needs would be considered. He referred to the Comprehensive Plan 2035, education was critical.

Motion by Austin Grammer, seconded by Hannah Eisner to recommend to the City Council that the TIF adoption proceed.

Motion carried, (viva voce).

Adjournment:

Motion by Dr. Barry Reilly, seconded by Deb Skillrud to adjourn. Time: 11:29 a.m.

Motion carried, (viva voce).

Respectfully submitted,

Renee Gooderham
Chief Deputy Clerk