(Passed 8-0)
Burch absent

RESOLUTION 03-11

TO AUTHORIZE EXPENDITURES FROM THE INDUSTRIAL DEVELOPMENT FUND FOR PHYSICAL IMPROVEMENTS TO SUPPORT A DEVELOPMENT PROJECT ("PTS CORPORATION") AT THE INDIANA ENTERPRISE CENTER

WHEREAS, in 1998 Thomson Consumer Electronics closed its television assembly plant in Bloomington, Indiana, eliminating 1200 gobs and leaving vacant a 200 acre, 1.8 million square foot industrial facility; and

WHEREAS, in anticipation of this closure and in accordance with Indiana Code 36-7-13-4, the Common Council adopted Ordinance 97-22, which established the Industrial Development Fund, which is a special fund used for the purposes of industrial development and expansion in or serving the City of Bloomington; and

WHEREAS, with the adoption of that ordinance, the Common Council also amended the Bloomington Municipal Code in order to establish the Bloomington Industrial Development Advisory Commission (BMC 2.30.060), which has to responsibility to make recommendations to the Common Council for expenditures from the Industrial Development Fund; and

WHEREAS, in accordance with amendments to I.C. 36-7-13 and I. C. 6-3.1-19 passed by the General Assembly in 1998, the Common Council adopted Resolution 99-15, which proposed the creation of a Community Revitalization Enhancement District (CREED) to assist the community in redeveloping the Thomson site and in attracting new, high-quality employment; and

WHEREAS, the CREED provides opportunities for the use of certain special economic development tools, including tax credits for qualified investors in the CREED, deposit of certain tax revenues in a fund for the CREED, and bonding ability; and

WHEREAS, one of those economic development tools allows the City to enter into agreements with developers of property within the CREED, entitling them to payment of a specified sum from the Industrial Development Fund upon attainment of goals or benchmarks on the site, as approved by the Bloomington Industrial Development Advisory Commission and Common Council; and

WHEREAS, the Industrial Development Fund has a current balance of $577,479, which includes a combination of funds from the exit package from Thomson and accumulated interest; and

WHEREAS, PTS Corporation and its related business entities (collectively "PTS"), a manufacturer of electronic equipment, propose expanding its manufacturing facility in Building Two of the Indiana Enterprise Center (IEC) (the "Property"), which requires conversion of warehouse space to production space by installing new interior walls, ceilings, lighting, heating and air conditioning, and electrical service, to standards suitable for manufacturing and repair of electronic devices, at a cost of approximately $3,000,000; and

WHEREAS, PTS expects to add a total of 296 employees in its four Bloomington locations after expanding its facility in the IEC, in addition to the 845 employees that currently work for PTS, of which 296 employees will work at the Property; and

WHEREAS, the infrastructure improvements to the Property that shall constitute benchmarks for purposes of reimbursement pursuant to IC 36-7-13-18(b) shall consist of the completion of an initial phase of work on the conversion of the Property to production space for which PTS has paid at least $300,000 to the contractor or contractors who performed said work, as evidenced by presentation to the City of copies of paid invoices detailing the work performed and totaling at least $300,000; verification from the contractors who submitted the invoices that they have been paid; and such other documentation or information, including visual inspection of the Property, as the City may reasonably require to verify that the work has been performed (the "Benchmark");

WHEREAS, to be eligible for payment from the IDF for attainment of the Benchmark, PTS shall be required to enter into a financing agreement with the City of Bloomington for the development of its facility on the Property, and shall also have entered into a separate agreement with some other person or entity for use or operation of the facility, pursuant to IC 36-7-13-18(a); and

WHEREAS, the Bloomington Industrial Development Advisory Commission met on June 10, 2003 to recommend reimbursement of $300,000 of the cost of the completed Benchmark to PTS from the Industrial Development Fund; and

WHEREAS, the redevelopment of the IEC serves an important public purpose, in the project offers a significant investment in the area and will create new jobs;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The Common Council hereby establishes the Benchmark as a benchmark pursuant to Indiana Code 36-7-13-18(b), and hereby authorizes the City Controller, after verification of completion of the Benchmark at a cost of at least $300,000 and compliance with the provisions of IC 36-7-13-18, to pay the sum of $300,000 to PTS Corporation or a related business entity as partial reimbursement for its expenditures associated with attainment of the Benchmark.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 9th day of July, 2003.

Chris Gaal
CHRIS GAAL, President
Bloomington Common Council

ATTEST:

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 10th day of July, 2003.

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 10 day of July, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution authorizes an expenditure from the Industrial Development Fund of $300,000 to reimburse PTS Corporation or a related business entity for a portion of the infrastructure costs necessary to expand and improve its manufacturing facility at the former Thomson site.

Copies TO: Petitioner Legal (5) File CA/CA
Planning Bl. Dev Ad Commission
Controller