(passed 7-2 (Mayfield))

RESOLUTION 03-24

APPROVING AN ADDENDUM TO THE BENCHMARK AGREEMENT FOR THE INDIANA ENTERPRISE CENTER INITIALLY APPROVED BY RESOLUTION 01-11

WHEREAS, in 1998 Thomson Consumer Electronics closed its television assembly plant in Bloomington, Indiana, eliminating 1200 jobs and leaving vacant a 200 acre, 1.8 million square foot industrial facility which is located in the Thomson/Walnut Winslow Economic Development and TIF Allocation Area ("Area"); and

WHEREAS, a Community Revitalization Enhancement District ("CREED") has been established pursuant to Ind. Code 36-7-13 upon the former Thomson site, under which Bloomington LLC will be entitled to payment of certain incremental tax revenues for attainment of goals and benchmarks on the site as approved by the Bloomington Industrial Development Advisory Commission and Common Council; and

WHEREAS, the Redevelopment Commission, Common Council, Travis LLC and Bloomington LLC entered into an economic development financing agreement dated July 11, 2001, whereby the City agreed to finance up to $1.1 million of the cost of demolition of the building formerly located at 1200 S. Rogers ("Building One") and Bloomington LLC agreed to construct certain improvements on the Building One site that would constitute benchmarks triggering the right to receive payments of CREED revenues and to assign its right to said CREED revenues to the Commission to repay demolition costs; and

WHEREAS, Bloomington LLC and Mackinac LLC, which acquired Travis LLC's property in the Indiana Enterprise Center, own the former Thomson site and certain adjoining properties, and intend to develop the former Thomson site as the Indiana Enterprise Center; and

WHEREAS, due to adverse economic conditions Bloomington LLC has not been able to construct the intended improvements on the Building One site, but the Commission wishes to be reimbursed for its demolition costs; and

WHEREAS, it is desirable to designate as additional benchmarks triggering the CREED reimbursement other development on property owned by Bloomington LLC and Mackinac LLC in or adjoining the Indiana Enterprise Center that will probably be redeveloped before the Building One site, and Bloomington LLC and Mackinac LLC are willing to assign their rights to receive CREED revenues deriving from the attainment of those additional benchmarks to the Commission to reimburse the demolition costs; and

WHEREAS, the attached Addendum to the July 11, 2001 Economic Development Financing Agreement designates as Additional Benchmarks the execution of a purchase agreement or lease for certain properties owned by Bloomington LLC or Mackinac LLC in or adjoining the Indiana Enterprise Center, or the construction of footers and foundations for new construction or the remodeling for business expansion or development on the designated properties, and reaffirms assignment of CREED revenues payable upon attainment of a Benchmark or Additional Benchmark to the Commission, and

WHEREAS, the Addendum further provides that upon attainment of an original Benchmark or an Additional Benchmark the Commission shall be automatically entitled to begin receiving CREED revenues of $100,000 per year after previous commitments to PTS have been paid up to a total of $1.1 million, and any

remaining CREED revenues received during a calendar year shall be deposited in the Industrial Development Fund for use as provided in IC 36-7-13;

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

SECTION I.. The attached Addendum to Economic Development Financing Agreement between the Redevelopment Commission, City of Bloomington, Mackinac LLC, Travis LLC and Bloomington LLC is approved.

SECTION II. This resolution shall be in full force and effect from and after passage by the Common Council of the City of Bloomington and approval by the Mayor.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 6th day of August, 2003.

Chris Gaal

CHRIS GAAL, President
Bloomington Common Council

ATTEST:

Regina Moore

REGINA MOORE, Clerk
City of Bloomington

PRESENTED by me to the Mayor on this 7th day of August, 2003.

ATTEST:

Regina Moore

REGINA MOORE, Clerk
City of Bloomington

SIGNED AND APPROVED by me upon this 11th day of August, 2003.

JOHN FERNANDEZ, Mayor
City of Bloomington

SYNOPSIS

This resolution approves an addendum to the economic development financing agreement approved in Resolution 01-11 that established benchmarks for CREED payments to the developers of the Indiana Enterprise Center (former Thomson Consumer Electronics site), which payments the developers have assigned back to the City. The addendum adds additional benchmarks, consisting of the execution of a lease or purchase agreement for any property in the IEC owned by the developers, or construction of footers and a foundation for any new construction or remodeling of an existing building for business expansion or development in the IEC. Upon the attainment of either an original or additional benchmark, the City will receive up to $1,100,000 in CREED revenues to repay the costs of demolishing for former Thomson Building One. The first $100,000 per year in CREED revenues after payments to PTS will be deposited in the Thomson TIF fund. Any remaining CREED revenues will be deposited in the Industrial Development Fund for use in accordance with the CREED statute, IC 36-7-13.

Signed Copies TO:
Controller
Legal - 5
Ec. Dev
Redevelopment Commission
CA/CA
File