Passed 8-0 (Mayor absent)

RESOLUTION 12-02

TO AUTHORIZE EXPENDITURES FROM THE INDUSTRIAL DEVELOPMENT FUND TO SUPPORT AN ECONOMIC DEVELOPMENT PROJECT
(Cigital, 100 S. College Avenue)

WHEREAS, in 2004, a Community Revitalization Enhancement District ("CRED") was established pursuant to Indiana Code 36-7-13 in a portion of the City's downtown, in which the portion of County Option Income Tax ("COIT") and Indiana retail, use and income taxes generated within the CRED that exceeds a base amount is deposited by the State of Indiana ("State") into the City's Industrial Development Fund ("IDF") for use by the City as provided in IC 36-7-13; and,

WHEREAS, Pursuant to IC 36-7-13-18, within the CRED, the City may establish goals or benchmarks concerning the development or redevelopment of property by a developer, and if that developer meets or exceeds the goals or benchmarks, the City may pay to the developer a specified fee from the IDF; and

WHEREAS, also pursuant to IC 36-7-13-18, a developer means a person that 1) proposes to enter into, or has entered into, a financing agreement with the City for the development or redevelopment of a facility located in the CRED; and (2) has entered into a separate agreement with some other person for the use or operation of the financed facility.

WHEREAS, Cigital ("Developer"), a 200- employee high-tech software company founded in 1992 in Dulles, Virginia, intends to locate a Cigital Assessment Center at 100 S. College Avenue within the Downtown CRED ("Facility"); and Cigital will enter into a separate lease agreement with a third-party for use of the facility; and,

WHEREAS, Developer intends to expand its high-tech business by 2014 through the addition of 25 new full-time jobs and additional new annual payroll of $1,875,000 ("Project"), with no employee earning less than the City's Living Wage pursuant to BMC 2.28; and,

WHEREAS, the Project will cause the following estimated costs to be incurred as a result of the expansion by the Developer ("Benchmarks"):

- Chase Bank Building Suites 200 and 210 Build-out $5,000
- IT Infrastructure Improvements $17,000
- Computer Hardware $20,000
- Business Systems and other relocation $10,000

WHEREAS, on February 22, 2012, the Bloomington Industrial Development Advisory Commission adopted its Resolution 12-01, recommending that the Common Council authorize the use of up to $32,000 from the IDF to pay to the Developer upon completion of Benchmarks; and,

WHEREAS, an economic development financing agreement between the City and Developer will include terms for potential clawback of this payment based upon performance and compliance measurements through 2017;

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 authorizes the payment of up to Thirty-two Thousand Dollars ($32,000) from the IDF to Developer upon completion of the following estimated Benchmarks, which may be administratively adjusted from category to category as needed provided the limit of $32,000 is maintained:

a. Chase Bank Building Suites 200 and 210 Build-out $5,000
b. IT Infrastructure Improvements $17,000
c. Computer Hardware $20,000
d. Business Systems and other relocation $10,000

SECTION 2. The Common Council hereby authorizes the City of Bloomington to enter into an economic development financing agreement with the Developer to include the terms and conditions of the payment and compliance.

SECTION 3. This resolution shall be effective from and after passage and execution by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 7th day of MARCH, 2012.

TIM OTHY MAYER, President
Bloomington Common Council
SUSAN SANDBERG, Vice President

SIGNED and APPROVED by me upon this 8TH day of MARCH, 2012.

MARK KRUZAN, Mayor
City of Bloomington

ATTEST:

REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

In accordance with state law, this resolution authorizes payment of up to $32,000 to be expended from the Industrial Development Fund ("IDF") to Cigital (Developer) to assist with the high technology company's expansion into the Downtown Community Revitalization Enhancement District ("CRED"). The resolution also authorizes the City to enter into an economic development financing agreement with the Developer to include the terms and conditions of the compliance and potential clawback of the one-time payment in the event of noncompliance.

Signed copies:
legal
controller
ED dept.
CA/CA
clerk (2)