RESOLUTION 08-18

TO AUTHORIZE EXPENDITURES FROM THE INDUSTRIAL DEVELOPMENT FUND FOR ATTAINMENT OF BENCHMARKS BY IEC, LLC AT THE INDIANA ENTERPRISE CENTER

WHEREAS, in 1997, the Common Council established, pursuant to Indiana Code 36-7-13-4 the Bloomington Industrial Development Advisory Commission ("BIDAC"), which has the responsibility to make recommendations to the Common Council for expenditures from the Industrial Development Fund ("IDF") for the purposes of industrial development and expansion in or serving the City of Bloomington; and,

WHEREAS, in 1999, the Thomson Community Revitalization Enhancement District ("CRED") was established, 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 IDF; and,

WHEREAS, IEC, LLC ("Developer") will invest a total of $6,563,000 to construct a Life Sciences Business Graduation Facility in the Indiana Enterprise Center to facilitate the growth of life sciences sector companies in the city, and which will house Predictive Physiology & Medicine, Inc., ("PPM") as its first tenant (the "Project"); and,

WHEREAS, PPM, a 15-employee bioinformatics company launched in Bloomington in 2005, intends to expand its operations, investing $10,000,000 in laboratory and information technology equipment and systems to facilitate its new product expansion, and adding seventy-five (75) new full-time positions and $3,527,000 in new payroll over the next three years; and,

WHEREAS, Indiana Code 36-7-13-18 provides that a developer who proposes to enter into or has entered into a financing agreement with a local government unit for development or redevelopment of a facility in a CRED district and has entered into a separate agreement with some other person for use or operation of the financed facility may receive specified payments from the IDF upon attainment of goals or benchmarks on the site, as approved by the BIDAC and Common Council; and,

WHEREAS, pursuant to IC 36-7-13-18(b), BIDAC adopted its Resolution 08-04 recommending the establishment of "Project Benchmark" to reimburse the Developer in an amount not to exceed $500,000 for expenditures in the attainment of site improvements ("Benchmarks") related to completion of the Project; and

WHEREAS, elements of the Project for which expenditures may count towards the Project Benchmark shall be as follows:

- HVAC Installation $ 547,605
- Backup Power System Installation $ 86,000

The improvements listed above have a total estimated cost of $633,605; and

WHEREAS, Developer's expenditure of at least $500,000 for performance of any of the work listed above, and documentation of said expenditures and verification of said work to the City's reasonable satisfaction, shall constitute attainment of the Project Benchmark, for purposes of Indiana Code 36-7-13-18(b); and,

WHEREAS, reimbursement by the City to Developer of up to $500,000 for attainment of the Project Benchmark shall be made using CRED Revenues that are derived from the Indiana income tax and COIT paid by persons employed on the property by PPM, and CRED revenues that derive from state gross retail and use taxes generated by PPM; and,

WHEREAS, the City shall make annual payments not to exceed 75% of said CRED revenues generated annually by PPM, until either $500,000 has been paid or the CRED district terminates; and,

WHEREAS, PPM, IEC, LLC and the City will enter into a financing agreement containing the terms and conditions of the benchmark payments; and,

WHEREAS, the redevelopment of area encompassed by the Thomson CRED, also known as the Indiana Enterprise Center, serves an important public purpose, and the Project is desirable for the area, in that it offers a significant investment that will enhance the tax base of the City of Bloomington and Monroe County, will create 75 new full-time jobs, and will enhance life sciences and technology sector development for Bloomington and Monroe County;

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 Project Benchmark as benchmarks pursuant to Indiana Code 36-7-13-18(b).

SECTION 2. The Common Council also, hereby, authorizes payment by the City, on account of attainment by IEC, LLC of the Project Benchmark, of up to $500,000 to IEC, LLC by making payments annually not to exceed 75% of the CRED revenues derived annually from state income taxes and COIT paid by PPM employees in the Thomson CRED district and from state retail and use taxes generated by PPM's sales in the Thomson CRED district, until either $500,000 has been paid or the Thomson CRED district terminates, as partial reimbursement for the Developer's expenditures on the Project, in compliance with the provisions of IC 36-7-13-18 and subject to the City of Bloomington's receipt from the State of Indiana of CRED revenues attributable to PPM's employment and sales on the Property, as provided herein, and all other conditions and provisions stated herein.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 17th day of DECEMBER, 2008.

Susan Sandberg
SUSAN SANDBERG, President
Bloomington Common Council

SIGNED and APPROVED by me upon this 18th day of DECEMBER, 2008.

MARK KRUZAN, Mayor
City of Bloomington

ATTEST:

Regina Moore
REGINA MOORE, Clerk
City of Bloomington

SYNOPSIS

In accordance with state law, this resolution authorizes reimbursement of no more than Five Hundred Thousand Dollars ($500,000) to the IEC, LLC, (Developer) upon completion of certain approved investments made to their real property located within the Thomson Community Revitalization Enhancement District ("Thomson CRED"). The reimbursement will paid annually out of the Industrial Development Fund ("IDF"), but not exceed more than 75% of the County Option Income Taxes and Indiana retail, use, and income taxes generated by Predictive Physiology & Medicine, Inc., ("PPM") within the Thomson CRED. The IDF supports industrial development and expansion within the CRED District that serves the City of Bloomington.

Signed copies to:
legal (10)
controller
econ Dev. Director
developer

CA/CA (3)
Clerk
deputy