

AGENDA
REDEVELOPMENT COMMISSION

McCloskey Conference Room
June 19, 2017
5:00 p.m.

- I. ROLL CALL**
- II. READING OF THE MINUTES** – June 5, 2017
- III. EXAMINATION OF CLAIMS** –June 2, 2017 for \$373,207.98
- IV. EXAMINATION OF PAYROLL REGISTERS**–May 26, 2017 for \$29,540.01
- V. REPORT OF OFFICERS AND COMMITTEES**
 - A.** Director’s Report
 - B.** Legal Report
 - C.** Treasurer’s Report
 - D.** CTP Update Report
- VI. NEW BUSINESS**
 - A.** Resolution 17-48: Approval of Project Agreement with Tasus
- VII. BUSINESS/GENERAL DISCUSSION**
- VIII. ADJOURNMENT**

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THE REDEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON, INDIANA MET on Monday, June 5, 2017 at 5:00 p.m. in the Showers City Hall, McCloskey Conference Room, 401 North Morton Street, with Don Griffin, Jr. presiding

I. ROLL CALL

Commissioners Present: Don Griffin, David Walter, Sue Sgambelluri, and Kelly Smith

Commissioners Absent: Jennie Vaughn, and Mary Alice Rickert

Staff Present: Doris Sims, Director, Housing and Neighborhood Development (HAND); Christina Finley, Housing Specialist, HAND

Other(s) Present: Thomas Cameron, Assistant City Attorney; Alex Crowley, Director, Economic & Sustainable Development; Matt Smethurst, Planning and Transportation, Project Manager; Adam Wason, Director, Public Works; Jeff Underwood, City Controller; Nicholas Carder, Horn Properties

- II. READING OF THE MINUTES** – Sue Sgambelluri made a motion to approve the May 15, 2017 minutes. David Walter seconded the motion. The board unanimously approved.
- III. EXAMINATION OF CLAIMS** – David Walter made a motion to approve the claims register for May 19, 2017 for \$614,303.72. Sue Sgambelluri seconded the motion. The board unanimously approved.
- IV. EXAMINATION OF PAYROLL REGISTERS** – Sue Sgambelluri made a motion to approve the May 12, 2017 payroll register for \$29,540.33. David Walter seconded the motion. The board unanimously approved.
- V. REPORT OF OFFICERS AND COMMITTEES**

A. Director's Report. Sims reported the Blooming Neighbors celebration took place June 3, 2017, at the Market. Over 21 neighborhood associations participated. Vickie Provine, Program Manager for Neighborhood Services, received the "HERO" award from the Council of Neighborhood Associations (CONA), for all of the hard work she does with Neighborhood Associations.

On Wednesday, June 7, 2017, HAND will be participating with the Bloomington Housing Authority at their "Family Night Out" event. The event will take place from 3-7 p.m. at the Bloomington Housing Authority. Local non-profit organizations and vendors come in and conduct interactive activities with families living in the Crestmont Housing area.

June is Limestone month. The Housing and Neighborhood Development Department (HAND) is working with the Convention and Visitors Bureau to host a Lime Stone walk in Vinegar Hill. The walk will be held on June 14, 2017 and June 23, 2017. Anyone interested in participating can pre-register through visitbloomington.com.

The McDoel Neighborhood Clean-up, originally scheduled for April, was cancelled due to weather. The McDoel Clean-up is rescheduled for June 17, 2017. This will be the last clean-up of the year.

B. Legal Report. Thomas Cameron was available to answer questions.

- C. Treasurer's Report. The TIF financial report was included in the packet. The report included all activity for the Consolidated and Prow Road TIF, as well as the Consolidated TIF Bond. Sue Sgambelluri asked when the sunset date is for the Prow Road TIF. Thomas Cameron replied, 2026. Jeff Underwood was available to answer any questions.
- D. CTP Update Report. Thursday, June 8, 2017 is the INX3 Pre-Qualification Regional Pitch Competition. It will be held in the Dimension Mill. Bloomington's event is a pre-qualifying competition and winners will go on to pitch at the INX3 State event in Indianapolis, June 13-16, 2017, for a chance to win \$100,000 in cash and prizes.

Crowley originally planned to have revised cost estimates for the Dimension Mill available at tonight's meeting. However, there needs to be work completed before it comes back to the commission. Crowley stated he plans to bring revised cost estimates and the project agreement with BEDC to the June 19, 2017 commission meeting. Crowley anticipates, in terms of the actual activation and construction, they are approximately 30 days behind the original estimated timeline.

VI. NEW BUSINESS

- A. Resolution 17-44: Approval of Addendum to Animal Shelter Design Contract. Adam Wason stated the initial fee for Kirkwood Design Studio was based on a scope of work that was to be limited to a budget of \$1.6M and did not include renovations to the current facility. While working on the design process, it became clear that the needs of the Animal Care and Control Shelter were greater than the budget supported and that renovations to the current facility would be needed to make the overall project a success.

Kirkwood Design Studio made extensive efforts to scope the project back to the initial budget. The project was suspended twice to work on the conflict between need and budget. When the project was approved to move forward, the full project scope had shifted to a \$2.1M - \$2.3M dollar project. The initial fee of \$128,000.00 for services was based upon the \$1.6M scope of work. The City and Kirkwood Design Studio believe it was in the best interest of the project to expand the scope of work. Therefore, staff is requesting to amend the original agreement with Kirkwood Design Studio for an increased amount of \$28,800 for additional design services. This will include construction oversight during the renovation.

Don Griffin asked for public comment. There was no public comment.

Sue Sgambelluri made a motion to approve Resolution 17-44. David Walter seconded the motion. The board unanimously approved.

- B. Resolution 17-45: Amendment of Funding Approval in Redevelopment Commission Resolution 17-15 (West 17th Street (Maple to Madison) Sidewalk Project). Matt Smethurst, Planning & Transportation, Project Manager reported this project is nearly complete with the exception of a few punch list items. Tonight's request is for a change order, which should be the last one on this project. There are two items on the change order:

1. Placement of Filter fabric and bark mulch at a cost of \$1,741.33
2. Adjustment of Stormwater grate at a cost of \$624.73

David Walter asked what the schedule is for repairing the pavement on 17th Street and moving the center line. Matt Smethurst replied there is another sidewalk project that will start in the next couple weeks that will connect the two existing projects, once completed, Street Department will pave and restripe the street.

Don Griffin asked for public comment. There was no public comment.

David Walter made a motion to approve Resolution 17-45. Sue Sgambelluri seconded the motion. The board unanimously approved.

- C. Resolution 17-46: Approval of Amendment to Resolution 16-52 (Community Development Block Grant Agreement with Planning & Transportation Department of the City of Bloomington Indiana).

Matt Smethurst stated this project will connect to other 17th Street projects. This project initially started with approved funding of \$55,000. However, the scope of services changed due to the other 17th Street project which creates an increase in cost. The total cost of the project will be \$160,000.

Doris Sims stated the funding is from Community Development Block Grant Funds (CDBG) and there is additional funding available. The scope of services changed because we felt it should match up with the current projects on 17th Street and include stormwater and curbing.

Don Griffin asked for public comment. There was no public comment.

Sue Sgambelluri made a motion to approve Resolution 17-46. David Walter seconded the motion. The board unanimously approved.

- D. Resolution 17-47: Determination of No Excess Assessed Value in the Allocation Areas. Jeff Underwood stated there is no excess assessed value in the Allocation Areas.

Don Griffin asked for public comment. There was no public comment.

David Walter made a motion to approve Resolution 17-47. Sue Sgambelluri seconded the motion. The board unanimously approved.

VII. BUSINESS/GENERAL DISCUSSION

VIII. ADJOURNMENT

Don Griffin, President

Sue Sgambelluri, Secretary

Date

**17-48
RESOLUTION
OF THE
REDEVELOPMENT COMMISSION
OF THE
CITY OF BLOOMINGTON INDIANA**

APPROVAL OF PROJECT AGREEMENT WITH TASUS CORPORATION AND TGNA HOLDINGS, LLC

WHEREAS, the Redevelopment Commission of the City of Bloomington (“RDC”) owns property within The Trades District—the name for the City of Bloomington’s Certified Technology Park—that is east of North Rogers Street, south of West 11th Street, west of North Morton Street, and north of West 10th Street (the “Middle Parcels”); and

WHEREAS, on June 16, 2015, the RDC approved Resolution 15-32, approving a Project Review and Approval Form (“Form”) regarding the solicitation of redevelopment proposals for the Middle Parcels; and

WHEREAS, Indiana Code § 36-7-14-22 sets forth the process for the RDC to publicly offer property, such as the Middle Parcels, for sale; and

WHEREAS, the RDC has gone through the process set forth in Indiana Code § 36-7-14-22, including obtaining appraisals, publishing Notice of Offerings as approved by Resolutions 15-67 and 16-09, and opening the responses to the Notices of Offering at a public meeting; and

WHEREAS, based upon extensive negotiations, Staff recommends that the Redevelopment Commission approve a Project Agreement with TASUS Corporation and TGNA Holdings, LLC (“TASUS”) pursuant to which TASUS will pay the Redevelopment Commission One Dollar (\$1.00) for approximately 0.9 acres of property within the Middle Parcels at the northwest corner of West 10th Street and North Madison Street, which will be used to construct a new research and development center with headquarters offices for the company’s corporate staff; and

WHEREAS, Staff has negotiated a Project Agreement with TASUS, which is attached to this Resolution as Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED BY THE BLOOMINGTON REDEVELOPMENT COMMISSION THAT:

1. The RDC approves the Project Agreement with TASUS that is attached to this Resolution as Exhibit A. Donald Griffin is authorized to sign the Project Agreement on behalf of the RDC. Donald Griffin is also authorized to sign all documents referenced in the Project

Agreement on behalf of the RDC. In the event that Donald Griffin shall cease to be the President of the Redevelopment Commission, the authorizations in this paragraph shall transfer to the President of the Redevelopment Commission.

2. The RDC explicitly authorizes Staff to move forward with the Formation of the Trades District Subdivision as set forth in Section 2.1(a).

BLOOMINGTON REDEVELOPMENT COMMISSION

Donald Griffin, President

ATTEST:

Sue Sgambelluri, Secretary

Date

PROJECT AGREEMENT

BY AND BETWEEN

CITY OF BLOOMINGTON, INDIANA, by and through the

BLOOMINGTON REDEVELOPMENT COMMISSION

AND

TASUS CORPORATION and TGNA Holdings, LLC

PROJECT AGREEMENT

This Project Agreement (the “Agreement”) is hereby made effective as of the ____ day of _____, 2017 (the “Effective Date”), by and between the City of Bloomington, Indiana (“City”), by and through its Bloomington Redevelopment Commission (“RDC”; together the City and the RDC being sometimes referred to as the “City Parties”) and TASUS Corporation and TGNA Holdings, LLC (collectively “TASUS” except as specifically identified herein).

RECITALS

WHEREAS, the RDC owns certain parcels of land located within the City’s “Trades District” which are currently underutilized and ripe for new investment; and

WHEREAS, the RDC has sought high technology activity and research and development uses that will support the RDC’s goals to attract tech sector development, create jobs, and support high tech employment uses; and

WHEREAS, the RDC desires to pursue the high quality development project proposed by TASUS described in Exhibit A attached hereto (the “Project”), on property in the Trades District the RDC owns that is located north of West 10th Street, as described in Exhibit B attached hereto (the “Property”); and

WHEREAS, the RDC believes that TASUS is best suited to develop the Property to achieve the RDC’s goals; and

WHEREAS, TASUS, by its holding company, desires to acquire the Property from the RDC and to develop the Project; and

WHEREAS, the RDC believes that this Agreement is in the best interests of the RDC and that the Project will be developed in accordance with: (1) a valid public purpose; and (2) the provisions of all applicable laws, including those of the State of Indiana and any applicable local law and ordinance.

NOW, THEREFORE, in consideration of the premises and mutual obligations of the parties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. Capitalized words and phrases used herein, and not otherwise defined within the main body of the Agreement, have the following meanings:

Agreement means this Project Agreement, as the same may be mutually modified, amended, or supplemented in writing from time to time.

Building Approvals means any building approvals, governmental permits, licenses, consents or authorizations (which may include but not be limited to: Monroe County Building Department, the Bloomington Plan Commission, and any other governmental board, department, or agency) which may be legally required or necessary to comply with the Site Plan (as hereinafter defined).

Business Day means any day other than a Saturday, Sunday, or a state or federal holiday that financial institutions or post offices in the state of Indiana choose to observe.

Certificate of Completion means a certificate in the form attached hereto as Exhibit C.

Infrastructure Improvements mean the Transportation Improvements and Utility Improvements being designed by Anderson + Bohlander, LLC pursuant to a consulting agreement with the RDC, originally approved by the RDC with its Resolution 16-34.

Plans and Specifications mean all drawings pertaining to the Development including the building, mechanical, and electrical drawings.

Site Plan means the map of the Property, drawn accurately to scale, showing existing and proposed features of the Property, including but not limited to buildings and other structures, circulation grading, trees, and landscaping, sufficient for the review required by the City of Bloomington Unified Development Ordinance and regulated by Indiana Code 36-7-4 *et seq.*

TGNA Holdings, LLC is an Indiana limited liability company, wholly owned by TASUS Corporation and is a single-purpose entity.

The Trades District means the property owned by the Bloomington Redevelopment Commission that is enclosed by West 11th Street on the north, North Morton Street on the east, West 10th Street on the south, and North Rogers Street on the west. This property was acquired by the Bloomington Redevelopment Commission from Indiana University in 2011, and is contained within the Bloomington Certified Technology Park, which encompasses 65 acres within downtown Bloomington, Indiana, as certified by the State of Indiana.

ARTICLE II
CONVEYANCE OF PROPERTY

Section 2.1. Conveyance Conditions. The following conditions must be satisfied on or prior to Closing (as hereinafter defined).

(a) *Formation of “The Trades District Subdivision.”* The City Parties shall have received approval of the Preliminary Plat to establish Phase 1 of The Trades District as a legally formed subdivision, on or before August 16, 2017.¹ This includes:

- i. Completion of any necessary survey work, including a survey of the Property which (with respect to the Property) shall be certified to TGNA Holdings, LLC.
- ii. Creation and adoption of Trades District Subdivision Covenants, Conditions & Restrictions.
- iii. Creation and adoption of the Trades District Subdivision Development Standards and Guidelines.

(b) *Recordation of The Trades District Subdivision.* The City Parties shall record the approved subdivision (including the Covenants, Conditions & Restrictions and the Development Standards and Guidelines) as soon after the subdivision has received final approval as is practicable.²

(c) *Infrastructure Improvements in The Trades District.*

- i. Completion of design of the Infrastructure Improvements.
- ii. Completion of all statutorily required bidding processes for the construction of the Infrastructure Improvements, including the award of a contract for the construction of the Transportation Improvements.

(d) *Satisfactory Completion of Due Diligence.*

- i. TASUS shall have a period commencing as of the completion of the requirements of the City Parties in Section 2.1(a), above and continuing up

¹ Phase 1 shall consist of the property within The Trades District that is south of the northernmost edge of the unnamed east-west street depicted in Exhibit B-1 of this Agreement that is between West 10th Street and West 11th Street.

² The City Parties shall also record the Covenants, Conditions & Restrictions and the Development Standards and Guidelines upon the establishment of Phase 2 of The Trades District as a legally formed subdivision. Phase 2 of The Trades District shall consist of the property within The Trades District that is not within Phase 1 of The Trades District.

to one hundred twenty (120) days (such period being referred to as the “**Due Diligence Period**”), whereby TASUS, and/or its employees, agents and contractors, shall have the right to enter the Property for due diligence purposes and to determine the feasibility of this Project, which may include but not be limited to, approvals for financing to complete the Project, feasibility of operations of the Project, and a study and investigation of the Property, in a manner TASUS deems necessary, in order to determine whether the Property is suitable for the Project in TASUS’s sole and absolute discretion. TASUS shall be solely responsible for any and all costs associated with its study and investigation of the Property. Through and until the end of the Due Diligence Period, TASUS shall have the right to terminate this Agreement for any reason whatsoever upon written notice delivered to the RDC, and the parties shall have no further right or obligation under this Agreement (except for rights or obligations which expressly survive the termination of this Agreement). If TASUS fails to give the RDC written notice of termination on or before the Due Diligence Deadline, then TASUS shall be deemed to have waived any right to terminate this Agreement pursuant to this Section 2.1(d).

(e) *Site Plan Approval.* The Site Plan shall have been approved by the Bloomington Plan Commission, and any other instrumentality required to approve the Site Plan prior to commencement of construction of the Project.

(f) *Building Approvals.* TASUS shall have received all necessary Building Approvals as may be required from time to time prior to initiation of such specific work, as applicable.

(g) *Conditions Precedent.* The following items must be completed, to the satisfaction of the TASUS and RDC (or waived either conditionally or unconditionally) either prior to Closing or as otherwise specifically referenced below. The following items shall hereinafter be referred to as the “Conditions Precedent”:

- i. A temporary parking easement and agreement shall be negotiated and executed by and between the City of Bloomington and TASUS to provide fifty parking spaces for TASUS employees and invitees on the parking lot west of the Property at the northeast corner of North Rogers Street and West 10th Street (the “Parking Lot”). The term of the temporary parking easement and agreement shall begin upon the commencement of construction of the Project and shall terminate when ownership of the Parking Lot is transferred.
- ii. Because the Transportation Improvements will extend up to the property lines of the Property, a temporary construction easement and agreement shall be negotiated and executed by and between the City of Bloomington and TASUS to allow the City of Bloomington to enter the Property in order to construct the Transportation Improvements. The temporary

construction easement and agreement will require the City of Bloomington to coordinate with TASUS when it will need to enter onto the Property in order to minimize the impact on TASUS' construction schedule.

- iii. Construction of utility stubs to the Property sufficient to allow construction to begin immediately upon completion of Closing. The parties agree that to the extent roadways in The Trades District are developed but not yet dedicated to the public, appropriate easements shall be conveyed in favor of TASUS to allow access, ingress and egress consistent with the purposes of this Agreement and for construction and operation of TASUS' business on the Property.
- iv. All of the documents delivered by TASUS to the RDC pursuant to the terms and conditions of this Agreement shall have been delivered within the time specified herein and shall be in form and substance reasonably satisfactory to the RDC.
- v. All representations and warranties of the Parties made in this Agreement shall be true, correct and complete in all material respects on and as of the Closing, as if such representations and warranties were first made as of the Closing, each Party shall have delivered to the other a certificate providing that all representations and warranties made in this Agreement are true, correct and complete in all material respects on and as of the Closing.
- vi. The Parties shall in all material respects have complied with, fulfilled and performed each of the covenants, terms and conditions to be complied with, fulfilled or performed hereunder on or prior to the Closing.

If one or more of the Conveyance Conditions outlined in this Section 2.1 are not, or cannot be satisfied, as its sole and exclusive remedy TASUS or the RDC (as the case may be) may elect to: (1) waive, in writing, satisfaction of the condition(s) and proceed to closing, or (2) terminate this Agreement.

Section 2.2. Conveyance. Upon satisfaction of the Conveyance Conditions (as set forth in Section 2.1) and the Conditions to Closing (as set forth in Article III), the RDC agrees to convey and deliver the Property to TGNA Holdings, LLC, and TGNA Holdings, LLC agrees to take fee simple title to the Property from the RDC, for the amount of One Dollar and NO/100 (\$1.00) and other good and valuable consideration ("Purchase Price").

Section 2.3. Form of Deed. The RDC shall convey to TGNA Holdings, LLC fee simple title to the Property, subject to a Limited Warranty Deed, subject only to conditions of this Agreement.

Section 2.4. Title. TGNA Holdings, LLC will obtain an ALTA standard commitment for an owner's policy of title insurance issued by the Title Company (the "Title Commitment") at TASUS's sole cost and expense. Title to the Property shall be insured as good and merchantable, in the amount of the Appraisal, and title shall be conveyed to TGNA Holdings,

LLC free and clear of any and all liens, claims and interests of any kind or nature whatsoever, except the following:

- (a) current real estate taxes not delinquent;
- (b) any and all matters which would be disclosed by a current and accurate survey of the Property;
- (c) zoning ordinances and other governmental restrictions affecting the use of the Property; and
- (d) such other liens, claims, encumbrances, interests or matters of record or as may be approved by TASUS in its sole discretion;

(collectively, the matters set forth above are herein referred to as the “Permitted Exceptions”).

Section 2.5. Appraisal. TASUS shall obtain, at its expense and with an appraiser chosen by TASUS, an appraisal of the Property. The Appraisal shall consist of a determination of the value of the Property which shall establish the value for purposes of the title insurance and for use as otherwise provided by this Agreement.

Section 2.6. Property Information. Except as expressly provided by this Agreement, neither the City nor the RDC makes any representation or warranty as to the truth, accuracy or completeness of any of the information the City or RDC has provided to TASUS concerning the Property (the “RDC Deliveries”). TASUS acknowledges and agrees that all of the RDC Deliveries are provided to TASUS as a convenience only and that any reliance on or use of the RDC Deliveries shall be at the sole risk of TASUS. Without limiting the generality of the foregoing provisions, TASUS acknowledges and agrees that (i) any RDC Deliveries shall be for general informational purposes only, (ii) TASUS shall not have any right to rely on any RDC Deliveries, but rather will rely on its own inspections and investigations of the Property and any reports commissioned by TASUS with respect thereto, and (iii) neither the City, RDC nor the person or entity which prepared any RDC Deliveries shall have any liability to TASUS for any inaccuracy in or omission from any RDC Deliveries.

ARTICLE III CLOSING

Section 3.1. Conditions to TASUS’s Closing Obligation. TASUS’s obligation to proceed with the Closing is contingent upon TASUS’s satisfaction with or TASUS’s waiver of the following (collectively, the “TASUS Closing Conditions”):

- (a) The Conveyance Conditions.
- (b) City Parties shall have delivered to TASUS any and all closing documents in accordance with the requirements of this Agreement.

(c) City Parties shall have performed all covenants and obligations required to be performed by City Parties on or before the Closing.

(d) The Bloomington Common Council shall have awarded the Project a tax abatement equal in value to an Enterprise Zone Investment Deduction that has an abatement schedule agreeable to TASUS, and the City and TASUS shall have executed an agreement regarding the tax abatement (“Tax Abatement Agreement”). The RDC shall have thirty (30) days from the execution of the Tax Abatement Agreement to review the Tax Abatement Agreement to confirm it includes the following terms:

1. A definition of substantial compliance that includes:
 - a. Making at least 80% of the capital expenditures set forth in the SB-1/Real Property that is filed with the City (“SB-1”);
 - b. Retaining at least 70% of the employees and aggregate payroll set forth in the SB-1 during the abatement period;
 - c. By the end of the abatement term, creating at least 80% of the number of new jobs and 80% of the aggregate payroll set forth in the SB-1;
 - d. Paying an hourly wage of at least the City of Bloomington Living Wage, as published annually by the City of Bloomington, to all full- and part-time individuals employed at the Property by TASUS for the duration of the tax abatement;
 - e. Continuing operations at the Property for the duration of the tax abatement. An announcement of cessation of operations at the Property shall constitute not continuing operations at the Property.
 - f. A provision that requires repayment of the tax abatement savings in the event TASUS is found to not be substantially compliant with the substantial compliance benchmarks.
 - i. In the event that TASUS is found to not be substantially compliant with the substantial compliance term set forth in Section 3.1(d)(1)(d), TASUS shall have the right to cure as provided by Bloomington Municipal Code 2.28. Should TASUS exercise this cure right, no repayment shall be necessary. In the event that TASUS does not exercise the cure right, TASUS shall make full repayment of the tax abatement savings.
 - ii. In the event that TASUS is found to not be substantially compliant with the substantial compliance terms set forth in Section 3.1(d)(1)(a), (b), (c), or (e), TASUS shall make partial repayment of the tax abatement savings according to the following formula:

The percentage of the noncompliance shall be calculated annually as follows: the amount of actual investment in the particular category (real property investment, number of jobs, annual aggregate payroll, and years of occupancy) shall be divided by the corresponding established amount for substantial compliance in that category to determine the compliance rate. The compliance rate then shall be subtracted from 100% to determine the percentage of noncompliance. The percentage of noncompliance shall equal the percentage of repayment of tax abatement savings. If TASUS fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the highest level of noncompliance.

Example: Out of 10 proposed new jobs, 9 represents substantial compliance. If 8 jobs are actually created, then the percentage of repayment is the following: $8 \text{ actual jobs} \div 9 \text{ jobs representing substantial compliance} = 88.89\% \text{ compliance rate}$; $100\% - 88.89\% = 11.11\% \text{ noncompliance rate}$; $11.11\% \text{ tax abatement savings would be repaid}$.

In the event that the RDC finds any of those terms to not be present, the RDC shall provide notice to the City and TASUS. The City and TASUS shall have thirty (30) days from the RDC's notice to the City and TASUS to amend the Tax Abatement Agreement to include the missing term or terms. In the event that no such amendment occurs, the RDC shall have the right to terminate this Project Agreement.

(e) The RDC shall have continued development of the Dimension Mill project as set forth in its Resolution 16-55, and of the Trades District generally as set forth in its Resolution 15-60 (as amended by Resolution 16-34).

Section 3.2. Failure of a TASUS Closing Condition. If any of TASUS's Closing Conditions have not been satisfied on or before the Closing, then TASUS may, in its sole discretion, elect to either (i) extend the Closing in order to permit City Parties additional time in order to attempt to satisfy the TASUS Closing Conditions, or (ii) terminate this Agreement by written notice to RDC, in which event the parties shall have no further right or obligation under this Agreement (except for rights or obligations which expressly survive the termination of this Agreement). TASUS shall also have the right to unilaterally waive any TASUS Closing Condition by written notice to City Parties or by proceeding to the Closing.

Section 3.3. Time and Place for Delivery of Deed. Upon satisfaction of all Closing Conditions and any other obligations of TASUS herein described, the RDC shall deliver

the Limited Warranty Deed described in Section 2.3 and possession of the Property to TASUS not later than fifteen (15) days following the date on which TASUS provides written notice to RDC that all conditions and obligations have been fulfilled, or such other date as may be agreed upon in writing by the RDC and TASUS (hereinafter "Closing"). Closing shall take place no later than February 28, 2018 unless an extension of time is mutually agreed to in writing. For the purposes of this Agreement, the "Closing" shall further mean the consummation of the transfer of fee simple determinable title to the Property and related deliveries in accordance with the terms and conditions of this Agreement. The Closing shall be held at Capstone Title Partners, and TGNA Holdings, LLC shall accept conveyance of the Property at such time and place. Any fee for conducting the Closing charged by the Title Company shall be paid in equal shares by TASUS and the RDC. At the Closing, the RDC and TASUS agree to deliver to each other, in accordance with the terms of this Agreement, the following:

- (a) The RDC shall deliver to TGNA Holdings, LLC a duly authorized and executed Limited Warranty Deed in recordable form, conveying title to the Property from the RDC to TGNA Holdings, LLC;
- (b) Each party shall deliver to the other satisfactory resolutions or other evidence of the authority of the signers of the documents to consummate the transaction on behalf of the RDC and TASUS;
- (c) Each party shall deliver to the other an affidavit acceptable to the other stating:
 - i. That all of the representations and warranties set forth in Article 4 are true and correct as of the date of closing; and
 - ii. That there has been no breach of this Agreement by the other party which the other party has failed to cure.
- (d) The RDC shall deliver a duly authorized and executed Sales Disclosure Form utilized in Monroe County, Indiana;
- (e) All other documentation reasonably necessary to complete the transaction contemplated by this Agreement that can be furnished by the parties without material cost or expense; and
- (f) A Vendor's Affidavit to the Title Company with commercially reasonable terms sufficient to delete the standard exceptions.

All of the documents and instruments required pursuant to this Section 3.3 or otherwise in connection with the consummation of this Agreement shall be in a form and a manner reasonably satisfactory to counsel to the RDC and TASUS.

The obligation of the RDC and TASUS, as applicable, to execute and deliver these documents shall survive Closing.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

Section 4.1. Representations and Warranties by TASUS. TASUS represents and warrants that:

(a) All necessary action has been taken to authorize TASUS's execution of this Agreement and the performance of TASUS's obligations hereunder, TASUS has the power and authority under all federal, state, and local law to enter into this Agreement and perform its obligations hereunder, and this Agreement constitutes a legal, valid, and binding obligation enforceable against TASUS.

(b) To the best of TASUS's knowledge, TASUS has delivered copies of all third-party reports, findings, surveys, and title reports resulting from its due diligence activities related to the Property to the RDC within seven (7) days of receipt.

(c) TASUS will not enter into any contracts or undertakings that would limit, conflict with or result in a breach of this Agreement.

(d) The execution and delivery of this Agreement and the consummation of the transactions herein contemplated will not materially conflict with, or constitute a breach or default under, TASUS's Articles of Organization or Operating Agreement, or the provisions of any bond, debenture, note, other evidence of indebtedness, loan agreement, lease or other contract to which TASUS is a party or by which it is bound, or to its actual knowledge violate any law, regulation, or order of the United States of America, the State of Indiana, or any agency or political subdivision thereof, or any court order or judgment in any proceeding to which TASUS is or was a party or by which it is bound.

(e) There is no action, suit, proceeding or investigation at law or in equity, or by or before any United States court, arbitrator, administrative agency, or other federal, state or local governmental authority, pending or, to the actual knowledge of TASUS or any of its members, threatened against TASUS or any of its members, wherein an unfavorable decision, ruling, or finding would have a materially adverse effect on the validity of this Agreement or a materially adverse effect on the transactions contemplated hereby.

(f) No member of the RDC has a pecuniary interest in this transaction.

Section 4.2. Representations and Warranties of the RDC. The RDC hereby represents and warrants that:

(a) All necessary action has been taken to authorize the RDC's execution of this Agreement and the performance of the RDC's obligations hereunder, the RDC has the power and authority under all federal, state, and local laws to enter into this

Agreement and perform its obligations hereunder, and this Agreement constitutes a legal, valid, and binding obligation enforceable against the RDC.

(b) The execution and delivery of this Agreement by the RDC does not, and the consummation of the transactions contemplated hereby in compliance with the terms hereof, will not result in a violation of: (i) any provisions of any instrument governing the RDC, or (ii) any judgment, order, writ, injunction, decree, statute, law, ordinance, rule, or regulation applicable to the RDC.

(c) No member of the RDC has a pecuniary interest in the transaction.

(d) The RDC will ensure that the Transportation Improvements are completed in substantial accordance with the approved design and the construction contract referenced in Section 2.1(c)(ii) of this Agreement.

As of the Effective Date, the RDC has not received any written notice of any violation of any laws, rules, or regulations applicable to the Property. To the best of RDC's knowledge, during the RDC's term of ownership, no Hazardous Materials have been constructed, deposited, stored, disposed, placed or located on the Property. As used herein, the term "Hazardous Materials" includes, without limitation, any material or substance which is (a) listed or defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance" or "toxic substance," or words of similar import, under federal or state law, (b) petroleum, (c) polychlorinated biphenyl, and/or (d) any other pollutant, toxic substance, or hazardous substance, material or waste, under any other federal, state or local environmental law, regulation, ordinance or rule existing as of the date hereof or enacted prior to the Closing. RDC shall cause any and all environmental reports in its possession, or reasonably obtainable by RDC, to be released to Tasus within fifteen (15) days of the Effective Date.

ARTICLE V POST CLOSING COVENANTS

Section 5.1. TASUS's Project Covenants. The parties acknowledge the RDC is entering into this Agreement based upon TASUS's compliance with the following conditions after Closing (collectively, "Project Covenants").

(a) TASUS shall construct the Project on the Property in substantial conformance with the Site Plan and in conformity with all local, state, and federal laws and regulations.

(b) TASUS' intent is to begin construction of the Project in the Spring of 2018. In order to allow the RDC to ensure compliance with TASUS' obligations under this Section V, TASUS shall allow the RDC, by its designated representative, to inspect the Project in conjunction with inspections of the Monroe County Building Department.

(c) TASUS shall commence its business operations at the Property upon completion of the Project.

ARTICLE VI
TIME FOR COMMENCEMENT AND COMPLETION OF PROJECT

Section 6.1. Commencement of Construction. TASUS' intent is to begin construction of the Project in the Spring of 2018. In no event whatsoever shall TASUS commence construction on the Project after April 1, 2019 barring *force majeure* or other causes beyond TASUS' control.

Section 6.2. Unavoidable Delay. In the event of delay in the performance of its obligations by either party to this Agreement due to occurrences including, but not limited to, acts of God, acts of the government, fires, floods, general shortages of labor, equipment, facilities or materials, strike, lockout or other industrial or labor disturbance or action of labor unions (hereinafter an "Unavoidable Delay"), the time for performance of said obligations shall be extended for the period of the Unavoidable Delay. The party seeking the benefit of the provisions of this subsection shall, within ten (10) days after the beginning of such Unavoidable Delay, notify the other party in writing of the cause thereof and request an extension for the period of the Unavoidable Delay. TASUS's inability to satisfy an obligation on account of inability to pay any required sums shall not be an Unavoidable Delay.

Section 6.3. Completion of Construction. TASUS shall substantially complete construction of the Project on the Property in accordance with the Site Plan.

Section 6.4. Completion Certificate. The Project shall be deemed substantially completed for the purposes of this Agreement at such time as TASUS submits a Certificate of Completion to the RDC that the Project has been constructed substantially in accordance with the Site Plan, in a form similar to the Certificate of Completion attached hereto as Exhibit C.

ARTICLE VII
ADDITIONAL PROVISIONS

Section 7.1. Project Entity. TASUS may assign this Agreement to an entity affiliated, owned or otherwise controlled by it (the "Project Entity"). TASUS shall provide notice of any assignment to the RDC within fifteen (15) days of the assignment. No assignment shall operate to relieve TASUS from liability under this Agreement.

Section 7.2. Taxes and Assessments. The parties acknowledge that as a governmental entity the RDC does not ordinarily pay property taxes. Property taxes and assessments, if any, shall be apportioned on the basis of the fiscal period for which assessed. Because the RDC does not ordinarily pay property taxes, the parties wish to clearly express that this apportionment shall be based on the last tax bill received by the RDC prior to closing rather than on the assessed value of the Property. The parties acknowledge that the 2016 pay 2017 tax bill had a tax due of \$0.

The RDC shall be responsible for, and shall credit TASUS, at Closing, for any taxes allocable to the period up until the Closing using the apportionment method outlined above, so that the RDC shall be responsible, and credit TASUS for all property taxes for the year 2017 payable in 2018, if any, and for RDC's pro rata share of property taxes for the year 2018 payable in 2019. The parties acknowledge that as a governmental entity, the RDC does not ordinarily pay property taxes and, therefore, it is possible the amount credited to TASUS at Closing under this Section will be \$0.

Section 7.3. Risk of Loss. The RDC shall bear the entire risk of loss of the Property until closing.

Section 7.4. Entire Agreement. This writing embodies the entire agreement between the parties hereto, and there are no representations, promises, understandings or agreements (oral or written) between the parties which are not set forth herein. Both parties shall be deemed to be the drafter of the Agreement.

Section 7.5. Survival. All of the representations, warranties, and covenants of this Agreement shall survive the closing and the conveyance of the Property to TASUS and shall be binding upon and inure to the parties hereto and their respective successors, and assigns.

Section 7.6. Mutual Cooperation. TASUS and the RDC agree to cooperate with each other and to act in good faith and in a commercially reasonable manner in all matters contemplated by this Agreement.

Section 7.7. Conflicts of Interest. No member of the RDC has a pecuniary interest in the transaction contemplated by this Agreement. No elected official or any other official or employee of the City shall participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, or employee of the City or the RDC shall be personally liable to the City or the RDC in the event of any default or breach by TASUS or successor or on any obligations under the terms of this Agreement.

Section 7.8. Titles of Articles and Sections. Any titles of the several parts, articles, and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 7.9. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under this Agreement by any party to any other shall be sufficiently given or delivered the day following the day it is dispatched by overnight courier; two business days after it is mailed via registered or certified mail, postage prepaid, return receipt requested; or the day it is delivered personally; and

- (a) In the case of TASUS is addressed to or delivered personally to:

TASUS CORPORATION
Attn: Melanie Walker, President and CEO
1151 W 2nd Street
Bloomington, Indiana 47403

With a copy to:

Angela F. Parker, Attorney
CarminParker, PC
P.O. Box 2639
Bloomington, IN 47402-2639

(b) In the case of the City Parties is addressed to or delivered personally to:

Bloomington Redevelopment Commission
Attention: Director, Housing and Neighborhood Development
401 N. Morton Street
PO Box 100
Bloomington, IN 47402

With a copy to:

Corporation Counsel
City of Bloomington
401 N. Morton Street
PO Box 100
Bloomington, IN 47402

The addresses provided above may be updated by either party by designating the new address in writing, and forwarding to the other party as provided by this Section.

Nothing in this Section shall preclude the ordinary communication between the Parties by other means, including by e-mail and telephone.

Section 7.10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 7.11. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State of Indiana. To the extent litigation is necessary, the parties agree that the venue of any such litigation will be Monroe Circuit Court, Monroe County, Indiana. The RDC and TASUS waive, to the extent permitted by applicable law: (1) the right to a trial by jury, and (2) any right the RDC or TASUS may have to: (i) assert the doctrine of “*forum non conveniens*” or (ii) object to venue.

Section 7.12. Covenants to Run with Title. The rights and obligations of TASUS under this Agreement run with title to the Property and are binding on TASUS and TASUS’s

successors in title to all or any portion of the Property. This Agreement, as may be amended in accordance with Section 7.17 between the date of execution of the Agreement and Closing, shall be recorded with the Limited Warranty Deed.

Section 7.13. Time is of the Essence. Timely performance of the respective obligations of the parties under this Agreement is an essential term of this Agreement.

Section 7.14. Enforceability. If any provision of this Agreement is adjudged to be invalid or unenforceable by a court of competent jurisdiction, this Agreement should be construed as if such invalid or unenforceable provision had not been inserted herein and should not affect the validity or enforceability of the remainder of this Agreement.

Section 7.15. No Third Party Beneficiaries. Nothing in this Agreement, expressed or implied, is intended to confirm any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns.

Section 7.16. Business Days. If the date this Agreement establishes for a party's performance of an obligation or delivery of a notice is not a Business Day, the date for such performance or for the delivery of such notice is automatically extended to the next Business Day.

Section 7.17. Amendment. No modification, supplement, termination, consent or waiver of, or to, any provision of this Agreement, nor any consent to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the RDC and TASUS. Any waiver under this Agreement, or any consent to any departure from the terms of this Agreement shall be effective only in the specific instance and for the specific purposes for which given.

Section 7.18. Broker's Fees. The City Parties and TASUS shall each be responsible for the payment of their own advisors and professionals they have used relating to the execution of this transaction.

ARTICLE VIII CONTINUED OPERATIONS

Section 8.1. Continued Operations.

(a) TASUS will commence operations of its North American Headquarters, Design and Technical Center at the Property upon completion of the Project. TASUS shall continue operations of its North American Headquarters, Design and Technical Center at the Property—including the employment of at least thirty-four (34) full time professional positions at the Property for a period that minimally coincides with the period of tax abatement granted by the City of Bloomington.

(b) At all times during its operations at the Property, TASUS shall comply with the Bloomington Living Wage Ordinance.

**ARTICLE IX
EVENTS OF DEFAULT**

Section 9.1. Events of Default by TASUS. The term “Event of Default” as used in this Agreement in reference to actions or omissions of TASUS shall mean any one or more of the following events (and the term “default” shall mean any event which would with the passage of time or giving of notice, or both, be an “Event of Default” hereunder):

(a) Subject to unavoidable delay, failure by TASUS to observe and perform any covenant, condition, obligation, or agreement on its part to be observed or performed hereunder within thirty (30) days after written notice to TASUS specifying such failure and requesting that it be remedied (or within such other period as otherwise expressly provided in this Agreement), or within such further period of time as is reasonably necessary to cure such failure, but only if TASUS has within said thirty (30) days provided the RDC with assurances reasonably deemed adequate by the RDC that TASUS will cure the failure as soon as is reasonably possible.

Section 9.2. Remedies on TASUS’s Default. Whenever any Event of Default by TASUS occurs and is continuing, the RDC may take any one or more of the following actions and/or any other action permitted in this Agreement or by law:

(a) Upon thirty (30) days written notice by the RDC to TASUS, suspend its performance under this Agreement until it receives assurances from the TASUS, reasonably deemed adequate by the RDC, that TASUS will cure its default and continue its performance under this Agreement;

(b) If the event of Default occurs prior to Closing, and exists beyond any applicable cure period, the RDC may cancel and rescind this Agreement;

(c) In the event TASUS fails to commence construction of the Project as provided by this Agreement, the Property shall revert to the RDC upon the RDC’s return of the Purchase Price to TASUS; or

(d) Take whatever action at law or in equity may appear necessary or desirable to the RDC to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of TASUS under this Agreement, which action includes reimbursement of its reasonable expenses and attorney fees arising from the enforcement.

Section 9.3. Events of Default by the RDC. The term “Event of Default” as used in this Agreement in reference to actions or omissions of the RDC shall mean any one or more of the following events (and the term “default” shall mean any event which would with the passage of time or giving of notice, or both, be an “Event of Default” hereunder):

(a) Failure by the RDC to observe and perform any covenant, condition, obligation or agreement on its part to be observed or performed hereunder within thirty (30) days after written notice to the RDC specifying such failure and requesting that it be remedied (or within such other period as otherwise expressly provided in this Agreement), or within such further period of time as is reasonably necessary to cure such failure, but only if the RDC has within said thirty (30) days provided TASUS with assurances reasonably deemed adequate by TASUS that the RDC will cure the failure as soon as is reasonably possible.

An “Event of Default” shall not occur if the failure to perform is the failure of the relevant fiscal authority to: (1) appropriate necessary sums, or (2) provide required statutory or city ordinance approvals.

Section 9.4. Remedies on the RDC’s Default. Whenever any Event of Default by the RDC occurs and is continuing, TASUS may take any one or more of the following actions and/or any other action permitted in this Agreement or by law:

(a) Upon thirty (30) days written notice by TASUS to the RDC, suspend its performance under this Agreement until it receives assurances from RDC, reasonably deemed adequate by TASUS, that the RDC will cure its default and continue its performance under this Agreement;

(b) If the event of Default occurs prior to Closing, and exists beyond any applicable cure period, TASUS may cancel and rescind this Agreement;

(c) Take whatever action at law or in equity may appear necessary or desirable to TASUS to collect payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement, which action includes reimbursement of its reasonable expenses and attorney fees arising from the enforcement.

Section 9.5. No Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

Section 9.6. Notice of Default. In order to entitle the RDC or TASUS to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be explicitly required by this Agreement or by appropriate law.

{Signature page follows this page}

IN WITNESS WHEREOF, the RDC and TASUS have caused this Agreement to be duly executed and on its behalf, on or as of the date first written above.

BLOOMINGTON REDEVELOPMENT COMMISSION

By: _____
Donald Griffin, President

TASUS CORPORATION

By: _____
Melanie Walker, President & CEO

TGNA Holdings, LLC

By: _____
TASUS Corporation, Member
Melanie Walker, President & CEO

This is the signature page to the Project Agreement by and between the City of Bloomington, Indiana, by and through the Bloomington Redevelopment Commission and Tasus Corporation and TGNA Holdings, LLC.

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EXHIBIT A

PROJECT DESCRIPTION

The Project includes the following improvements, together with local public improvements and supporting infrastructure, as generally described below:

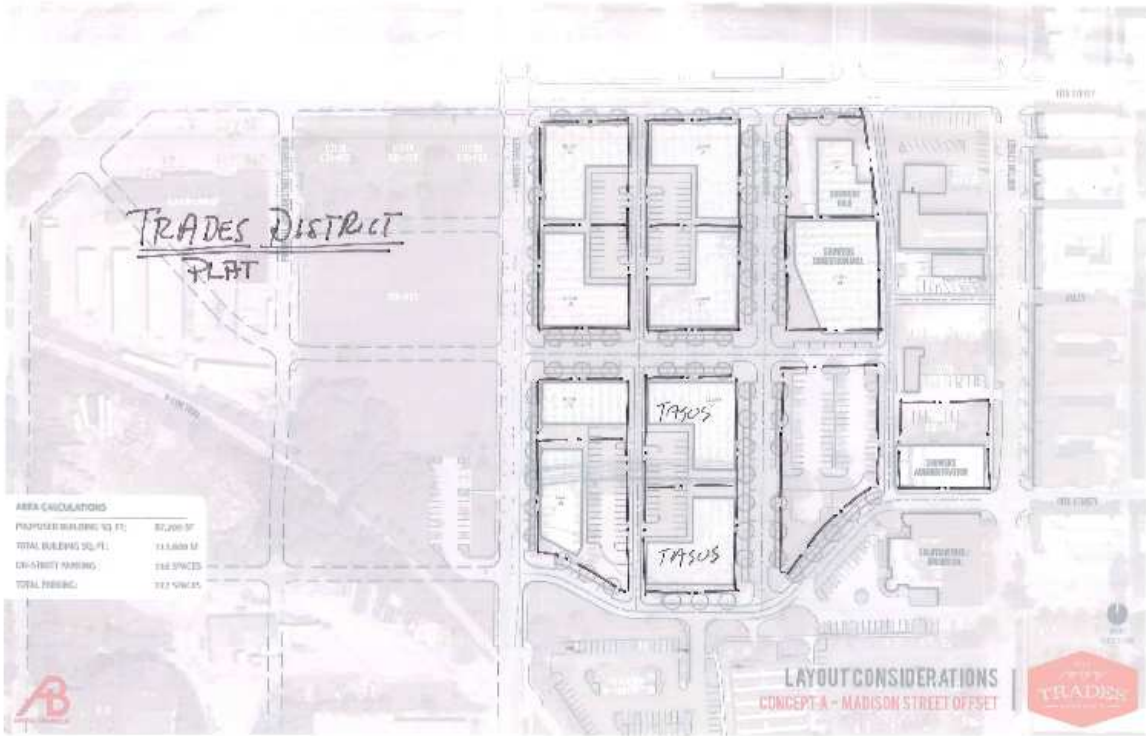
The Tsuchiya Group project will consist of the design and construction of a new research and development center with headquarters offices for the company's corporate staff. This new building will complement the renovation of the Dimension Mill, and activate the private investment in the Trades District. The incentives provided by the City of Bloomington will lessen the tax burden during the initial years of occupation, allowing the company to invest more heavily in staff expansion, training, and additional R&D equipment.

At the Tsuchiya Group building, the company will design, develop, and test automated manufacturing equipment that will be used at the company's various North American manufacturing sites. The equipment is typically custom designed by Tsuchiya Group engineers to meet the specific needs for the manufacturing plants and their customers. The company will also conduct various materials testing for automotive applications. The building will also serve as the company's North American corporate headquarters. It will be the home of corporate staff in engineering, operations, marketing, sales, finance, and human resources. These departments oversee their respective departments for all North American facilities. The company estimates the creation of at least eighteen (18) new full-time positions, in addition to the thirty-four (34) current employees.

EXHIBIT B
PROPERTY DESCRIPTION

The legal description of the Property shall be determined and incorporated into this Project Agreement upon completion of the survey and platting of The Trades District, as provided by the Project Agreement, and such legal description shall form the basis for the Limited Warranty Deed issuing hereunder. In addition thereto, access, ingress and egress easements shall be determined, described, and conveyed by RDC to TASUS as necessary and incidental to the construction and operations contemplated by this Agreement.

**EXHIBIT B-1
MAP OF THE PROPERTY**



**EXHIBIT C
CERTIFICATE OF COMPLETION**

The undersigned hereby certifies to the City of Bloomington, Indiana by and through the Bloomington Redevelopment Commission (“Redevelopment Commission”) that TASUS Corporation (“TASUS”), has substantially completed the Project, as defined in that certain Project Agreement by and between the Redevelopment Commission and TASUS, dated and effective as of _____ as the same may be amended from time to time (the “Project Agreement”) and has fully satisfied TASUS’s obligations to commence and complete construction of the Project.

TASUS Corporation

By: _____
Printed: _____
Title: _____